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Senate

The Senate met at 11 a.m. and was called to order by the President pro tempore [Mr. THURMOND].

The PRESIDENT pro tempore. Today's prayer will be offered by our guest Chaplain, Father Damian Zuerlein, Our Lady of Guadalupe, Omaha, NE.

PRAYER

The guest Chaplain, Father Damian Zuerlein, offered the following prayer:

In the presence of the God who called the universe into being we pray:

God of infinite wisdom and constant compassion, we call on Your Spirit to open our hearts to hear You. We know that You always accompany us no matter where our journeys lead. For You are the God not only of this moment; You are the God of forever. Today may Your love grace the Members of the United States Senate, their staffs, and all who work with them.

O God, may they help complete the work You have begun in our country. May a spirit of mercy, wisdom, and gentleness flow through them that will bring healing where there is hurt, peace where there is violence, justice where there is alienation, hope where there is despair, and beginnings where there are dead ends.

Waken in them, O God, gratitude for Your gifts, mystery in the mundane, welcome for strangers, love for every living thing, praise for You. May they always walk with God, live in God, and remain with God this day and forever. Amen.

PLEDGE OF ALLEGIANCE

The Honorable WAYNE ALLARD, a Senator from the State of Colorado, led the Pledge of Allegiance as follows:

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

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDING OFFICER (Mr. ALLARD). The Senator from Nebraska.

Mr. HAGEL. I thank the Chair.

FATHER DAMIAN ZUERLEIN

Mr. HAGEL. Mr. President, first, before we get on to today's schedule, I wish to commend my friend, the guest Chaplain, this morning. Father Damian is extended best wishes and thanks from this body. Father Damian and I share a few things in common. One is we graduated from the same high school just a few years apart—actually, Mr. President, many years apart. Father Damian had the unenviable task of trying to redefine the standards that my brothers and I debased at St. Bonaventure High School and Scotus High School in Columbus, NE—not an easy task but one that he achieved with great dignity and success.

We are very proud of Father Damian for many reasons. He is pastor of two Catholic parishes in Omaha—St. Agnes and Our Lady of Guadalupe in south Omaha.

Mr. President, you know a little bit about ethnic areas, coming from Colorado. Father Damian has done as much to bring the Hispanic community of Nebraska—indeed, middle America—together as any one individual I have known in the last few years, and he has done it with remarkable ability, with common sense and truth. People respect him not just because he wears the Lord's uniform but because he has done it the right way; he brings respect and dignity to all whom he touches; he conveys that as he deals with people. We are very proud of what he has been able to accomplish in our community and across the Midwest, aside from being nationally recognized for his achievements with many recognitions and honors. We are very proud to have him among us this morning.

And again, on a personal note, it is wonderful to see Father Damian after making the trek to Washington. Under the able tutelage of our resident Chaplain, Dr. Lloyd Ogilvie, I know he has learned much this morning.

Mr. REID. Mr. President, will my friend from Nebraska yield for a moment?

Mr. HAGEL. Yes.

Mr. REID. I think it is appropriate to say in front of the good priest that people in Nebraska are well served by the two Senators who come from Nebraska. I am sure he is very proud of the work Senator HAGEL and Senator KERREY perform for Nebraska in the Senate.

Mr. HAGEL. I thank the Senator. As a matter of fact, as the Senator knows, there was a little reception and party for my distinguished senior colleague, Senator KERREY of Nebraska, last night. Father Damian was able to participate and extend his long arm of justice and spiritual guidance over that gathering, even in the midst of some bandits who attended. The real coup de grace of last night's event was the distinguished senior Senator from New York toasting our colleague, Senator KERREY—an old Navy toast. I observed that I never believed that serving in the Navy was a particular virtue, but nonetheless he was toasted with the Senator's eloquent remarks.

I thank the Senator.

SCHEDULE

Mr. HAGEL. Mr. President, today the Senate will resume consideration of H.R. 4444, the China PNTR legislation. Under a previous agreement, there are 10 amendments remaining for debate. Those Senators who have amendments on the list are encouraged to work with the bill managers on a time to complete debate on their amendments. Senators can expect votes on amendments to occur throughout today's session. Also, under the agreement, there

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are up to 6 hours of general debate remaining on the bill. It is hoped that action can be completed on this important trade bill by late this week or early next week.

I thank my colleagues for their attention.

RESERVATION OF LEADER TIME

The PRESIDING OFFICER (Mr. ALLARD). Under the previous order, the leadership time is reserved.

TO AUTHORIZE EXTENSION OF NONDISCRIMINATORY TREATMENT TO THE PEOPLE'S REPUBLIC OF CHINA

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of H.R. 4444, which the clerk will report.

The legislative clerk read as follows:

A bill (H.R. 4444) to authorize the extension of nondiscriminatory treatment (normal trade relations treatment) to the People's Republic of China, and to establish a framework for relations between the United States and the People's Republic of China.

Pending:

Wellstone amendment No. 4118, to require that the President certify to Congress that the People's Republic of China has taken certain actions with respect to ensuring human rights protection.

Wellstone amendment No. 4121, to strengthen the rights of workers to associate, organize and strike.

Smith (of N.H.) amendment No. 4129, to require that the Congressional-Executive Commission monitor the cooperation of the People's Republic of China with respect to POW/MIA issues, improvement in the areas of forced abortions, slave labor, and organ harvesting (divisions 1 thru 5).

Hollings amendment No. 4134, to direct the Securities and Exchange Commission to require corporations to disclose foreign investment-related information in 10–K reports.

Hollings amendment No. 4135, to authorize and request the President to report to the Congress annually beginning in January, 2001, on the balance of trade with China for cereals (wheat, corn, and rice) and soybeans, and to direct the President to eliminate any deficit.

Hollings amendment No. 4136, to authorize and request the President to report to the Congress annually, beginning in January, 2001, on the balance of trade with China for advanced technology products, and direct the President to eliminate any deficit.

Hollings amendment No. 4137, to condition eligibility for risk insurance provided by te Export-Import Bank or the Overseas Private Investment Corporation on certain certifications.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

AMENDMENTS NOS. 4118 AND 4121, WITHDRAWN

Mr. REID. In an effort to expedite this legislation, I ask unanimous consent that amendments Nos. 4118 and 4121 be withdrawn.

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

Mr. REID. Mr. President, I ask unanimous consent that Russ Holland, a fellow in my office, be granted floor privileges during the consideration of H.R. 4444.

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

Mr. REID. Mr. President, I further ask unanimous consent that 30 minutes of the time controlled by the Democratic leader, Senator DASCHLE, with respect to this legislation be under the control of the Senator from Iowa, Mr. HARKIN; further, that the additional 10 minutes of morning business time be designated to be controlled by the Senator from Florida, Mr. GRAHAM, that that be done this morning; and following Senator GRAHAM, Senator KENNEDY be recognized for up to 10 minutes.

The PRESIDING OFFICER. Is there objection?

The Chair hears none, and it is so ordered.

Mr. HAGEL addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. HAGEL. May I ask unanimous consent that after Senator KENNEDY, Senator CRAIG would be allowed to speak for up to 10 minutes.

The PRESIDING OFFICER. Is there objection?

Mr. HOLLINGS. Wait a minute, Mr. President. I was told to be here at 11 o'clock. We have these amendments. We are trying to give everybody 10 minutes here or there, so I am starting, instead of 11 o'clock, I guess we are going to 11:30, quarter to 12, and we are trying to get through these amendments. I am trying to move to the State-Justice-Commerce appropriations bill.

So what is the disposition here? What do the managers of the bill wish?

The PRESIDING OFFICER. There was an order that each leader have 10 minutes for morning business. That was ordered from last night.

Mr. HOLLINGS. Very well.

Mr. REID. Mr. President, if I could say to my friend from South Carolina, the schedule has been delayed this morning, of course, because of the speech by the Prime Minister of India, and we got started much later than we anticipated. Senator GRAHAM has been seeking an opportunity for quite some time to be able to speak on an issue that is very important to him, as has Senator KENNEDY. So the time agreements will just have to start when we finish the morning business.

The PRESIDING OFFICER. The Senator from Florida.

Mr. GRAHAM. I thank the Chair.

PRESCRIPTION MEDICATION

Mr. GRAHAM. Mr. President, prescription medication is one of the most significant issues before the family of America. Unfortunately, the family is hearing most of this through 30-second television ads. These ads tend to be long on rhetoric and short on substance.

I hope the Senate can serve its national purpose as a great deliberative body by bringing some deeper focus on an issue which affects, in the most intimate way, tens of millions of our citizens. I hope I can contribute to this by a series of floor statements on different aspects of this important national issue of prescription medication, especially for older Americans.

Older Americans often must take their medicine on a daily basis. It is important that the Senate also get a daily dose of reality of life for those older Americans. I invite my colleagues with similar or differing perspectives to join me so we can have a daily discussion on this important issue. I am pleased today to be joined by my colleague, Senator KENNEDY, and invite others to join.

We have before the Senate the opportunity to achieve a broadly shared objective—reforming Medicare. Many of my colleagues have discussed Medicare reform in the context of administrative changes and organizational restructuring. While there is certainly merit to that discussion, I believe the most fundamental reform that must be made to the Medicare program is changing Medicare from a program that is based on acute care, illness, treatment after the fact, and to move it to a program that emphasizes prevention, wellness, and the maintenance of the quality of life. That is the fundamental reform we must make in Medicare.

To accomplish this shift we must first recognize that the face of health care has changed dramatically since the inception of Medicare in 1965. Thirty-five years ago, America's health care system was almost wholly reacting. Patients sought help from chronic conditions that flared up, or waited to see a doctor when acute conditions hit or if they had a serious accident. Their care was typically delivered in hospitals. Medicare responded to this acute care, hospital-based health care system.

The fundamental reason the program was structured as such was based on the fact that most Americans lived only a few years after they reached retirement. As we know from our colleague, Senator MOYNIHAN, the original rationale for 65 as the basis of retirement was the fact that date was set in Europe at the end of the 19th century when the average life expectancy of a European male was only 62. There was a high degree of cynicism in the selection of that date. That date has continued to be an important part of our culture. Only a few decades ago the average American could only expect 7 years of life expectancy after they reached 65. Today the average American has almost 20 years of life expectancy after they reach the age of 65, and by the end of this century an American can expect almost 30 years of life expectancy after attaining the age of 65.

We must reform Medicare to assure that today's seniors can spend that gift of years living healthy, productive lives. This can be done if we make an investment in prevention care, which

includes screening, early intervention, and the management of the conditions which are detected through those early interventions.

The Medicare program should treat illness before it happens. New preventive screening and counseling benefits of the Medicare program give us that opportunity. The U.S. Preventive Services Task Force and the Institute of Medicine have recommended to the Congress that we add new preventive screening and benefits to the Medicare program. These benefits will address some of the most prominent underlying risk factors for illness that face all Medicare benificiaries. These include coverage for medical nutrition therapy for seniors with diabetes, cardiovascular disease or renal disease, screening for hypertension, counseling for tobacco cessation, screening for glaucoma, counseling for hormone replacement therapy, screening for vision and hearing, expanded screening and counseling for osteoporosis, and screening for cholesterol.

In addition to adding to our current relatively short list of preventive efforts within Medicare, we need to change the basic structure of how Medicare goes about determining when a new preventive methodology is both medically appropriate and cost effective. Today we rely upon the conventional congressional process to add new prevention methodologies. What I believe we should do is to establish a scientific nonpartisan basis to arrive at these determinations. I suggest we assign this responsibility to the Institute of Medicine and direct that institute conduct ongoing studies of prevention methodologies to assess their scientific validity and economic cost effectiveness. When they make such a determination, they should submit it to Congress, and Congress, using a fast-track process, as we typically do in trade matters, would make a determination either to accept or reject but not to modify those recommendations made by a scientific panel. I believe that approach would assure us that we would be providing to our older citizens the most modern scientifically tested means of maintaining a high standard of living.

It is critical that we assure Medicare beneficiaries, both present and future, those most appropriate health care possibilities. By making preventive care the cornerstone of Medicare reform, we can do just that.

This discussion of a new Medicare, a Medicare focused on wellness, reminds me of an anecdote. A man walks into the doctor's office and the doctor says: I have both good news and bad news. The good news is that because we have done a screening process we have detected your disease early and we have the opportunity to prescribe the medicines and other medical treatments to stop its spread and reverse its adverse effect on your health. The bad news is you cannot afford the medicine to do this.

Sadly, this is not a joke. The list of diseases that were once fatal and are now preventable is long and growing. Years ago, people with high cholesterol could almost count on developing heart disease. Today, cholesterol levels can be kept in check with a number of drugs. One of those is Lipitor, a widely prescribed drug for high cholesterol. This drug has an average yearly cost of nearly $700. As with many other near-miracle drugs, Lipitor is too expensive for many seniors. Yet Medicare, the Nation's commitment to take care of its elderly and disabled, does not cover Lipitor or most other outpatient drugs. Medicare will, however, pay for the surgery after the heart attack which that man is likely to have because he was unable to treat his condition while it was still subject to management.

That policy may have made sense in 1965 when the man would only live a few years after retirement. Are we prepared in the year 2000 to tell an American who reaches 65 and has an average of almost 20 years of life expectancy that we are going to treat them only after they have a heart attack; that is the point when we are going to provide access to the means of managing a health condition?

I will soon address the critical link between prescription medications and preventive medicine. Prevention and prescription drugs are a key to a modern health care system for our Nation's seniors. This Senate should contribute to delivering that key, and do it now.

SENATE AGENDA

Mr. KENNEDY. Mr. President, I yield myself 8 minutes.

First of all, I commend my friend and colleague from Florida on an excellent presentation and one that commends itself to the common sense of all of us in the Senate.

The fact is the Medicare program was built upon the existing programs in 1965. Since that time, we have discovered the importance of preventive health care—how important it is in keeping people healthy and how important it is for actually saving Medicare funds over a long period of time. The Senator from Florida has indicated a pathway we might follow to deal seriously with these issues. We should not have to explain to this body that for every $1 we spend for immunizations, we save $8 to $9 by preventing disease.

I admire and am a strong supporter of the administration's series of recommendations for preventive care. The Senator from Florida has outlined a process and system where we can finally take action on these recommendations.

The bottom line is the Budget Committee doesn't take into consideration the savings from preventive care so this body has been extremely slow in enacting these programs. But these preventive measures make a great deal of sense. They make sense for ensuring good quality health care for the families of this country, and they make sound economic sense. I certainly agree with the Senator that along with preventive care, we ought to understand the importance of prescription drugs. I think what he has outlined today is enormously important for us to consider.

I will take a few moments to move beyond this very excellent presentation into what the challenge is for all of us in the Congress over these next 5 weeks. There is time, I believe, to take action on a good prescription drug program. We have, now, two different systems which have been offered to the American people. The first is the proposal that was advanced initially by President Clinton and is now enhanced by Vice President GORE. The proposal has been changed—not really dramatically—but I think it has been more carefully attuned to the needs of Medicare enrollees than the alternative which has been presented by Governor Bush.

I hope even in the short time that remains—when we conclude the action on trade issues we still have more than 3 weeks of Senate time—I hope we can still take action on a minimum wage. Every Member of this body knows that issue well. We know what is before us. We ought to take action on the Patients' Bill of Rights. We have a bipartisan effort to try to do that. There have been some suggestions and recommendations in order to accommodate some of those who voted against this previously. We now, hopefully, will gain support for those proposals.

Finally, and very importantly, the other remaining issue which is of vital importance to seniors is a prescription drug program. Let me mention quickly some of the concerns I have about this program and some of the advantages that I believe are in the Vice President's program.

The Vice President's program is built upon Medicare. We have heard on the floor of the Senate the Medicare system is a one-size-fits-all program. The fact is that seniors understand Medicare. They support Medicare. They understand there have to be some changes in the Medicare program but, nonetheless, it is a tried, tested process and it is one which offers the necessary flexibility.

What has been proposed by the Vice President is a prescription drug program that goes into effect a year from now, and is gradually phased in over a period of time. The seniors of this country would have a benefit for prescription drugs a year from now. I think that is very important and one of the most compelling parts of the Vice President's program.

The alternative is the proposal offered by Governor Bush. I read here from the Governor's own proposal. It says in his proposal that effectively it will be a block grant program that will in effect ensure low-income seniors do not have to wait for overall reform.

Our seniors ought to have some pause, because he is talking about

overall reform of the Medicare system. That ought to bring some pause. We do not really know what overall reform is. I think most seniors would say: We have confidence in the Medicare system. We want a program that will get the benefits to us quickly.

He says that low-income people will not have to wait for the overall reform. We are not sure what that really means. To have your prescription drugs covered, Governor Bush will establish the immediate helping hand which will provide $48 billion to States for 4 years to deal with low income seniors. So it will be 4 years before 27 million seniors will be able to participate because there are 27 million seniors who do not fall within Governor Bush's definition of those who need an immediate helping hand. Those 27 million seniors will wait 4 years—and then wait for the overall Medicare reform. The Vice President's plan goes into effect 1 year from now.

Second—and I think enormously important—is what we call the guaranteed benefit. This is very simple. A guaranteed benefit means the doctor will make the decision on your prescription drug needs. When seniors go in—whatever their condition, whatever their disease, whatever their problem—the doctor makes the recommendation as to what prescription drug is needed. That is fundamental. That is the guaranteed benefit.

That is not true with regard to the Governor's proposal. It will be the HMO that the individual is enrolled in that will decide. We will find that the HMO will make the decision about what prescription drugs are covered—whether it will be the only drug on the HMO's formulary, or whether other kinds of prescription drugs will be permitted to be used.

That is interesting, is it not, Mr. President? Most seniors want the doctor to make the recommendation. This underlies the basic difference between our two parties on the prescription drug issue.

We are for the Patients' Bill of Rights so doctors are allowed to make health care decisions. We want to make sure that doctors are going to make decisions about prescription drugs rather than turning this right over to the HMO.

Finally, what is being established under the Gore proposal is very clear. The government and the Medicare beneficiary will have a shared responsibility in paying for prescription drugs. There will not be any deductibles. There will be a premium, and half of the premium will be paid for by the Federal Government.

Under the Bush proposal, we do not know what the HMO is going to charge. There is no prohibition against a deductible and we do not know what the copayments will be. We have no idea what the premium will be. The Governor says the government will pay 25 percent of whatever the premium is, but there is no assurance to seniors that there is not going to be a sizable deductible in that program. The size of the deductible is a mystery.

Under the Vice President's program, we can give assurance today that when the program goes into effect, as part of the Medicare program, whatever that senior citizen needs, if the doctor prescribes it, that senior citizen will get it.

Those who are opposed to Vice President GORE's program, who support the Governor's proposal, cannot make that claim. They cannot tell us what the premiums are going to be over a period of time because they are not spelled out, at least in the papers that have been made available.

The only thing that we know—which causes many of us a great deal of concern—is that after 4 years, after overall reform of the Medicare system, then there will be a program for prescription drugs. That is a long time to wait. That is a very long time to wait. What I have found in my State is that people want a prescription drug program and they need it now.

The PRESIDING OFFICER. The Senator's 8 minutes have expired.

Mr. KENNEDY. Mr. President, the final points I want to make are that 70 percent of Medicare beneficiaries, more than 27 million seniors, will not even be eligible for Governor Bush's immediate helping hand program.

Finally, the nation's Governors have already rejected the block grant approach. Republican and Democratic Governors have said: This will be a massive administrative nightmare for our States; we do not want the responsibility even if it is going to be funded. We can understand that.

We have an important opportunity to make a difference for our seniors with a good prescription drug program. Let's reach across the aisle. Let's join forces. Let's try to get the job done before we recess. The opportunity is there. We are willing to do that, but we need to have a response from the other side and a willingness of the Republican leadership to try to get the job done.

I yield the floor.

The PRESIDING OFFICER. The Senator's time has expired. The Senator from Idaho has 10 minutes.

Mr. CRAIG. Mr. President, while I came to the floor to speak on another issue, before I do that, I want to respond to the remarks of the Senator from Massachusetts.

There is a very real difference between what Vice President GORE is talking about and Gov. George Bush is talking about. Senator KENNEDY has effectively outlined it today. Senator KENNEDY said let the Government run your health care; let the Government make your choices; let the Government control the process.

The seniors of America do want choice. They want the same kind of health program Senator KENNEDY has and this Senator has. They want choice, and they want flexibility in the marketplace. That is the kind of program we are talking about offering them.

I cannot imagine we would want another federalized health care program where the Government tells the senior community of our country what kind of prescription drug they will get and where they will get it.

Those are very real differences that I am afraid were avoided in the comments this morning.

FALN CLEMENCY

Mr. CRAIG. Mr. President, I came to the floor to talk about a significant date in this Nation's fight against terrorism. This week marks the Clinton-Gore administration's decision to jeopardize American lives by surrendering to one of the most violent terrorist groups ever to operate on this country's soil.

One year ago this week, President Clinton opened the jailhouse doors for 11 members of a terrorist group known as the FALN, which is dedicated to the violent pursuit of Puerto Rican independence. The FALN has claimed responsibility for some 130 bombings at civilian, political, and military sites in the United States. In all, the group murdered six Americans and maimed, often permanently, 84 others, including law enforcement officers.

On one occasion, members attacked a Navy bus in Puerto Rico killing two sailors and wounding nine others. As a result, 16 members of this violent terrorist group were convicted of dozens of felonies against the United States, and as soon as these 16 were in prison, the bombings stopped.

I note that these violent terrorists were convicted of at least 36 counts of violating Federal firearms control laws. So at the same time the Clinton-Gore administration was demanding more gun control—and we have heard it for hours and hours on end on the floor of the Senate and certainly the White House has spoken openly for gun control over the last number of years—not only were they failing to enforce current gun laws already on the books, but when those laws are enforced, they brush aside felony convictions as a political favor to their friends.

Mr. INHOFE. Mr. President, will the Senator yield?

Mr. CRAIG. Mr. President, I yield to the Senator from Oklahoma for a moment to speak specifically about how this administration has mishandled the gun control laws of our Nation.

Mr. INHOFE. Mr. President, I will add to my friend's thoughtful analysis. This is yet another example of the President's apparent lack of concern for the rule of law. All year long, the administration has berated the Republican majority for not doing enough on controlling gun violence. Yet at the same time, by releasing these terrorists, he has set aside 36 specific Federal firearms convictions pertaining to:

Possessing an unregistered firearm;

Possession of firearms during the commission of seditious conspiracy;

Transport of firearms with intent to commit seditious conspiracy;

Possession of firearm without a serial number;

Conspiracy to make destructive devices.

Let there be no mistake, these were not people merely exercising their first amendment right of freedom of speech. They are responsible for the deaths of six Americans and the injury of at least 84 others.

One has to wonder why the administration will not simply enforce existing law. The record shows the Clinton-Gore administration has not enforced Federal gun laws, and more disturbing, they have conveniently forgotten the law if it suits their political ends. I believe the President's efforts for these terrorists were just that.

Mr. CRAIG. Mr. President, I thank my colleague from Oklahoma. He so clearly spells out the frustration Americans have when we are going to be tough against terrorism and then see a President offering clemency.

In 1982, the FALN detonated four powerful bombs in New York's financial district and demanded better treatment for 11 of their jailed comrades and members. One year ago this week, President Clinton freed 8 of those 11, shredding the longstanding policy of the United States of not granting concessions to terrorists.

Any reasonable American has to ask, Why would the President do it? What is he doing setting violent terrorists free to once again roam the streets of America? None of these terrorists contested the evidence brought against them at trial. None of these terrorists apologized to their victims. In fact, at least one of the freed terrorists stated that he felt no remorse whatsoever for his crimes. None of these terrorists were ever asked to be let out of prison. The FBI asked the President not to do it. The Federal Bureau of Prisons asked the President not to do it.

Had he bothered to ask the victims of the FALN and their families, they would have begged him not to do it. He did it anyway, and we are not quite sure why.

Internal White House documents tell us, ''The Vice President's Puerto Rican position would be helped,'' clearly demonstrating an impulse to jeopardize public safety for political gain. Political gain by setting terrorists loose.

A former political adviser to President Clinton put it this way:

> Anyone who doesn't believe the timing, and the likely substance of [President Clinton's] decision was linked to the [First Lady's] courtship of New York's large Puerto Rican [community] is too naive for politics.

If there is one thing this administration has accomplished in its 8 years, it is to shatter my naivete or my trust that when the President stands up and speaks, that there is not some political or clandestine motive behind his very actions.

One year later, what do we have? Eleven violent terrorists at large on our streets; two more to be released this coming year. True, there have not been any killings that we can link to the terrorists since that time, but they are loose on the streets of America demonstrating at least that this President has violated a cardinal rule in our country: the United States does not make concessions to terrorists.

For that action, one year ago today, Democrats and Republicans stood on this floor and condemned this deplorable act. Interestingly, when I began to look into this, I saw that AL GORE's running mate Senator JOE LIEBERMAN stood up to the President and condemned his actions. Even the First Lady stood up to the President and condemned his actions. Just about the only politician in Washington who has yet to stand up to Bill Clinton is Vice President AL GORE.

As Vice President of the United States, AL GORE could have intervened. He could have talked to the President, said that this is madness to let terrorists loose after they have been convicted, to shred gun control laws. But AL GORE did not lift a finger to protect the FALN's next victims. All he said was, quote:

> I'm not going to stand in judgment of his decision.

Not going to stand in judgment? When a madman killed 168 people in a single bombing in Oklahoma City, AL GORE said, and I quote:

> [T]o those of you who doubt our resolve in America, listen closely. If you plot terror or act on those designs, within our borders or without, against American citizens, we will hunt you down and stop you cold.

I guess what he is saying is: Bomb innocent Americans, and AL GORE will stop you cold. But if you use small bombs, and you only kill a few Americans, and you fit our political needs, then we will release you.

Mr. Vice President, maybe it is time you stand up and clarify for America what you really believe.

Mr. Vice President, how hard is it to say: ''Violent terrorists belong in jail''? How hard is it to say: ''I will not reward terrorism''? How hard is it to tell the American people: ''I will not release violent terrorists from prison for political gain''?

AL GORE is going to be in Manhattan today. I hope he will visit the corner of Pearl and Broad Streets where Bill Newhall was maimed, and where Frank Connor, Alex Berger, Harold Sherburne, and Jim Gezork lost their lives to an FALN bomb. Perhaps that will help AL GORE make up his mind.

Or perhaps AL GORE should ask his running mate, Senator JOE LIEBERMAN, how to stand up to Bill Clinton. Maybe Senator LIEBERMAN could convince his running mate to stand up for the rights of innocent Americans against those who perpetrate violence. Maybe then AL GORE can prevent the President from putting more American lives in jeopardy.

Mr. President, may I ask how much time I have remaining?

The PRESIDING OFFICER. The Senator's time has expired.

Mr. CRAIG. Mr. President, I yield the floor.

TO AUTHORIZE EXTENSION OF NONDISCRIMINATORY TREATMENT TO THE PEOPLE'S REPUBLIC OF CHINA—Continued

The PRESIDING OFFICER. The Senate is on H.R. 4444. The time is under control.

Who yields time?

Mr. HOLLINGS. Controlled time?

The PRESIDING OFFICER. Six hours evenly divided.

AMENDMENT NO. 4134

Mr. HOLLINGS. Mr. President, I call up amendment No. 4134.

The PRESIDING OFFICER. There is 1 hour on this amendment equally divided.

Mr. HOLLINGS. Mr. President, I have tried, in my feeble ability here over the years, to get the Senate to pay attention to the lack of a competitive trade policy. I had hoped on this PNTR, permanent normal trade relations, with China that we might have a good debate with respect to our trade policy—whether or not the American people approve of it and whether there are some adjustments that should be made. Meanwhile our trade deficit goes up, up, and away.

I was a Senator here in the early 1980s when we had a positive balance of trade. I remember when it reached a $100 billion deficit in the balance of trade; and there were all kinds of headline articles back in the 1980s, that—Chicken Little—the sky was going to fall, and everything else like that.

Now we have been numbed. It has gone to $100, $200, $300 billion, and it approximates to a $400 billion deficit in the balance of trade. They don't even discuss it in the Presidential campaign. And they absolutely refuse to discuss it in the world's most deliberative body. They refuse to deliberate.

They bring a fixed bill to the floor. And it is terribly tough to talk to a fixed jury. But that is the way it is. The jury is fixed. The legislation is fixed. There are no amendments. We send this to the President.

The National Chamber of Commerce, the Business Roundtable, the Conference Board and the National Association of Manufacturers are continuing their export of the industrial backbone of this Nation. Obviously, they make a bigger profit. They could care less about the country.

In fact, years back, the chairman of the board of Caterpillar said: We are not an American company, we are international.

Not long ago, earlier this year, the head of Boeing said: Oh no, we are not a United States company, we are an international company.

And the best of the best, Jack Welch of GE says: We are not going to buy

from our suppliers unless they send those jobs down to Mexico.

There is a good, wonderful Business Week article about that—we are limited in time or I would read it—but that is exactly what he said. Unless his subcontractors went to Mexico, he was going to do business with those who had gone. So we are in one heck of a fix.

They do not understand trade. Free trade is, of course, an oxymoron. Trade is an exchange for something. It is not to give something for nothing. It is not aid. But we have been treating foreign trade—free trade—as foreign aid.

They just ipso facto in those polls: Are you for free trade?

Oh, I am for free trade, obviously.

Obviously, they are trying to say: I am for trade without restrictions and barriers.

But mind you me, we are all for world peace, but we do not disband the Pentagon. As the father of the country said: The best way to preserve the peace is to prepare for war.

The best way to obtain free trade is not to roll over, as we have for the past 50 years, and plead and cry and moan and groan: fair, fair, fair, fair.

Whoever heard of anybody in business being fair? In America, business, unfortunately, is solely for profit. Do not give us any of these ''fairness doctrines'' of the board of directors of corporate America. You have to be able to raise a barrier in order to remove a barrier. You have to compete. All we need is a competitive trade policy.

In that light, let me say at the outset, I am not against China. All of these amendments have been very good ones with respect to the human rights in China, with respect to weapons of mass destruction, with China not keeping its commitments, and so forth. Why should they keep their commitments? Japan never has. Come on. Korea knows that. China learns. Monkey see, monkey do. They said: All you have to do is puff and blow. We'll get together. And America—the United States—will roll over.

So don't come around here berating China. Buy yourself a mirror and look in it. It is the Senate. Article 1, section 8, of the Constitution says: The Congress shall regulate foreign commerce—not the President, not the Supreme Court, not the Special Trade Representative, but the Congress of the United States. And although the Trade Representative is running around trying to forge new agreements that contradict our laws, even those, if they are to take the force and effect of law, have to be in the form of a treaty ratified by this Senate.

So we are way out of kilter and acting with total disregard. We have gone, from the end of World War II, from 41 percent of our workforce in manufacturing down to 12 percent. The Department of Commerce just reported this last month of August, we lost 69,000 manufacturing jobs.

I will never forget the exchange with the former head of Sony up in Chicago. He was lecturing the Third World, the emerging nations, and said for them to become a nation-state, they had to develop a manufacturing capacity. Somewhat afterward, pointing at me, he said: By the way, Senator, that world power that loses its manufacturing capacity will cease to be a world power.

The security of the United States is like a three-legged stool. The one leg, of course, is our values. We are respected the world around for our commitment to freedom and human rights. The second leg, obviously, is the military, the superpower. But the third economic leg has been fractured over the past 50 years, as we have made a very successful attempt to conquer communism with capitalism. We sent over the Marshall Plan. We sent over the technology. We sent over the expertise. But we rolled over with respect to actually enforcing any kind of trade policy.

I testified, some 40 years ago, before the old International Tariff Commission. Tom Dewey ran me around the room. The argument was: Governor, what do you expect these emerging countries, coming out of the ruins of the war, what do you expect them to make? Let them and the Third World countries, let them make the shoes and the clothing, and we will make the airplanes and the computers.

Now I stand on the floor, and our global competition, they make the shoes. They make the clothing. They make the airplanes. They make the computers. They make it all. And we are going out of business.

And as we go out of business, they say this particular initiative, PNTR, is good for business. It is good for their profit, but not, in the long run, good for business, no. They have to have employees. And don't worry about the productivity of the U.S. industrial worker. We have been for 30-some years now rated not only by the Bureau of Labor Statistics but by the international economic section of the United Nations as having the most productive industrial worker in the entire world.

They are working harder and harder and longer hours and are getting paid less than they are in Germany, paid less than they are in Japan and several other countries. The U.S. industrial worker is not overpaid, and he is not underworked. He works more hours than any other industrial worker.

Here we are, in the Senate, blabbing, be fair, whining, be fair, be fair. We continue to heap on the cost of doing business—Social Security, Medicare, Medicaid, minimum wage, safe working place, safe machinery, plant closing notice, parental leave. You can go right on down the list of all of these things we think up, and we, on a bipartisan basis, support them all. That goes into the cost of doing business. So since NAFTA, 38,700 jobs have left the little State of South Carolina and gone down to Mexico where none of those conditions I just mentioned are required, and they have the audacity to stand in the well and say NAFTA worked.

They told us at the time of the NAFTA vote it was going to create jobs; 200,000 is the figure they used. The Chamber of Commerce, the NAM, Business Roundtable, the Secretary of Commerce, the President of the United States: We are going to create 200,000 jobs.

We have lost 440,000 textile jobs alone since NAFTA. I don't know how many jobs they have lost up in New Hampshire, but I am confident I can go over to the Department of Labor and find out. Jobs are our greatest export. Export, export, from those who have never really been in trade—I practiced customs law—they keep hollering, export, export. The biggest export we have is our jobs.

I am not against China. I am against us. That is who I am trying to awaken with these amendments, trying to engage in a debate so we can learn from a country with a $350- to $400 billion trade deficit, costing 1 percent of our GNP. They keep saying: Watch out, that dollar is going to have to be devalued. You watch it, when that happens, interest rates go up. Then they will all be whining around here.

I remember the little $5 billion we put in some 25 years ago—we were trying to create jobs—$5 billion for the highways, just to advance highway construction, just to create jobs. Five billion? We have lost billions of dollars just this last month, way more than $5 billion in jobs; I can tell you that.

The idea is, as President Lincoln said, and there is no quote more appropriate:

> The dogmas of the quiet past are inadequate to the stormy present. The occasion is piled high with difficulty, and we must rise with the occasion. As our case is new, so we must think anew and act anew. We must disenthrall ourselves, and then we shall save our country.

That was in his annual message to the Congress back in December of 1862. We must disenthrall ourselves. We must act anew, think anew, disenthrall ourselves, and try to save us, the great Yankee trader from New Hampshire, and all of those other Northeastern States. We had all this agriculture down South, and we believed in all that international trade. That was the Civil War. That famous Yankee trader has rolled over now, and he has gone overseas.

We are definitely not against China. I could talk at length about their human rights policy. Their first human right is to feed 1.3 billion. The second is to house 1.3 billion. The third is to educate 1.3 billion. The fourth is one man, one vote. But, of course, the politicians are running around on the floor of the Congress: We want one man, one vote. You travel there. I was there in 1976 and 1986 and 1996. You go there and you see the progress towards capitalism.

I am for continued trade. I have offered to cut out the ''permanent'' so I

could continue this dialog with my colleagues on the floor to try to get something going of a competitive nature.

We certainly don't go along with Tiananmen Square and everything else such as that, but it works for the Chinese. Suppose you were the head of China. If you let one demonstration get out of hand, another one gets out of hand. You have total chaos, with a population of 1.3 billion. Then nothing gets done. So there has to be some kind of traumatic control; let's be realistic. Don't berate them about their environment right now. It took us 200 years, and we still don't have these waste dumps cleaned up. We still don't have clean air in certain States. Workers' rights, we haven't gotten all of our workers' rights. They don't have a right to a job because they are fast disappearing. That is what it is all about. And it is not against business.

Jerry Jasinowski, the distinguished head of the National Association of Manufacturers, put an article in yesterday's New York Times, entitled ''Gore's War on Business.'' I ask unanimous consent to print the article in the RECORD.

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

[From the New York Times, September 13, 2000]

GORE'S WAR ON BUSINESS

(By Jerry J. Jasinowski)

I've known Al Gore and Joseph Lieberman for years. They are smart, capable men who have a pretty good handle on what makes our economy tick. But judging from their comments in recent days, I'm a bit bewildered. In his speeches, Mr. Gore attacked ''big oil,'' ''the pharmaceutical companies,'' ''big polluters''—in short, corporate America in general.

He seems quite willing to play the populist card even if it distorts the record of corporations, fosters antagonism between company leadership and workers and encourages the very stereotyping that, on other fronts, the Democratic Party claims to be against.

Suddenly business is the enemy. Why, I'm not sure, since the Clinton-Gore team takes such great pains to boast about the economic achievements of the past eight years, including the 22 million new jobs generated by the free enterprise system. Consider the words of Mr. Lieberman in his recent book, ''In Praise of Public Life'': ''We New Democrats believe that the booming economy of the 1990's resulted more from private sector innovation, investment and hard work than from government action.''

Mr. Lieberman got it right. The men and women who make things in America, from skilled workers on the factory floor to innovators in the company lab, have fueled these achievements.

And these workers have been duly rewarded. Today's manufacturing jobs provide an average yearly compensation of $49,000 per worker, nearly 17 percent higher than in the private sector overall.

But great success of business in creating good jobs seems to be lost in this campaign. Mr. Gore and Mr. Lieberman are creating an atmosphere of division between employers and employees at a time when workers and their employers are partners as never before. The newfound angry populism of the Gore-Lieberman ticket distorts the true picture of the American economy and fosters resentment rather than cooperation.

As another centrist Democrat, the late Senator Paul Tsongas, said in his speech at the 1992 Democratic Convention, ''You cannot redistribute wealth you never created. You can't be pro-jobs and anti-business at the same time. You cannot love employment and hate employers.''

This year's Democratic ticket would do well to heed these wise words.

Mr. HOLLINGS. These workers, he says, have been duly rewarded. Not at all. He talks about the manufacturing pay is less than their competition, that they are working long hours. They haven't been duly rewarded. What is the unease, the anxiety that they are talking about? The anxiety they are talking about is having the job. The great success of business in creating good jobs seems to be lost. He should have read the release put out the day before.

I ask unanimous consent to have this NAM report on manufacturing trade printed in the RECORD.

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

NEW NAM REPORT ON MANUFACTURING TRADE FINDS NAFTA RESPONSIBLE FOR HALF OF U.S. EXPORT GROWTH IN 2000

Washington, D.C., August 29, 2000—The National Association of Manufacturers today released the first in a new series of quarterly reports on manufactured goods exports and imports based on Commerce Department data. Manufactured goods dominate U.S. trade, comprising 90 percent of U.S. merchandise exports and 85 percent of merchandise imports.

The new data, which analyze detailed U.S. manufacturing trade by both industry and geographic region, show that NAFTA member countries accounted for an astonishing 54 percent of total manufactured goods export growth for the first half of the year.

''The fact that exports to Canada and Mexico are contributing more to export growth than exports to Asia, Europe and the rest of the world combined clearly shows NAFTA is a big plus to U.S. manufacturers, and underscores the importance of further trade liberalization to the future vitality of American industry'' said NAM President Jerry Jasinowski.

Manufacturers' exports to and imports from NAFTA both were up 18 percent over the first half of 1999, Jasinowski said, noting that Mexico accounted for most of the U.S. export growth, and Canada for the bulk of the import growth from NAFTA.

For the first half of 2000, US manufactured exports overall are up 12 percent compared to the first six months of 1999, Jasinowski said. ''This is a significant turnaround. This time last year, U.S. exports were down by 2 percent. At the same time, strong domestic demand is pulling in imports at a rate of around 20 percent. This is more than double the pace of last year.''

Of the total $228 billion U.S. merchandise trade deficit so far this year, 77 percent has been in manufacturing. While the expanding trade deficits in recent years have been due, in part, to a slowdown in economic growth abroad, the trade imbalance in 2000 is fueled primarily by a very robust domestic economy and a strong dollar.

Manufactured goods trade highlights for the first half of 2000 include:

GEOGRAPHIC TRADE

Manufactured goods exports to NAFTA rose 18 percent in first half of 2000, accounting for more than half of manufactured goods export growth to the world. Exports to Mexico alone increased by 30 percent during the first six months of 2000, and have accounted for nearly one-third of total U.S. manufactured goods export growth so far this year.

Imports from NAFTA have contributed 28 percent of manufactures import growth thus far this year. The majority was from Canada; Mexico accounted for only 13 percent.

Asia contributed 26 percent of U.S. manufactured goods export growth in the first half of the year. Two-thirds came from exports to the Asian Newly Industrialized Economies (NIEs—Hong Kong, South Korea, Singapore and Taiwan). Asia, however, supplied 43 percent of U.S. manufactured goods import growth for the first half of the year.

Although the European Union (EU) normally accounts for about 22 percent of U.S. manufactured goods exports, exports of manufactures to the EU are up only 4 percent so far this year, and the EU accounted for an anemic 8 percent of U.S. manufactures export growth during the first half of 2000. Manufactures imports from the EU, on the other hand, were up 16 percent in the first half of the year, with Germany and the United Kingdom accounting for about half.

INDUSTRIAL COMPOSITION

Durable goods contributed 69 percent of manufactures export growth so far this year. The bulk was composed of computers and electronic products, which have grown by 17 percent through June and alone have been responsible for a third of U.S. manufactures export growth. Forty percent of these exports went to four markets (Canada, Mexico, Japan, and South Korea.)

Durable goods imports constituted 68 percent of manufactures import growth in the first half of 2000. Reflecting strong domestic demand for information processing equipment (which now makes up 47 percent of nonresidential fixed investment), computer and electronic product imports rose by 25 percent through June and have contributed to 28 percent to the growth in overall manufactured goods imports this year.

Non-durable manufactures contributed 31 percent of export growth through June. Half of non-durable export growth has been in chemicals. About 44 percent of these products were shipped to the top four export markets (Canada, Mexico, Japan and Belgium).

Non-durables accounted for a third of import growth through June. The largest product groups were chemicals, apparel, and petroleum and coal products.

Mr. HOLLINGS. You have to read this one line, quoting Jasinowski:

Of the total $228 billion U.S. merchandise trade deficit, so far this year 77 percent has been in manufacturing.

That is a deficit in manufacturing. Can you imagine that, Mr. President? So the leaders of business and the head of manufacturing say get rid of the manufacturing. He seems to be proud of it. If I had found that statistic in my research, I would have secured it and stuck it, or deep-sixed it, or whatever you call it because you didn't really want to publicize the fact that you are losing the manufacturing jobs.

With respect to understanding the need to have a competitive trade policy, the President of the United States was up in New York just last week, and he had his counterpart from London there, Tony Blair. They were talking. The news reports said Tony Blair was worried about 1,000 cashmere jobs. Why? Because we were going to put

some heavy duty tariff on cashmere. For what? For bananas. We don't even produce bananas. Good Lord, have mercy. That is how far out the leadership of this country has gone. We don't even produce bananas. But Europe is not taking some other country's bananas, so we go and say we are going to start a trade war.

The Prime Minister is worried about 1,000 jobs, and here I am worried about at least 800,000 jobs. Tell Tom Donohue of the Chamber of Commerce—he says he is going to create 800,000 jobs. I bet you we will lose that number of jobs with this PNTR. He knows it and I know it. They are all begging for jobs, and the President is worried and everything else of that kind, and even the media don't know what protectionism is. That is what you will soon listen to—protectionism. I hold up my hand to preserve, protect, and defend the Constitution of the United States.

I ask unanimous consent that an article entitled, ''Beware Plausible Protectionists'' be printed in the RECORD.

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

[From The Washington Post, Sept. 12, 2000]

BEWARE PLAUSIBLE PROTECTIONISTS

Sen. Ernest Hollings of South Carolina is known for his crude defense of textile protectionism, which impoverishes bone-poor workers in developing countries. But his current efforts at telecom protectionism are more subtle. He has backed a measure that would block government-owned telephone companies from buying American ones, and inserted it into the Commerce, Justice and State Department spending bill. The provision would torpedo the proposed takeover of VoiceStream, a fast-growing wireless company, by Deutsche Telekom, which is 58 percent owned by the German government.

Mr. Hollings points out that U.S. local phone companies have been restricted from entering the long distance market until they opened their own networks to competitors. He then suggests that government-owned foreign phone companies, which he says enjoy monopolistic profits in their domestic markets, should likewise be forced to open up their home territory before being allowed into the United States. On top of that, the senator suggests that foreign government ownership of American telephone firms raises concerns of privacy and national security. Phone companies can eavesdrop on subscribers, and (in the case of mobile callers) monitor their whereabouts. Should a foreign government be allowed to do that?

Mr. Hollings has assembled a powerful coalition in Congress that shudders at this prospect. But the outrage is unwarranted. The automatic link that Mr. Hollings imples between government ownership and monopolistic profits is too simple: In Germany, Telekom's Deutsche rivals have captured two-fifths of the market for long distance voice calls and nearly half of the market for international calls. Under pressure from World Trade Organizations rules and U.S. negotiators, Germany's government has been encouraging telephone competition as well as gradually reducing its stake in Deutsche Telekom.

Moreover, if Deutsche Telekom or any other firm can be shown to have ''dominant-carrier benefits'' in its home market, the Federal Communications Commission is already empowered to impose conditions on the way it does business here. Equally, the FBI and other law enforcement agencies are empowered to examine mergers and ensure that their phone-tapping powers are not compromised. The privacy issue is addressed by existing law, which protects phone users no matte who owns the phone network. The Hollings legislation is therefore unnecessary.

In an ideal world, all phone companies would be privatized: This would eliminate the danger of anti-competitive subsidies completely. But existing policy grapples sensibly with the real world in which state-owned firms remain part of the landscape: It builds in safeguards against abuses while not depriving U.S. consumers of the benefits of foreign investment. VoiceStream, the wireless firm that Deutsche Telekom hopes to purchase, is itself an illustration of those benefits. With the help of $2.2 billion from partners in Hong Kong and Finland, it has expanded rapidly, creating more than 8,000 jobs for American workers and bringing wireless phone and messaging services to 2.5 million consumers. To preserve that kind of gain, the administration promises to veto any spending bill containing the Hollings language. It would be right to do so.

Mr. HOLLINGS. They said, ''Hollings' crude defense of protectionism.'' They don't know what protectionism is. When you get the Government out of the competition, you do get free capitalistic activity, as Adam Smith said. Followed on by David Ricardo and his so-called comparative advantage, which said when you put the Government in, the Government has the right to print money. The Government certainly is not going to let the industry fail.

Deutsche Telekom had a bond issued earlier this year and got $14 billion. Their stock has gone from 100 down to 40. The fellow brags in the newspaper: I have $100 billion in my back pocket. I am going to buy AT&T, MCI, Sprint, or any of them—they are all subject—and I want total control.

So what he has told you in plain, bold language is that the German Government, which owns Deutsche Telekom, says: Heads up, I'm coming in to buy your companies and get total control.

That is a distortion of the free market. That would be protectionism. I am trying to avoid that and keep the Government out of the market. I was one of the leaders in the 1996 act deregulating telecommunications. So we got the U.S. Government out, but certainly not to put the German Government in. But here they go writing these editorials about I'm a protectionist. They have no idea what's going on. That is how far off we have gotten with respect to trade.

So let's get to the point. What we do is that we trade more. We export more to Belgium. We export more to the city-state of Singapore than we do to the People's Republic of China. We've got a good, viable trade partner there. We don't have any exports. I will get to the technology on another amendment. They said that high-tech is going to do it. The truth is, high tech doesn't create the jobs. I will put it in one line: We have a deficit and a balance of trade in high technology with the People's Republic of China. So mark you me, this is not going to do it whatsoever. So my amendment, which ought to be read simply so we can find out who is telling the truth and find out what the imports and exports are and what the jobs are and where they are going. Here it is:

The Securities and Exchange Commission shall amend its regulations to require the inclusion of the following information in 10–K reports required to be filed with the commission.

This is just information.

The number of employees employed by the reporting entity outside the United States directly, indirectly, or through a joint venture or other business arrangement listed by country; the annual dollar volume of exports of goods manufactured or produced in the United States by the reporting entity to each country to which it exports; the annual dollar volume of imports of goods manufactured or produced outside the United States by the reporting entity with each country.

So we will find out with these reports just exactly where we are and what the competition is, whether they are increasing jobs in the U.S. rather than decreasing. The opposition to this amendment is telling everybody to forget about it, it is another one of those Hollings amendments and we have to send it to the President and we have other more important business—there is no more important business than what is going on on the floor of the Senate—10–K reports.

I don't want to belabor or compound the record itself, but I have in my hand the Boeing 10–K report. For example, Boeing, on its 10–K report, says ''the location and floor areas of the company's principal operating properties as of January 1, 2000.'' I wish you or somebody who is really interested could look at that 10–K report. They have every little item about the square footage.

They know how many employees. They know generally how many employees they have, but they do not say where and what country.

That is all we are asking for—the number of employees; then, the dollar volume of imports and exports, and from whence. That is all.

That is all we are asking for in this particular amendment so we can get that to the Department of Commerce and finally find out.

Back in the 1970s when we were debating trade, the Department of Commerce gave me this figure: 41 percent of American consumption of manufactured goods was from imports. That was 20-some years ago. I know that over half of what you and I consume is imported. We are going out of business. We don't have a strong nation. High-tech is not strengthening whatsoever—temporary employees and software people and Internet billionaires, as Newsweek wrote about the other day. But they are not really the automobile workers and parts workers or industry workers. We have the so-called ''rust belt'' in the United States. Talk how exports—that is the parts they are still

making up there and sending down to Mexico to come back into finished automobiles. The most productive automobile plant in the world is not Detroit. It is down in Mexico at the Ford plant, according to J.D. Powers.

I have the Bell South 10–K report. As of December 31, 1999, they employed approximately 96,200 individuals; 64,000 were employees of the telephone operation, and 55,000 represented the communications workers. They have a lot of detailed information. But all we want is the number and which country. That is all we are asking for with respect to those employees—their imports and exports.

Why did the Boeing machinists lead the parade last December up in Seattle at the World Trade Organization? The premium showcase export industry of the United States was leading the parade against WTO because their jobs have gone to China.

All you have to do is continue to read the different articles.

We have one with respect to our friend Bill Greider, who put out a very interesting article. He wrote when President Clinton promoted Boeing aircraft sales abroad—boy, that was wonderful. He had gotten Boeing. For instance, he did not mention that in effect he was championing Mitsubishi, Kawasaki, and Fuji, the Japanese heavies that manufacture a substantial portion of Boeing' planes; or that Boeing was offloading jobs from Seattle and Wichita to China as part of the deal.

There it is. We are exporting our jobs.

This book is nearly 6 years of age.

But let me retain the remainder of my time. I yield the floor.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. Mr. President, I yield 10 minutes to my distinguished colleague from Pennsylvania.

Mr. SPECTER. Mr. President, I thank the distinguished chairman.

(The remarks of Mr. SPECTER are located in today's RECORD under ''Morning Business.'')

Mr. ROTH. Mr. President, I yield 10 minutes to the Senator from Tennessee.

The PRESIDING OFFICER (Mr. FITZGERALD). The Senator from Tennessee.

(The remarks of Mr. FRIST are located in today's RECORD under ''Morning Business.'')

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. Mr. President, I yield myself such time as I may use.

Mr. ROTH. Mr. President, I rise in opposition to the amendment of my distinguished colleague. The 10–K reports filed annually with the SEC are designed to inform investors about the operating conditions of publicly-held corporations offering their securities for sale on American exchanges. The 10–K reports are expressly designed to inform investors about the prospects of companies turning to U.S. securities markets and form a bulwark against misrepresentations that might mislead or defraud U.S. investors. They are, in fact, one of the bulwarks that make American capital markets function precisely because of their focus on information that is relevant to a publicly-held company's predictions of its economic conditions.

The information that the amendment of my friend would require U.S. publicly-held companies to provide at some additional cost is largely irrelevant. For example, what difference does it make to the potential purchaser of IBM's stock precisely how many foreign employees it has and where they are employed? Would a single error in IBM's 10–K report regarding the number of employees in Botswana affect the investor's decision to hold IBM stock? How would it benefit the U.S. investor to know the precise dollar volume of U.S. Steel's exports and imports of manufactured products listed by product and importing country? Would the misstatement of U.S. Steel's imports of semi-finished steel products on its 10–K report actually mislead investors as to the economic condition of U.S. steel or allow the investor to better evaluate U.S. steel's economic prospects relative to other issuers of securities on American exchanges?

Furthermore, SEC rules already require IBM or U.S. Steel to provide that information when relevant to the investor—in other words, where such information would affect the bottom line. My point is that my friend's amendment would not materially advance the interests of U.S. investors, but would add a potentially costly new reporting requirement on U.S. issuers. More fundamentally, to the extent that my friend's amendment succeeds and we are unable to pass PNTR as a result, the damage done to the economic prospects of American publicly-held companies and to the interests of U.S. investors vastly outweighs any hypothetical benefit to investors that would accrue from collecting this information on an annual basis. In my view, the number that U.S. investors are most likely to be interested in is the $13 billion in new U.S. exports that are likely to flow from the ground-breaking agreement negotiated by Ambassador Barshefsky. That is the number that is likely to affect the bottom line in which American investors are interested. Furthermore, to the extent my friend wants to collect the date to illustrate that American companies are investing abroad simply to export back to the United States, that information is likely already to be reflected in the investment and import data that the U.S. Commerce Department already collects.

But, it is also worth questioning what those numbers are likely to reveal if we do pass PNTR and China does join the WTO. I have no doubt that what they will show is an increase in U.S. exports to China and, to the extent that we see an increase in imports from China, that those imports come at the expense of other foreign companies exporting to the United States. The International Trade Commission's report on China's accession reflects that fact. Now, it is important to remember that the ITC's report on the quantitative impact of China's accession was restricted to the effects of tariff changes under the bilateral market access agreement with China. It did not even purport to address the quantitative effects of China's removal of non-tariff barriers on trade in manufactured goods or agricultural products, much less the dramatic opening of China's services markets.

Nonetheless, what the ITC found was that the accession package would lead to an overall improvement in the U.S. balance of trade and, where China did export more to the United States, those gains would come at the expense of other foreign exporters. Given that we already know the affect of China's accession, is there any real reason to collect the date required by my friend's amendment? And, if we are debating the economic impact of China's accession to the WTO, would there be any reason to collect this date with respect to every country in which an American company either buys components or sells its wares? The answer is no. The amendment serves no practical purpose, particularly in the context of this debate. Therefore, I oppose the amendment and urge my colleagues to do so as well.

I yield the floor to my distinguished colleague.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, I have a simple proposition to make, after discussions with the Treasury Department, which is simply to say the amendment is burdensome in the extreme and would discourage U.S. listings. The amendment would place an enormous, costly, and pointless regulatory burden on publicly traded companies in the United States. Firms would be required to list every single one of their overseas employees as well as every single employee of any foreign company with which they do business. They would also be required to calculate the total value of all their exports and imports.

Such a regulatory burden would be a nightmare for both such firms planning to go public—for most firms planning to go public. On the other hand, it would not discourage foreign firms from listing in the United States. This is not a regulation we want to impose on American business—startup businesses, small cap businesses. I hope we will not approve this.

I yield the floor.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, I had the privilege and experience of running a corporation myself. In fact, it was before Manny Cohen was the Commissioner of the Securities and Exchange Commission. At that time, I set a

record getting approval in 13 days. I know how it works. I know how detailed it is. That is why I brought up Boeing. They even have the square footage in different countries. They do have the total amount and the number of employees. They just break it down by country.

Exporters and importers have to keep books. They have to have the value. They want to know themselves. I want it reported in their 10–K. It is not at the Department of Commerce.

By the way, they say the information does not affect the bottom line. It most positively does. You can get your labor production costs and manufacture for 10 percent of the United States cost.

I am not here for stockholders or against them. I am for stockholders, nonstockholders, for the people of the United States, for the Senate, and for the Constitution in conducting trade.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. HOLLINGS. I thank the distinguished Chair.

Mr. ROTH. Mr. President, I yield back the remainder of our time and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The question is on agreeing to amendment No. 4134. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. REID. I announce that the Senator from Hawaii (Mr. AKAKA), the Senator from California (Mrs. FEINSTEIN), the Senator from Nebraska (Mr. KERREY), and the Senator from Connecticut (Mr. LIEBERMAN) are necessarily absent.

I further announce that, if present and voting, the Senator from California (Mrs. FEINSTEIN) would vote ''no.''

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

The result was announced—yeas 6, nays 90, as follows:

[Rollcall Vote No. 247 Leg.]

YEAS—6

Byrd	Helms	Mikulski
Feingold	Hollings	Wellstone

NAYS—90

Abraham	Craig	Hutchinson
Allard	Crapo	Hutchison
Ashcroft	Daschle	Inhofe
Baucus	DeWine	Inouye
Bayh	Dodd	Jeffords
Bennett	Domenici	Johnson
Biden	Dorgan	Kennedy
Bingaman	Durbin	Kerry
Bond	Edwards	Kohl
Boxer	Enzi	Kyl
Breaux	Fitzgerald	Landrieu
Brownback	Frist	Lautenberg
Bryan	Gorton	Leahy
Bunning	Graham	Levin
Burns	Gramm	Lincoln
Campbell	Grams	Lott
Chafee, L.	Grassley	Lugar
Cleland	Gregg	Mack
Cochran	Hagel	McCain
Collins	Harkin	McConnell
Conrad	Hatch	Miller
Moynihan	Roth	Specter
Murkowski	Santorum	Stevens
Murray	Sarbanes	Thomas
Nickles	Schumer	Thompson
Reed	Sessions	Thurmond
Reid	Shelby	Torricelli
Robb	Smith (NH)	Voinovich
Roberts	Smith (OR)	Warner
Rockefeller	Snowe	Wyden

NOT VOTING—4

Akaka	Kerrey
Feinstein	Lieberman

The amendment (No. 4134) was rejected.

Mr. MOYNIHAN. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Utah is recognized.

Mr. BENNETT. Mr. President, I was wondering if I could make about 5 to 10 minutes' worth of statements on other issues relating to my home State.

Mr. MOYNIHAN. Mr. President, we would be honored if the distinguished Senator from Utah would proceed, as he will do, and at what length he chooses.

Mr. BENNETT. I thank the Senator for his courtesy and friendship and the scholarship with which he addresses all of these issues.

I understand the President pro tempore wishes to make a statement on the Boy Scouts first. I ask unanimous consent that following his statement I be recognized as in morning business for up to 10 minutes.

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

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

(The remarks of Mr. THURMOND are located in today's RECORD under ''Morning Business.'')

The PRESIDING OFFICER. The Senator from Utah is recognized.

Mr. BENNETT. Thank you, Mr. President.

(The remarks of Mr. BENNETT are located in today's RECORD under ''Morning Business.'')

Mr. MOYNIHAN. Mr. President, seeing no other Senator seeking recognition, 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. SMITH of New Hampshire. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. VOINOVICH). Without objection, it is so ordered.

Mr. SMITH of New Hampshire. Mr. President, I ask unanimous consent that the Senate now consider, in the following order, division I of my amendment, to be followed by division IV, and following the use or yielding back of the time, the amendments be laid aside with votes to occur at a time to be determined by the leader.

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

AMENDMENT NO. 4129, DIVISION I

Mr. SMITH of New Hampshire. Mr. President, at this time I now call up division I of my amendment.

Mr. President, I ask for the yeas and nays on the 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 vote will occur by a rollcall vote.

Mr. SMITH of New Hampshire. Yes. A rollcall vote on division I and division IV.

Mr. President, as you know, last Thursday, I offered an amendment that would require the Congressional-Executive Commission, which is created under the permanent normal trade relations bill on China, to monitor the level of Chinese cooperation on the POW/MIA issue and to pass this information to the American people as part of an annual report that the commission will issue.

I have long been an advocate of the POW/MIA issue. I believe the U.S. Government should make every effort to account for any missing American servicemen from any of our Nation's conflicts. I am sure you all agree that we have a solemn obligation to these brave Americans and their families. There are over 10,000 unaccounted-for American soldiers, sailors, airmen, and marines from Korea, Vietnam, and the cold war, not to mention many from World War II.

The fate of many of these unaccounted-for Americans, especially from the Korean war, could be easily clarified by the People's Republic of China. This is an undisputed fact, that the Chinese continue to deny that they have any information that could help us account for our missing.

I have been to North Korea and have talked to the North Koreans on this issue. I have talked to the Russians. Both the Russians and the North Koreans indicated to me, in private discussions, that the Chinese had volumes of information on American servicemen, especially during the Korean war because, as we know, the Chinese were heavily involved. They maintained the camps in Korea during the war.

So all I am asking for in this amendment is that we can include this language so the commission can monitor and put some pressure on the Chinese to provide information. It is humanitarian. It is basic humanitarian information about our missing service men and women.

I do not think this is unreasonable. I do not think it is going to delay anything. It would simply go back to the House. The House would add the amendment, and off it goes: We have now made a statement to the Chinese Communists that we care about our American POWs and MIAs.

I would be astounded if anyone would even consider voting against this

amendment, drawing the conclusion that somehow it is going to mess up the permanent normal trade relations deal.

It would take about 5 minutes to get it approved in the House, another 5 minutes for the President to take a look at it and sign the bill, and we are moving on and now have some attention on it. We have now said to the Chinese Government: Not only do we care about our missing, we want you to help us find some of our MIAs and POWs from those conflicts.

I would like to share with my colleagues just a small fraction of the information that I have—and, believe me, it is a small fraction. I pored through many intelligence files, and I am only giving you a smattering of these files. But I can tell you, the Chinese deny any information, when, in fact, our own intelligence community has volumes of information to the contrary, that they could answer about what happened to our POWs and MIAs, especially from the camps in North Korea, at the end of the war. But it is precisely the type of information I am going to share with you that makes it all the more important that we say to the Chinese: You have to cooperate with us on this humanitarian issue.

For example, there are numerous declassified CIA intelligence reports from the 1950s that indicate the Chinese have knowledge about American POWs from that war—numerous, numerous declassified intelligence reports, and many classified that we cannot talk about here.

I did this the other day when I offered the amendment. I believe I put these in the RECORD yesterday. I will check that. If I did not, I will enter them. But I believe they are in the RECORD.

Here is a good example of one. This is a Central Intelligence Agency Information report dated in May of 1951. So we were at the height of the Korean war in May of 1951. The subject matter is: ''American Prisoners of War in Canton,'' China. Some of the information is blacked out because of sources and methods. Even today, 40 years later, it is still blacked out. But, again, it is a reference to prisoners of war held by the Chinese in the Korean war.

If the Chinese held prisoners, clearly they would know what happened to the prisoners or at least could share some information on the records they maintained in the camps.

Here is another one: 27 June 1951, another intelligence report right here, entitled, ''Subject: American Prisoners of War in South China.'' I will just cite a couple of paragraphs from it:

> A staff member of the State Security Bureau in Seoul [Korea] on 12 February stated that all American prisoners of war were sent to camps . . .

And then they list several cities in Manchuria where they were put to hard labor in mines and factories.

So that is another CIA intelligence report.

Why would we not want to say to the Chinese: Look, here is our own intelligence. We know you held our prisoners in the war. All we want you to do is help us provide answers for their loved ones.

Yet I regret, sincerely regret, to say that people are going to come down to this Senate floor shortly, before the end of the afternoon, and they are going to vote no on this amendment. I believe so many will vote no that it will fail. The reason they are going to give for that vote—and that is what they are going to tell their constituents—is: Of course we would like to get information on our POWs and MIAs. Of course we would like to have the Chinese cooperate. But we are not willing to put it in the permanent normal trade relations because—you know what?—we might make them angry, and we will not be able to sell them corn and wheat.

That is what we are saying. Maybe we can look our veterans in the eye and the families of these people in the eye and say: That's all right. But it is not all right with me. My conscience will be clear. I know how I am voting on this amendment. I would appreciate the consideration of my colleagues. It is not asking very much to send this back to the House with this one amendment that says we care.

It is interesting; there are many groups who oppose permanent normal trade relations with China. But I will tell you, the veterans groups oppose it. What does that tell you? The American Legion opposes it. Many veterans groups oppose it. They are the ones who made the sacrifice. I guarantee you, the families of these individuals who are missing would sure love to see this language put in this bill.

I could go on and on. I will not cite many, but here is another one: ''U.S. Prisoners of War in Communist China, 11 Aug. 1951.'' It is a CIA report. This is one of just thousands that we have had—classified and unclassified—just like this.

> On 2 August fifty-two US prisoners of war from Korea, who had been held in the Baptist church . . .

And they name the location—

> left Canton by train for [another location] under guard. . . .

This is very detailed stuff. This is not just somebody who makes a general statement. These are specific eyewitness sightings of prisoners being moved around in China during the war and who never returned.

I am not maintaining that these people are alive. It would be nice if they were, but I am not maintaining that. But clearly, the Chinese, if they would sit down with us with these documents, we could talk to them, and we could trace this information. We could talk to the people in these provinces, and maybe we could get some information. Perhaps where were these prisoners buried? How were they killed? What kinds of information do we have on them? Are there personal effects, anything like that?

Another report, September 1951, title: American Prisoners of War, Communist China, CIA. On and on and on.

All I am asking my colleagues is to say that that is not acceptable, that we will give permanent normal trade relations to China and not ask them to at least help us account for our missing. I say to those of you who might be skeptical, if you want me to provide you these documents in detail, I will provide the documents in detail. I can send you to the proper locations in the U.S. Government where the classified documents, which are far more specific than this, will give you even more specific information.

I went to North Korea. I sat down in Pyongyang with the North Korean officials several years ago, the first American Senator to visit North Korea. I talked to the North Koreans about those camps that were run during the war. They showed me photographs of the Communist Chinese guards who guarded those troops, our troops, our prisoners, American prisoners, during the war. They know what happened to those people. They can provide us information. Why is that asking so much—to say we want to monitor this to say to the Chinese, every time PNTR comes up for discussion, we want you to help us find answers?

I wrote a letter to the Chinese Government on this and got a blunt response: We don't have any information. We are not going to share any information with you.

We know that is not true. Yet why should they give us information if we say to them, you don't have to give us information because we are going to give you what you want, which is trade and credibility and recognition on the international plain?

This is just basic human rights—basic. Senator HELMS and others, Senator WELLSTONE and others, have offered amendments, over and over again, about human rights violations—all defeated, including mine. We talked about abuse in orphanages. We talked about forced abortions, women forced to have abortions at 9 months—all ignored, all voted down—all in the name of profit, all in the name of saying we don't want to risk antagonizing the Chinese. We don't want to take a few minutes to have this on the other side, to go back over to the House where they might have to add an amendment to send it to the President. That is the reason for this.

As you can imagine, it is difficult to investigate reports that are 50 years old. That is exactly why we need the Chinese to cooperate. You look at a report such as this; it goes back 50 years. We need the people on the ground. We need the Communist Chinese archives—not classified top secret Chinese secrets, that is not what we want. We want basic humanitarian information. They could give it to us, a lot of it. And probably we could clarify the fate of hundreds, perhaps even thousands, of American POWs and MIAs.

I will give one example. On my last trip to Russia, we were able to access some archives. The Russians were very cooperative. They provided 10,000 documents that helped us to identify flyers, American pilots, who were lost in the Korean conflict because the Russians—Soviets then—flew aircraft; they actually saw the shootdowns. They made notations about the tail number of the aircraft, how many pilots, did the pilot parachute out, did the plane go down in flames—very personal, firsthand accounts, very helpful; 10,000 documents.

These documents will help us to be able to go to the families of these men and be able to say to them, this is what happened to your husband or your father, your brother, whomever, as best we know based on the testimony of the Russians.

The Russians, to their credit, are being cooperative. Why can't we ask the Chinese to do this? Why is that asking too much? This is the thing that disturbs me so much, that just basic humanitarian issues are thrown aside in the name of somehow taking a little more time. What is another day, if we are going to give the Chinese permanent trade status? What is another day to include this kind of language?

Secretary Cohen, to his credit, at my request raised this issue with the Chinese during his recent visit to China this last summer. Once again, the Chinese simply brushed it aside. They said: we don't have any information—when in fact our intelligence files and our own information flat out knows and says the opposite.

But let's not forget what the real issue is here. The Chinese stand to make billions from trade with the United States. Shame on us if we fail to demand that in return for those billions, we ask for basic humanitarian information on our servicemen. Shame on us.

All we can do is call this to the attention of our colleagues. I can't make colleagues vote the way I want them to vote, nor should I. It is up to them to make that decision. But I urge them to make the decision to ask for this basic information.

I have worked on this issue for 16 years, as a Senator and a Congressman. I know what I am talking about. I have been to China. I have been to Cambodia. I have been to Laos. I have flown a helicopter over the Plain of Jars. I landed in the Plain of Jars. I went into caves looking for American POWs. I scoured the hillsides and countrysides of Cambodia and Laos and Vietnam and Russia. They have all been relatively cooperative, some more than others, not cooperative enough. But the Chinese have done nothing—no access, zero, zippo. Yet here we are, giving them permanent status. It is wrong.

My concern extends beyond Chinese knowledge of Americans missing from the Korean war. We know approximately 320,000 Chinese military personnel served in Vietnam from 1965 to 1970. So moving now from the Korean war to the Vietnam war, it seems to me highly likely that many of these Chinese troops would be knowledgeable about the fate of some 2,000 Americans still unaccounted for from the Vietnam war. It also impacts the Vietnam war. It also impacts the cold war.

I am personally opposed to PNTR. I will vote against it. But it certainly would be nice if those who are going to vote for it, since I know it is going to pass, would be willing to at least have this basic noncontroversial amendment which would help to account for missing Americans.

Let me tell you what else it would do. It would provide a lot of solace to American families who for 50 years have waited for some word about their loved ones. Yet Senators don't want to vote for this amendment because to vote for it means it might have to go to conference. They don't want to short-circuit the legislative process. Did anybody ask these folks before they went off to war whether they cared about short-circuiting the legislative process? They went. They served. They were lost. They deserve this amendment. They earned this amendment.

My amendment would merely expand the scope of the commission in the permanent normal trade relations bill to include the monitoring of Chinese cooperation on the POW/MIA issue. It is about as noncontroversial as anything we could do. Not only should we vote for this amendment, we have an obligation to vote for this amendment. Anything less than that is wrong. You can rest assured that the 10,000 missing Americans from the Vietnam and Korean wars didn't fight so that the Senate could short-circuit the legislative process. That is not what they fought for. Ask the families what they fought for. I have a father who died in the Second World War. I know what my family suffered.

I know what it is like to grow up without a father. I knew what happened to my father. He was killed serving his country. Many sons and daughters out there have no idea what happened to their loved ones. Wouldn't it be nice if the Senate said we would like to try to find out and that we are willing to attach this to PNTR? This is the least we should do.

AMENDMENT NO. 4129, DIVISION IV

Mr. SMITH of New Hampshire. Mr. President, I know Senator HOLLINGS is waiting. I just have one more amendment, the so-called division IV. I call up division IV at this time and ask for the yeas and nays on my amendment, division IV.

This amendment deals with the environment. Again, this is commission language that simply calls for the commission to report on the progress, or lack thereof, that companies and the Chinese Government are making in China regarding environmental laws.

Our companies in America are under strict environmental regulations, yet there are no regulations in China. All this amendment asks is that we monitor these regulations so we can find out what kind of progress is being made on these issues.

Over the past 30 years, we have heard a steady stream of arguments that strong environmental protections are necessary, and that punitive sanctions are indispensable, because corporations will sacrifice the long-term public interest in preserving the environment for the sake of short-term profits.

For the past 8 years, the Clinton administration has added its voice to that stream. The administration has consistently told us that the American business community cannot be trusted to deal with the environment in a responsible manner unless two conditions are met: First, we must have strong environmental laws on the books. Second, we must ensure that those laws are vigorously enforced—that individual firms can and will be aggressively sanctioned whenever they stray from what those laws allow.

To be sure, the Clinton administration has told us that economic progress can neatly coexist with environmental protection—that swords can be turned into plowshares without ruining the land to be tilled. But the administration has not suggested that we should exempt any business or State from compliance with Federal law.

Today, we have chance to implement those principles. I offer today an amendment to H.R. 4444 that would require the Commission established by the bill to report on the progress of China in the implementation of laws designed to protect human health, and to protect, restore, and preserve the environment.

Let me tell you why we need that amendment:

China's environmental record to date is grim:

It has been said that China is home to half of the world's 10 most polluted cities.—See www.SpeakOut.com, 5/17/00, Pages 1–2; Friends of the Earth—World Trade, www.Foe.org/international/wto/china.html, Page 1.

One source, however, says that the situation has worsened since 1995 and that China now has 8 of the 10 most polluted cities in the world.—See Foreign Broadcast Information Service (FBIS), July 30, 2000, ''China Expert Chen Qingtai Warns of Deteriorating Eco-System,'' Document ID CPP20000730000042, Page 2.

Yet another source now puts the number at 9 out of 10.—See China Focus, May 2000: China's Environment, www.virtualchina.com/focus/environment/index.html.

''By the Chinese government's own standards, two-thirds of the 338 Chinese cities for which air quality data are available are polluted. Two-thirds of those are rated 'moderately'—though still seriously—or heavily polluted.''—See Michael Dorgan, ''China gets serious about cleaning up its air,'' Knight Ridder/Tribune News Service, August 1, 2000.

The Chinese capital of Beijing is one of the those top 10 cities with the world's worst air quality. In Beijing, the annual sulfur dioxide levels are twice the maximum set by the World Health Organization, and the particulates are four times the maximum WHO level.—See House Republican Policy Committee 2 (July 6, 1998).

In 1999, ''on one day out of four—Beijing's air quality—reached Level 4—out of 5—when even nonsmokers feel they have the lungs of the Marlboro Man, or Level 5, when it's so toxic that a few breaths can leave a person dizzy and nearby buildings seem lost in a filthy fog.''—See Michael Dorgan, ''China gets serious about cleaning up its air,'' Knight Ridder/Tribune News Service, August 1, 2000.

An estimated 2 million people die each year in China from air and water pollution.—See Friends of the Earth—World Trade,

www.Foe.org.international/wto/ china.html, Page 1.

Water pollution in China is widespread and toxic. IN fact, 80 percent of China's rivers are so polluted that fish cannot live in them.—See www.SpeakOut.com, 5/17/00, Page 2.

''[T]he 25 billion tons of unfiltered industrial pollutants that the Chinese sent into their waterways in 1991 gave Communist China 'more toxic water pollution in that one country than in the whole of the Western world.' ''—See House Republican Policy Committee 2 (July 6, 1998), quoting Gregg Easterbrook.

A recent report from the Ministry of Water Resources of the Chinese Government states that the water supply to as many as 300 million people in China fails the Chinese Government's health standard.

In addition, according to the China Economic Times, Chinese Ministry of Water Resources report said that 46 percent of China's more than 700 rivers were polluted, meaning that they fell within Grade 4 or 5 of the Chinese Government's 5-Grade water quality rating system. Under that rating system, Grade 1 is deemed clean and suitable for consumption, while Grade 5 is considered undrinkable. Ministry experts explained that industrial pollution was the main source of contamination. Those experts estimated that factories produced about 60 billion tons of waste and sewage each year and that 80 percent of that waste and sewage was discharged into rivers without treatment.

Ninety percent of the water sources in China's urban areas are severely polluted.

Acid rain degrades forest and farm land, and imposes an annual cost of an estimated $1.8 billion in economic losses.—See

www.greenpeace-china.org.hk/ press/ 19991101__pr__00.html.

China is the world's largest producer of chlorofluorocarbons, the chemicals that are said to be responsible for destroying the ozone layer.—See www.SpeakOut.com, 5/17/00, Page 2.

China already consumes more coal in energy production than any other nation. Energy planners expect that China's coal consumption will double, if not triple, by the year 2020. If China's coal use increases as expected over the next two decades, that growth alone will increase global greenhouse gas emissions by 17 percent—all but dooming efforts by the rest of the world to reduce a 50–70-percent reduction in greenhouse gas emissions. See Mark Hertsgaard (July 19, 2000).

By 2020, China will become the world's largest emitter of greenhouse gases.—See www.SpeakOut.com, 5/17/00, Page 3.

Why is the environmental such a disaster in China today? The answer is simple—the people of China do not enjoy political and economic freedom. Per capita emissions in China are 75 percent higher than in Brazil, which has an economy of similar size. The difference is that the autocratic, Communist government in China robs the people of that nation of the ability to seek both a prosperous economy and a healthy environment.

A free people will not consent to the type of environmental degradation seen today in China. Since 1970, in this nation we have been unwilling to put up with a far less dangerous state of affairs than China has today. We have enacted and enforced strong environmental protection laws, and we have supported environmental preservation in our decisions as consumers and as contributors to charitable causes.

Moreover, prosperity not only is compatible with a clean environment, prosperity also is a precondition for it. A rich people will have the ability to recognize the long-term benefits of preservation. Mature free market economies make increasingly efficient uses of resources, while leaving a smaller footprint on the air, the water, and the land.

Under our current law, we can urge China gradually to improve its environmental performance as a condition to being granted normal trading privileges. We lose that option if we pass H.R. 4444. For that reason, this bill is our only, and last best, chance to exercise leverage in order to influence China's decision in the environmental field.

We believe that laws such as the Clean Air Act are necessary for the health of this nation. Why should we expect less for anyone else—particularly China? We believe that enforcement is necessary for law to be meaningful in this nation? Why should we expect anything different across the Pacific? We believe that a sound economy and a healthy environment can and should be attained from the Atlantic to the Pacific? Why should we expect less from Pacific to the South China Sea?

There also is no good reason why, in the name of environmentalism, we should impose a greater burden on American citizens than we expect other countries to impose on themselves.

China now has 20 percent of the world's population, so what China does environmentally greatly affects everyone else. All that this amendment does it to require the Commission created by this legislation to monitor and report on China's efforts to protect the environment.

Former U.N. Ambassador Jeanne Kirkpatrick once criticized my colleagues across the aisle for their tendency to ''Blame America First''—that is, for their belief that there must be something wrong with this great Nation that causes the world's ills. Keep that in mind when you consider this amendment. If laws such as the Clean Air Act and the Clean Water Act are necessary for the environmental health of this Nation, then those laws—or something analogous—are necessary for China, too. That is, they are necessary unless you believe in a policy of ''Restrict America First, Always, and Only.'' There is no good reason for us to give up our opportunity to ensure that annually we can encourage, cajole, or prod China into improving its environment, for its sake and for everyone's, until we are sure that China no longer will be the world's superpolluter.

You might ask why China is such an environmental disaster. The same reason the Soviet Union was. The answer is, the people of China, as in the Soviet Union, don't enjoy political and economic freedom. Per capita emissions in China are 75 percent higher than in Brazil, which has an economy of similar size. They don't have a choice. They don't care. The Government doesn't care. They don't have a choice to clean it up. We could make a difference if we monitored this, talked about this to the world, brought this out each year in the commission report on PNTR. A free people would not consent to this kind of stuff, as we haven't—to this type of environmental degradation. Moreover, prosperity is not only compatible with a clean air environment, but a precondition for it.

So I hope we can move forward on this amendment and allow for the commission to monitor these environmental disasters, where we apply one standard to our Government and no standard to a government making huge profits as a result of our trade.

Again, this is a very noncontroversial amendment but one I think all of my colleagues who say they are pro-environment ought to support. I guess I am going to draw the conclusion that if you can't vote for this, you are pro-environment for America but not the rest of the world—especially China. That is kind of sad. I hope I will have support on this amendment, as well as the other 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.

Mr. SMITH of New Hampshire. That completes any discussion I have on the amendments.

At this time I yield the floor.

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

AMENDMENT NO. 4136

Mr. HOLLINGS. Mr. President, I call up my amendment No. 4136, and I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. HOLLINGS. Mr. President, right to the point here, there are two surprising features with respect to the globalization, global competition, international trade. I continue to try to get the Senate and the Congress itself, charged under the Constitution, article I, section 8, to fulfill its responsibility.

The eye-opener has to do with agriculture, and the eye-opener has to do with technology. This particular amendment deals with the technological argument that we hear about the wonderful opportunity we have that ''you just don't understand, Senator.'' That is what we hear—that we have gone from the smokestack to post-industrial to high-tech. Everybody is running around talking about high-tech and the wonderful economy. Well, I wish high-tech did contribute that much to the economy. But the fact of the matter is there are not that many jobs, and the few jobs that are there just don't pay.

Let me summarize this amendment. I ask, as a result, that the balance of trade with China in advanced technology projects be reported by the President to the Congress each year. That is in advanced technology products in an amount in excess of $5 billion. We now have a deficit in the balance of trade with the People's Republic of China of $3.2 billion, as of the end of 1999.

Now I have heard from the best of sources that that deficit could become an approximate $5 billion. So I am asking the President that if it exceeds $5 billion, we not only report it, but request a negotiation with the People's Republic of China to see if we can eliminate that imbalance. That is all the amendment calls for. It is all permissive requests, asking the President to do it. There is no burden whatsoever, but it is certainly in the context of global competition that we talk about it.

Let's start acting as if we know something about the competition. I say that the jobs don't pay and there are not that many of them. Right to the point, by comparison, for example, in Redmond, WA, Microsoft has 21,000 jobs when Boeing down the road has 100,000. There are many more jobs at General Motors, Ford, the auto parts industry, and otherwise, than there are in high-tech.

There is a lot of money in software, and therein you find these Internet billionaires trying to get market share—not profit. They haven't come out with a profit yet. But there has been a footrace on the New York Stock Exchange to get market share and invest in those who are winners. That is understandable. That is fine. That is the American way. We applaud it. However, when you look at the number of jobs, you can go to Oracle, you can go to America Online. They now have their employees in the Philippines. Microsoft has several thousand of its employees offshore.

In 1992, a suit was brought by the so-called ''part-time temporary'' employees claiming they ought to share in these stock options, other health benefits, and otherwise. They are really working full time. They won the suit. Now they have changed them to temporary employees so they are not allowed to work over 364 days a year to comply with the law.

This is an article from around the beginning of the year. In Santa Clara, the heart of Silicon Valley, the number of temporary workers has jumped to 42 percent of the workforce this year, from 19 percent in the 1980s. With respect to Microsoft, temporary workers have accounted for as much as one-third of its roughly 20,000-person workforce in the Puget Sound area. In May, it stood at 5,300.

I know the industrial workers at BMW, for example, have benefits and earn $21 to $22 an hour in Spartanburg, SC. We enjoy that. We appreciate it. It doesn't call for necessarily a computer expert or college graduate. There are many college graduates, of course, in the workforce. But these are jobs for high school graduates—the majority of our working population.

These are the jobs for the seniors in the middle class of our democracy. Everybody is running around as if there is joy in the world on money. But they are not thinking of the strength of the democracy economically and the strength the middle class brings to our democracy, with jobs for high school graduates and not just high-tech college degrees. Of course, it is said that the technology industry now has a shortage. There is no shortage. If they only gave them full-time work, they would be there. What they are really applying for are the college graduates out of India and other countries to come in under the immigration laws. They don't want to have to pay the temporary workers even around $35,000 a year when they can get Indian workers for $25,000 a year—any way they can cut costs. Even Chinese-trained workers and others come in. They would like to change the immigration laws to cut back the permanent high-paid workforce and put in this low-paid temporary work practice. That is an eye opener to me because I just couldn't understand why they couldn't find skilled workers.

The truth is, I have proof. The proof of the pudding is in the eating. It is not just bragging. It is true, as they say. We have the best in technical training in South Carolina, and we are for high tech. There isn't any question about that. We are attracting Hoffman-LaRoche, Hitachi, Honda—go right on down the list—Michelin, and all the rest of the fine industries from afar. We are proud of it. We are proud of these foreign investors. At the same time, we have to compete and maintain the strength of our economy.

Look at the People's Republic of China and the comparison of exports to imports in advanced technology. The parts of advanced machinery deficit is $18.23 billion; parts and accessories of machinery not incorporating, $7.74 billion; parts of turbojet or turbo-propeller engines $4.01 billion; turbojet aircraft engines, $3.74 billion.

These are all deficits with the People's Republic of China.

Parts for printers, $3.52 billion; cellular radio telephones, $3.2 billion; videocassette cartridge recorders, $2.32 billion; display units, $1.64 billion; optical disk players, $1.64 billion; medical and surgical instruments and appliances, $1.22 billion; transistors, $740 million; facsimile machines, $670 million; television receivers, $57 million; laser printers, $480 million.

I could keep going down the list. The point is that we have had a great relationship with the People's Republic of China. But in the required transfers of technology, that plus balance of trade has now resulted in a deficit in the balance of trade.

Advanced technology products represent a rare consistent source of earnings for the United States. During the last decade alone, the surplus in global sales was $278 billion. But during the same period, U.S. trade deficits with China totaled $342 billion. It is worsening every year.

That has occurred in spite of the numerous agreements with China to end the obligatory transfer of technology from U.S. companies to their Chinese counterparts to protect intellectual property and to ensure regulatory transparency and the rule of law. Failure to implement these agreements goes a long way in explaining why the total U.S. deficit with China has doubled from $338 billion in 1995, to $68.7 billion by the end of 1999.

The United States also lost its technological trade surplus with China in 1995 and has suffered deficits in this area every year since then.

Last year, U.S. technology exports to China failed by 17 percent while the imports soared by 34 percent. The record $3.2 billion technology trade deficit in 1999 may reach $5 billion. This year, technology imports now cost twice as much as the falling U.S. exports.

Quite simply, China is developing its own export-driven, high-tech industry, and with U.S. assistance.

A recent Department of Commerce study found that transferring important technology and next generation scientific research to Chinese companies is required for any access to the Chinese cheap labor force or its market.

Three of the most critical technology areas are computers, telecommunications, and aerospace. The United

States lost its surplus in computers and components to China in 1990, and now pays seven times as much for imports as it earns from exports.

Compaq: Another foreign computer company that once dominated the Chinese market a decade ago has now been displaced by a local company.

After 20 years of normal trade relations with China, no mobile telephones are exported from the United States to China. Indeed, the United States trade with China in mobile phones involves only the payment for rapidly rising imports that now cost $100 million a year. China has total control of its telephone networks. It recently abrogated a big contract with Qualcom, Motorola, Ericsson, and Nokia and sold 85 percent of China's mobile phone handsets until recently. Last November, China's Ministry of Information imposed import and production quotas on mobile phones, producers, and substantial support for nine Chinese companies.

Now, this agreement doesn't disturb those quotas. It does not open up that market. The People's Republic of China expects the nine companies to raise their market share from the current 5 percent to 50 percent within 5 years.

The United States now has a large and rapidly growing deficit with China in advanced radar and navigational devices. Nearly half of all U.S. technology exports to China during the 1980s were Boeing aircraft and 59 percent were in aerospace. But according to the SEC filings, Boeing's gross sales to and in China have generally fallen since 1993.

Incidentally, that is easy to report. It is being reported by Boeing and we just asked all of the companies to do what Boeing is doing.

Boeing MD 90–30 was certified by the U.S. Federal Aviation Administration last November with Chinese companies providing 70 percent of local contents.

That is a Chinese airline, and they wonder why the Boeing workers led the strike in Seattle last December.

More troubling, with the help of Boeing, Airbus, and others, China has developed its own increasingly competitive civilian and military aerospace production within 10 massive state-owned conglomerates.

China is a valuable U.S. partner in many matters, but it is also a significant competitor. Experiences in the United States with deficits worsening after tariff cuts and other agreements show this is not the time to abandon strong U.S. trade laws, but rather to begin to apply them fairly and firmly, since 42 percent of China's worldwide exports go to the United States.

The Chinese know how to compete. In 1990, we passed in the United Nations General Assembly a resolution to have hearings with respect to human rights in the People's Republic of China. I will never forget, they fanned out over the Pacific down into Australia, Africa, India and everywhere else, and of course they are very competitive. What do they do? The Chinese focus their diplomatic efforts on separating West European governments from the United States by offering them token political concessions and hinting they would retaliate economically against any country that supported the resolution in Geneva.

A vote after 7 years, each year, and the 7th year it was turned down again by a vote of 27–17. They know how to use their valuable, mammoth 1.3 billion population market. But we, with the richest market in the world, don't want to use it. Be fair, we whine; we continue to be fair and whine.

Now, with that $68 to $70 billion deficit in the balance of trade, that is their 8-percent growth. We could say we are just not going to continue this one-sided deal and we are not going to continue to import their articles. We will just stop them as they have stopped us, and with the growth they have to have, they will come to the table and talk turkey. There is no chance in the world with these children here who are in charge of our trade policy. They keep going up there to talk and talk.

Again, Ambassador Barshefsky testified at the hearings: ''The rules put an absolute end to forced technology transfers.'' That was after the WTO agreement with the People's Republic of China. ''The rules put an absolute end to forced technology transfers''—but fast forward a few months. This is what they had in the Wall Street Journal, from Wednesday, June 7 of this year: ''Qualcom Learns from its Mistakes in China, U.S. Mobile Phone Maker Listens to Beijing's Call for Local Production.''

They report that after losing a lucrative deal to supply off-the-shelf cellular phones to China, Qualcom is mapping a new strategy to sell next-generation products in the world's fastest growing mobile phone market.

In other words, to send over their technology.

They talk about these agreements, but as John Mitchell, the former Attorney General said: Watch what we do, not what we say.

Look at what they actually do and it is a disaster.

Mr. President, I have a few pages of the deficits and balance of advanced technology trade with the People's Republic of China. I ask unanimous consent this be printed in the RECORD.

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

US ADVANCED TECHNOLOGY TRADE LOSSES WITH CHINA

[Even In Advance Technology Products: The US Now Imports 65% More Than It Exports]

HS Code	(1999: Dollars)	US Export	US Import	1999 Balance
	ADVANCED TECHNOLOGY PRODUCTS* TOTALS	$5,007,198,994	$8,216,991,682	($3,209,792,688)
0000305000	PTS & ACCESSORIES OF MACH OF HEADING OF 8471, NESOI	0	1,540,659,071	(1,540,659,071)
0000301000	PRTS OF ADP MCH, NOT INCRPRTNG CRT, PRT CRCT ASSEM.	0	1,235,882,818	(1,235,882,818)
0000990045	OPTICAL DISC (INCLUDING COMPACT DISC) PLAYERS	0	567,322,116	(567,322,116)
0000704065	HARD DISK DRIVE UNT, NESOI, W/OUT EXTNL POWR SUPLY	29,987,116	391,325,747	(361,338,631)
0000408020	CAMCORDERS, 8MM	58,716	176,379,994	(176,321,278)
0000704035	FLOPPY DISK DRIVE UNT, NESOI, W/OUT EXTRNL POW SPY			
0000209070	CELLULAR RADIOTELEPHONES FOR PCRS, 1 KG AND UNDER			
0000900000	VIDEO RECORDING OR REPRODUCING APPARATUS EXC TAPE			
0000200020	URANIUM FLUORIDE ENRICHED IN U235			
0000100080	SEMICONDUCTOR DIODES NOT PHOTOSENSITIVE >0.5 A			
0000210000	FACSIMILE MACHINES			
0000404000	DIGITAL STILL IMAGE VIDEO CAMERAS			
0000408085	STILL IMAGE VIDEO CAMERA, VDEO CAMERA RECORDR, NESOI			
0000400095	HYBRID INTEGRATED CIRCUITS, NESOI			
0000309060	TELEVISION CAMERAS, EXCEPT COLOR			
0000124000	TURBOJET AIRCRAFT ENGINES, THRUST EXCEEDING 25 KN			
	REC TV, COLOR, FLAT PANEL SCREEN, NESOI, DIS N/O 34.29			
	REC TV, COLOR, FLAT PANEL SCREEN, NESOI, DIS N/O 33.02			
	PHOTOSENSITIVE DIODES,			
	SEMICONDUCTOR DIODES NOT PHOTOSENSIVE=<0.5 A			
0000224000	TURBOPROPELLER AIRCRAFT ENGINES, POWER EXC 1100 KW			
0000408050	CAMCORDERS (OTHER THAN 8 MM), NESOI			
0000198001	CHIPS & WAFERS ON SILICON, DGTL MNLTHC IC, BIMOS			

Mr. HOLLINGS. I reserve the remainder of my time, and I suggest the absence of a quorum.

The PRESIDING OFFICER. Whose time is used under the quorum?

Mr. HOLLINGS. The other side.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER. The Senator has 9½ minutes.

Mr. HOLLINGS. Mr. President, the fact of the matter is, I know the managers of the bill have very important business to engage them, but what we are seeing here is really not just an insult to the issue at hand and this particular Senator, but what we are seeing is an insult to the Senate as the most deliberative body in the world. What they do, with respect, rather than engaging in debate, is go into the morning hour and talk about prescription medicine and Wen Ho Lee or anybody else they want to talk about—anything except trade. They know they have the vote fixed.

We have had the requirement, under the Pastore rule, that you address your comments to the subject at hand. I never have wanted to call that rule on the colleagues, but I will be forced to if we are going to come back and just have morning hours.

I was in a caucus earlier here at lunch. People are trying to get out of town tomorrow. I am trying to cooperate with respect to having early votes. I am willing to yield back the remainder of my time on this one. If I can hear any disputed evidence or testimony from the other side, I will be glad, then, to debate it. But if that is what they want to do, I will move on to the next amendment. I hope they get the message so we get somebody to the floor and move the amendments just as expeditiously as we can.

I suggest the absence of a quorum and charge the other side because they don't care. I mean they are not even using the time.

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. HOLLINGS. 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. ROTH. Mr. President, I rise in opposition to Senator HOLLINGS' amendment. This amendment would authorize the President to initiate negotiations with the Chinese to eliminate the trade deficit in advanced technological products if the balance of trade does not shift to surplus in these products. To be frank, I am not sure why this amendment is being offered to the China PNTR legislation.

After all, by passing PNTR, we will increase our access dramatically to the Chinese market once that country enters the WTO. The commitments that China has made as a part of its WTO accession negotiations with regard to high technology products are truly significant. For example, China has committed to eliminate quotas on information technology products at the date of its accession to the WTO and to eliminate tariffs for these products by January 1, 2005. Moreover, China has agreed to open its telecommunications and internet to United States investments and services.

In addition, U.S. high technology firms will gain the right to import into China, and to engage in distribution services, including wholesaling, retailing, transporting, and repairing. This will allow our businesses to export to China from here at home, and to have their own distribution networks in China. Without these commitments, U.S. companies would be forced to set up factories there to sell products through Chinese partners.

There is nothing about the grant of PNTR that will alter China's access to our market. To the contrary, China has specifically agreed to allow us to put in special safeguard mechanisms aimed at addressing disruptive market surges from China. We will also be maintaining special methodologies under our unfair trade laws that will help domestic industries in antidumping cases.

Ironically, this amendment is not aimed at eliminating any trade barriers or unfair trade practices. It simply dictates that if the balance of trade in certain products is not in surplus, then the President has to use his authority to work with the Chinese to intervene in the market to achieve a certain outcome. I'm not sure how my colleague from South Carolina would envision this happening. Would the Chinese government begin to void contracts that were freely entered into by U.S. importers, until the balance of trade moves into surplus? Would our government have to do this? I don't know what the answer is to that question and, frankly, I would hope that we never have to find out.

As my colleagues well know, I have opposed all amendments that have been offered to PNTR. I have done so because of my concern about how amendments would affect the chances of passage of this legislation. I want to repeat my concerns now. A vote for this amendment will do nothing to increase opportunities for our workers and farmers. Indeed, it will have the opposite effect. As such, I urge my colleagues to vote against this amendment.

Mr. HOLLINGS. Mr. President, I understand from the other side, now I can yield back our time; they would yield their time, and move to the next amendment.

That being the case, I yield back my time and I understand the other side yields back its time.

The PRESIDING OFFICER. All time is yielded.

AMENDMENT NO. 4135

Mr. HOLLINGS. Mr. President, I call up amendment No. 4135. Mr. President, the other eye opener in international trade is the matter of agriculture. I have always had a strong agricultural interest, support, in my years in public office. I willingly support price supports and quotas on agricultural products. America's agriculture is allegedly the finest in the world. We produce enough to feed ourselves and 15 other countries. But we only have 3.5 million farmers and there are 800 million farmers in the People's Republic of China. They are not only now producing to the extent where they have a glut—mind you me, I said that advisedly—a glut in agriculture, they will continue to expand upon their agricultural production once they solve the transportation and distribution problem, and start feeding the entire world.

It is very difficult to understand how any of my farm friends here—who are always calling us protectionists when we have never asked for any kind of subsidies or protection whatsoever—but if people lose their jobs, 38,700 who have lost their textile jobs, they are supposed to be retrained, you know, and get ready for high tech and the global economy. They are supposed to understand it.

Agriculturally, if a few thousand farms lose out here with the bad weather, be it a storm or be it a drought, we immediately appropriate the money to take care of it. I will never forget this so-called Freedom to Farm measure that was put in here 3 years ago. Each year, now, we have gone up and increased—rather than the freedom, the subsidies: Some $7 to $8 billion.

In contrast now, with the People's Republic of China, we have a deficit in a lot of items. The total agricultural trade balance is $218 million for the year 1999.

Fish and crustaceans, $266 million; dairy products, $14 million—$266 million.

Dairy produce; Birds' Eggs, Honey; Edible—$14.8 million.

This is how they list it and that is why I read it this way.

Products Of Animal Origin, Nesoi—$93.7 million.

Live Trees And Other Plants; Bulbs, Roots—$3.7 million;

Edible Vegetables And Certain Roots, Tubers—$55.8 million;

Edible Fruit And Nuts; Peel Of Citrus Fruit—$30.6 million;

Coffee, Tea, Mate And Spices—a deficit of $43.1 million;

Lac; Gums; Resins And Other Vegetable Saps—$44.9 million;

Edible Preparations Of Meat, Fish, Crustaceans—$69.9 million;

Sugars And Sugar Confectionary—$7.8 million;

Cocoa And Cocoa Preparations—$15.2 million;

Preparations of Cereals, Flour, Starch Or Milk—$23.1 million;

Miscellaneous Edible Preparations—$17.1 million.

Listen to this one: Cotton.

Here I am struggling in South Carolina, the South, cotton—I am importing cotton from the People's Republic of China. I have a $12.3 million surplus in cotton, not carded but combed.

It would be unfair to talk, with this particular amendment, about the deficit and all of these things because we already have a deficit. We do have a plus balance of trade in wheat, corn, and rice. It is listed under cereals, is the way they list it at the Department of Agriculture. We have a plus balance

of trade in wheat, corn, and rice, and a plus balance of trade in soybeans.

That is why I made this amendment to read ''wheat, corn, rice, and soybeans.'' I wanted to start off, as in soybeans, I have a plus balance of trade of $288.1 million. So we are happy.

We have a plus balance of trade of wheat, corn, and rice of $39.6 million.

I am looking at that particular category and whereby 4 years ago we had a plus balance of $440.7 million, it is down to $39.6 million. It promises maybe next year to go to a deficit.

I have all the farm boys saying: Wait a minute, wait a minute, we have to export. We have to export agriculture, export agriculture. We are not exporting agriculture, on balance, to the Peoples' Republic of China. We have a deficit. We are importing it now. If this continues, we will definitely have a deficit, in the sense—let me tell you what this agreement calls for. We are trying to really improve the competitor. These are the kind of agreements we make when we send Barshefsky and that crowd abroad.

I read:

China and the United States agree to actively promote comprehensive cooperation in agriculture, in the field of high technology, and encourage research institutes and agricultural enterprises to collaborate in high-tech research and development.

Do not for a minute think the Chinese are not coming. They are going to come for those high-tech items, go to our agricultural colleges, go to our experimental development stations, and they are going to collaborate on all the high-tech research and development. Mostly, they will be taking; they are not giving any.

Reading further:

China and the United States agree enterprises should be urged to make investment in each country to produce and do business in high-tech agricultural products.

They will have to make investments in that country to produce and do business in high-tech agricultural products. They agree with the content provision in agriculture, and yet my colleagues say: Whoopee, this is a wonderful agreement.

I think I will be around here long enough for these farmers to go out of business. Watch them. That wheat, as I said, is going from 440 million in a 4-year period down to just 40 million bushels.

Reading further:

Review and technical assistance—the United States will review its technical assistance programs in China to consider ways to increase the efficacy of these programs. The United States will create special educational symposiums specific to China's needs in cooperation with the U.S. land grant universities for Chinese officials and producers.

Ambassador Barshefsky is a wonderful negotiator for the Chinese. She is agreeing to have special symposiums when we already have a deficit in agricultural trade. We have to set up a symposium to increase the deficit.

Continuing:

The United States will provide opportunities for young Chinese leaders to visit the U.S. farms, ranches, and universities to study management systems and production technologies.

The United States will arrange opportunities for the Chinese officials and business leaders to study U.S. marketing and distribution of agricultural products in China and the United States.

As a means to implement the principle of technological cooperation and exchange, China and the United States will implement specific projects listed below.

The U.S. livestock industry will provide free registration and enrollment for select Chinese officials, and Cattlemen College classes during the NCBA convention and summer conferences.

The U.S. livestock industry will provide free registration and enrollment for select Chinese officials and producers at the world pork symposium; strengthening cooperation and conservation of genetic resources for livestock, poultry, and forage grass; strengthening cooperation in selection and utilization of new breeds and varieties; technical assistance on quick testing, monitoring, and management of major animal diseases; technical assistance on environmentally sound production practices; waste disposal techniques.

The United States will provide technical assistance in water conservation and management for China to further its work in identifying and conserving key water resources.

It goes on and on. This is an agreement to put ourselves out of business. They come to the floor and say: Oh, we have so much more fertile, arable land than they have, so many millions of acres. They have more land under irrigation than the United States. It is an offset now, but they will be getting more irrigation, in addition to the advanced productivity we already have. But we politicians in Congress say: You don't understand; global competition, globalization; you are just resisting globalization; that is yesteryear's politician; you have to modernize; we are for change; we are global.

We are globally going out of business. That is why I have this amendment. That is, if this exceeds $5 billion in those four categories, it is only $3.5 billion now, but if we start losing on wheat, corn, and soybeans, we are goners in agriculture.

This amendment provides that if this occurs and this was misrepresented to us—the Senate is charged under the Constitution, article I, section 8, to regulate foreign commerce—if we were misled, we can say: Please renegotiate and see how we can right this situation.

We do not have this in advanced technology. We do not have this in electronics and manufactured products. We do not have a plus balance of trade in agricultural products. But the little bit we have left, my farmers realize if you are voting against this amendment, you vote against America's most productive farmer.

We are agreeing to make the Chinese more productive. If you think an American farmer can outwork a Chinese farmer, you are whistling ''Dixie.'' They are the hardest working people in the world. They are like us in the South. We are still hungry. That is why the BMW plants not only produce more but they produce better quality. That is why we are doubling the size of the BMW plant from Munich, Germany, and we will continue to compete.

Generally speaking, the rest of the country, up in your neck of the woods, I say to the Presiding Officer, they have gotten spoiled.

We started the globalization in Rhode Island. We started 50 years ago trying to move every industry that was in Rhode Island because you had them and we did not have them. We moved them down to South Carolina. Now they have been moved from South Carolina to Malaysia, Mexico, and now to China under this particular agreement. That is what is really happening. We know how to get the industry, and we know how to lose the industry. We have experienced it. We are talking from a brute measure of experience. This ought to be understood in the Senate.

I reserve the remainder of my time.

Mr. ROTH. 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. ROTH. Mr. President, I ask unanimous consent that the order for the quorum call be dispensed with.

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

Mr. ROTH. Mr. President, I rise in opposition to Senator HOLLINGS' amendment.

As my colleagues well know, I have opposed all amendments because of the impact that they could have on passage of PNTR. I want to restate that concern now. Any amendment that is adopted could doom PNTR and end our ability to gain access to the Chinese market once that country joins the WTO.

Let's not forget, we are not voting on whether China will enter the WTO. China will get in, regardless of what occurs in the Senate with regard to this legislation. What we are voting on is whether we will give our workers and farmers the same access to the Chinese market as every other WTO member will get once China accedes. The decision before us is that stark and that simple.

That is why I support PNTR so strongly, and that is why I have opposed all amendments, including some that I thought had great merit.

That is also why virtually every major agricultural organization has supported PNTR and supported my opposition to all amendments.

Mr. President, I have with me today a letter that I would like to enter into the RECORD from over 65 agricultural organizations. I ask unanimous consent it be printed in the RECORD.

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

SEPTEMBER 12, 2000.

The Honorable
U.S. Senate, Washington, DC.

DEAR SENATOR: It is critical to American agriculture that H.R. 4444, the China Permanent Normal Trade Relations (PNTR) legislation, moves forward without amendment. Any amendments would require another vote in the House of Representatives and send China and our competitors the message that the United States is not serious about opening the Chinese market to U.S. products.

The Thompson amendment would require the President to implement sanctions under various circumstances. Unilateral sanctions have the effect of giving U.S. markets to our competitors. While there are efforts to exempt food, medicine and agriculture from the existing language, American agricultural producers, regardless of exemptions, would be put at risk. If the United States sanctions or even threatens sanctions for any products, agriculture is often first on the other country's retaliation list.

Additionally, further consideration of the China Nonproliferation bill should not delay action on a vote for PNTR. The U.S. agriculture industry continues to face depressed prices. Agricultural producers and food manufacturers should not face burdens erected by their own government such as unilateral sanctions or failure to pass PNTR.

We urgently request your help in achieving a positive vote on PNTR without amendment.

Thank you for your help and we look forward to working with you on these important issues.

Sincerely,

AgriBank, Agricultural Retailers Association, Alabama Farmers Association, American Crop Protection Association, American Farm Bureau Federation, American Feed Industry Association, American Meat Institute, American Seed Trade Association, American Soybean Association, American Health Institute, Archer Daniels Midland Company, Biotechnology Industry Organization, Bunge Corporation, Cargill, Inc. Cenex Harvest States, Central Soya Company, Inc., Cerestar USA, CF Industries, Inc., Chocolate Manufacturers Association, and CoBank.

Distilled Spirits Council of the United States, DuPont, Farmland Industries, Inc., Grocery Manufacturers of America, IMC Global Inc., Independent Community Bankers of America, International Dairy Foods Association, Land O'Lakes, Louis Dreyfus Corporation, National Association of State Departments of Agriculture, National Association of Wheat Growers, National Barley Growers Association, National Cattlemen's Beef Association, National Chicken Council, National Confectioners Association, National Corn Growers Association, National Council of Farmer Cooperatives, National Food Processors Association, National Grain and Feed Association, and National Grange.

National Milk Producers Federation, National Oilseed Processors Association, National Pork Producers Council, National Potato Council, National Renderers Association, National Sunflower Association, North American Export Grain Association, North American Millers' Association, Pet Food Institute, Pioneer Hi-Bred International, Rice Millers' Association, Snack Food Association, Sunkist Growers, The Fertilizer Institute, United Egg Association, United Egg Producers, USA Poultry and Egg Export Council, U.S. Canola Association, U.S. Dairy Export Federation, U.S. Rice Producers Association, U.S. Rice Producers' Group, U.S. Wheat Associates, Wheat Export Trade Education Committee, and Zeeland Farm Soya.

Mr. ROTH. Just let me point out, these organizations know, as I do, that passage of PNTR is vital. It is vital to our farmers and our agriculture sector. These include the National Chicken Council and the USA Poultry and Egg Export Council, both of which represent farmers from my home State of Delaware.

But it also includes national organizations and companies such as the American Farm Bureau Federation, National Grange, Cargill, Farmland Industries, the National Cattlemen's Beef Association, and many others.

Importantly, this list also includes groups that this amendment is ostensibly intended to help, including the National Corn Growers Association, the National Oilseed Processors Association, the American Soybean Association, the U.S. Rice Producers Group, the U.S. Wheat Associate, and the Wheat Export Trade Education Commission.

This is a long list, but it is worth emphasizing for all my colleagues to realize how much is at stake and how much will be lost if this or any other amendment were to be adopted.

After all, China is already our eighth largest market for agricultural exports. In fiscal year 1999, U.S. farm exports to China were about $1 billion, with an addition $1.3 billion of exports going to Hong Kong.

While China is already a huge agricultural export market, the potential for the future is even greater with WTO accession. China has agreed to slash tariffs for virtually every agricultural product, and to establish very high tariff rate quotas for key products, including those covered by my colleague's amendment.

As importantly, China has agreed to abide by the terms of the WTO SPS Agreement, which requires that animal, plant, and human health import requirements be based on science and risk assessment.

It would be particularly ironic if PNTR were to fail because of the amendment before us now. This amendment, at best, is unnecessary. After all, the President is authorized to negotiate with any country about any issue at any time.

Such negotiations would be entirely appropriate and necessary if there were concerns about market access or unfair trade practices that needed to be addressed. But this amendment would urge the President to work with the Chinese to intervene in the agriculture market to achieve a certain balance of trade.

It is because we have rejected these types of statist economic policies that our economy is as strong as it is today. Going back down the road of having the Government meddle unnecessarily in the market is simply not the answer.

In the end this amendment would do nothing to enhance our access to the Chinese market for our farmers. It would, in fact, threaten the potential gains that will become available to us with the passage of PNTR.

That is why I oppose this amendment and urge my colleagues to vote against it. There is too much at stake to do otherwise.

Mr. President, I am ready to yield back the remainder of my time.

Mr. HOLLINGS. Mr. President, I am ready, if I may, to just respond, if you don't mind, for a couple minutes.

How much time do I have?

The PRESIDING OFFICER. Fifteen and a half minutes.

Mr. HOLLINGS. I will not take that long.

My distinguished colleague, the chairman of our Finance Committee is really is one of our outstanding Members. I have every respect for his leadership—but on this particular score, he talks about the great market we have and that this amendment would require the President to intervene to obtain a certain balance of trade. Not at all. What I am trying to do is avoid a deficit in the balance.

As they say, they are a great market. As long as the soybean association is right, as long as the wheat association is right, and the other 63-some-odd associations are right, you will never hear any more about this amendment. It will be dead on the books because nothing will have to be triggered. I am taking their word for it.

I know otherwise. I have been in the agricultural business. When you mention the American Farm Bureau, I almost have to laugh. They have to do with everything but with farming. It is an insurance company. They have many times come out against the interests of the farmer.

I have taken an agriculture case, on the dairy score, all the way to the Supreme Court. I learned that my dairy farmers put their milk out on the stoop, that on the first of the month it is picked up, and they don't learn for 30 days—or sometimes 2 months—whether that is going to be classed grade A, class I grade A, or whether it is going to be class III grade C. There is a tremendous difference in price. It is up to the processor to determine whether it is going to go into processing ice cream, cottage cheese, or whether it is going to be pasteurized and put on the stoop as class I grade A.

So the poor farmer keeps his mouth shut because he has to get along. In short, the farmer is in the hands of the processor and the distributor in most instances. That is why you have these organizations and Archer-Daniels-Midland, Cargill, everybody else. They can run around and easily get these resolutions.

But the hard, cold fact is, I am here for the wheat farmer, for the soybean farmer, for the corn farmer. All I am saying is, you are telling me I am going to be able to expand this wonderful market. Well, I am looking, and seeing it has contracted, and overall we have a deficit right now.

I know 3½ million cannot outproduce 800 million. I know I am obligated under the agreement to bring the 800

million up to snuff with the 3½ million. So I am saying: Wait a minute here. Let's not go pell-mell down the road and ruin the one great thing we have, and that is America's agriculture. You ruined the manufacturing. Now you want to ruin its agriculture. So that is why my amendment is here.

Oh, yes, there is one other point. China will gain access to the WTO. The distinguished Senator and I agree on that. But he thinks that, ipso facto, it opens the market. Japan, for 5 years has been a member of the WTO. Try to get some of these things into Japan.

For those who are solely unknowing, for those who have not studied the case, if you think being a member of the WTO opens markets, you are wrong. Japan is the best example, and China is going the same way. Since they have signed this agreement, and since Ambassador Barshefsky said we did not have to have any more technology transfers in order to do business, Qualcom and many others have learned otherwise since that testimony before the Finance Committee.

AMENDMENT NO. 4137

Mr. HOLLINGS. Mr. President, I yield back the remainder of my time on amendment No. 4135, and I call up amendment No. 4137 on the Export-Import Bank and the Overseas Private Investment Corporation.

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

Mr. HOLLINGS. Mr. President, this is the dilemma we are in. We not only don't know what we are doing, we are causing great damage to the workers in America. We are all running around America saying: I am fighting for working families. Well, we are eliminating working families here on the floor of the Congress.

Over the past 6 years, Congress appropriated $5 billion to run the Export-Import Bank of the United States. It subsidizes companies that sell goods abroad. James A. Harmon, President and Chairman put it this way:

> American workers have higher quality, better paying jobs, thanks to the Eximbank's financing.

But the numbers at the bank's five biggest beneficiaries—AT&T, Bechtel, Boeing, General Electric, and McDonnell Douglas, which is now a part of Boeing—tell another story. At these companies, which have accounted for about 40 percent of all loans, grants, and long-term guarantees in this decade, overall employment has fallen 38 percent. Almost 800,000 jobs have disappeared. We are taxing the American public to pay for the elimination of these fine jobs.

What does my amendment say: It says, notwithstanding any other provision of law, in addition to the requirements—and there are all kinds of requirements at Exim and OPIC—neither the Export-Import Bank or the Overseas Private Investment Corporation can provide risk insurance after December 31 of this year unless the applicant certifies that it has one, not transferred advanced technology to the People's Republic of China or, two, has not moved any production facilities until after January 1, 2001, from the United States to the People's Republic.

I want to cut out the ''P'' from PNTR. I can see the lack of knowledge and certainly maybe sometimes the disregard, but to actually come in here and raise taxes to finance the Eximbank and OPIC to, in turn, finance the export of these jobs or the elimination of over 800,000 jobs, we have lost over a million manufacturing jobs in the last decade. There is no question about it. We are just going out of manufacturing entirely. We are going into making hamburgers and handling the laundry, and there are a few software folks buying the stock, making themselves some money, but even the software employee is part time. The construction worker today now has been put off as an independent contractor. He is not under health care. The department store workers are also either independent contractors or part time workers. We have taken and decimated the workforce. And they are wondering why there is malaise or anxiety.

Here is the President back in May:

> Clinton asked rhetorically: ''So why are we having this debate, because people are anxiety ridden about the forces of globalization.''

They tell us we just don't understand the forces of globalization.

After that one, I have a cover article, I ask unanimous consent to print this article. It is very interesting, ''The Backlash Behind the Anxiety of Over Globalization,'' in Business Week, dated April 24.

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

[From Business Week, Apr. 24, 2000]

BACKLASH: BEHIND THE ANXIETY OF OVER GLOBALIZATION

(By Aaron Bernstein)

Ask David K. Hayes about the impact of globalization on his life and you'll hear the story of a painful roller-coaster ride. The Goodyear Tire & Rubber Co. factory in Gadsden, Ala., where he has worked for 24 years, decided to shift most of its tiremaking to low-wage Mexico and Brazil early last year. The plant slashed its workforce from 1,850 to 628. The 44-year-old father of two was lucky and landed a job paying the same $36,000 salary at another Goodyear plant 300 miles away. Hayes's wife didn't want to quit her $30,000-a-year nursing job, so Hayes rented a small apartment in Union City, Tenn., seeing his family on weekends. Then in October, Goodyear reversed course and rehired nearly 700 people in Gadsden, including Hayes. It's good to be home, he says, but he is constantly fearful that the company will switch again. ''It has been nerve-wracking,'' he says. ''We try to be cautious on spending, because I don't know if I'll have a job in six months.''

Such stories of anxiety are part of what's fueling a second wave of protests against globalization that kicked off in Washington, D.C., on Apr. 9. Echoing the demonstrations that erupted late last year at the World Trade Organization (WTO) meeting in Seattle, the AFL–CIO brought some 15,000 members to Capitol Hill on Apr. 12 to lobby against granting Normal Trade Relations Status to China. Environmental and human-rights protesters planned to disrupt meetings of the World Bank and the International Monetary Fund (IMF) four days later.

The outpouring once again raises the question: Why are so many people so angry about globalization—a term that has come to encompass everything from expanded trade and factories shifting work around the world to the international bodies that set the rules for the global economy? Political and business leaders across the spectrum were caught off guard by the strong feelings expressed in Seattle last fall. Although they're better prepared this time, they remain perplexed.

After all, the U.S. economy is in the midst of a heady boom that's being fueled in no small part by globalization. Open borders have allowed new ideas and technology to flow freely around the globe, fueling productivity growth and helping U.S. companies to become more competitive than they have been in decades. Expanded trade has helped to keep a tight lid on U.S. consumer prices, too. As a result, many U.S. families are doing better than ever. What's more, polls have shown for years that a solid majority of Americans believe that open borders and free trade are good for the economy.

So it the hostility aired in Seattle and now in Washington just the raving of fringe groups? Or does it express a more widespread anxiety that decision-makers have ignored until now? Fringe groups do play a role, but there is mounting evidence for the second conclusion, as well. The protesters have tapped into growing fears that U.S. policies benefit big companies instead of average citizens—of America or any other country. Environmentalists argue that elitist trade and economic bodies make undemocratic decisions that undermine national sovereignty on environmental regulation. Unions charge that unfettered trade allows unfair competition from countries that lack labor standards. Human rights and student groups say the IMF and the World Bank prop up regimes that condone sweatshops and pursue policies that bail out foreign leaders at the expense of local economies. ''Are you allowed to make your own rules, or is someone else going to do it? Those are fighting words to a lot of people,'' says Robert C. Feenstra, a trade economist at the University of California at Davis. DIVIDED. A BUSINESS WEEK/Harris poll released on Apr. 12 finds that while Americans agree in principle that globalization is good, they disagree with policies for carrying it out. Just 10% describe themselves as free traders, while 51% say they are fair traders. Some 75% to 80% say their priorities are to prevent unfair competition, environmental damage, and job loss. The goals of the Clinton and prior Administrations, including boosting exports and keeping consumer prices low, rank lower (page 44).

At the same time, 68% of Americans believe globalization drags down U.S. wages. Respondents split fairly evenly on whether global integration is good for creating jobs and the environment. The result: a gnawing sense of unfairness and frustration that could boil over in the future. ''A strong majority [of the U.S. public] feels that trade policies haven't adequately addressed the concerns of American workers, international labor standards, or the environment,'' says Steven Kull, director of the University of Maryland's Center on Policy Attitudes, which on Mar. 28 released an extensive poll entitled ''Americans on Globalization.''

Americans' divided views have broad implications for U.S. policies and companies. Ever since the North American Free Trade Agreement (NAFTA) squeaked through Congress

in 1993, its opponents have blocked most major trade initiatives, including President Clinton's request for fast-track authority to negotiate new trade pacts. Now protesters hope to thwart the Administration's pledge to extend Normal Trade Relations to China as part of its entry into the WTO. Some 79% of Americans don't want to give China normal trading privileges, according to the BUSINESS WEEK/Harris poll. After the Apr. 12 rally, the AFL–CIO plans to mount a grass-roots effort to defeat the measure when Congress takes it up in late May.

And there's more to come. College students around the country are holding weekly sit-ins to pressure companies to agree to sweatshop monitoring, and they're scoring surprising victories with Reebok, Nike, and other apparel makers. Unions plan to keep pressing for labor standards that can be incorporated into the world trading system—a battle that could drag on for years. Meanwhile, the Washington demonstrations are likely to spur reform at the World Bank and the IMF (page 46). Of course, global integration is a juggernaut that's not easily stopped, but all the political turbulence could make the free-trade agenda more difficult to achieve.

Finding common ground among competing constituents will be a nightmare for policymakers and politicians. While it may be possible to redesign procedures at the lending agencies, for example, it's far more complex and controversial to set labor and other standards worldwide. Already, China's WTO entry has become a flash point for Vice-President Al Gore, who's depending heavily on union support in his Presidential quest. Somehow, the Administration must balance all this while maintaining friendly relations with trading partners around the globe. The task is all the more difficult because to some degree, helping U.S. workers could hurt those in low-wage countries, since shifting U.S. factories and technology abroad helps to lift living standards there.

It's a paradox that while globalization brings big gains at the macroeconomic level, those pluses are often eclipsed in the public eye by all the personal stories of pain felt by the losers. But that pain remains mostly hidden, as economists and politicians emphasize the upside while downplaying or omitting altogether the drawbacks (table). The Economic Report of the President, for example, released in February, barely mentions trade-related job losses, yet Commerce Dept. statistics imply that something like 1 million workers lose their jobs every year as a result of imports or job shifts abroad. THREATS. Indeed, there are millions like David Hayes who live in fear of a layoff and whose families share the emotional and financial disruption. Even in today's red-hot job market, workers who lose a job earn 6% less on average in the new one they land. Others face pressure to take skimpy raises or pay cuts from employers that threaten to move offshore.

Even service and white-collar workers are no longer exempt. True, many professionals are hitting it big on the Internet and thriving in export-oriented companies. But as global integration advances, engineers, software writers, and other white-collar employees are seeing jobs migrate overseas. ''Workers used to feel safe when the economy was doing well, but today they always feel they can be laid off, and globalization is part and parcel of that,'' says Allan I. Mendelowitz, executive director of the U.S. Trade Deficit Review Commission, set up by Congress in 1998.

The point isn't that globalization creates more losers than winners. After all, free trade is a net gain for the country. What worries many is that the U.S. does little to help those who lose out. ''You want to make sure that the benefits of trade are fairly shared,'' says William R. Cline, a trade expert at the Institute of International Finance Inc.

Of course, with jobs plentiful today, losing one is less disastrous than it was back in 1992. But it's still a traumatic experience. About 25% of all job-losers still aren't working three years afterward, according to Princeton University economist Henry S. Farber, who analyzed government survey data through 1997, the latest year available. Some simply retire early. The 75% who do get another job still face that 6% gap, plus the income lost if they're unemployed until they find new work.

What was once seen as a blue-collar phenomenon is now spreading to the service sector. U.S. data-processing companies are using high-speed data lines to ship document images to low-wage countries such as India and Mexico. Some 45,000 people work in these and other service jobs in maquiladoras, twice the number in 1994, when NAFTA took effect. They do everything from processing used tickets for America West Airlines Inc. to screening U.S. credit-card applications for fraud. And the work is getting more advanced. As U.S. companies tap bilingual Mexicans, ''we have people getting on the phone and calling customers'' in the U.S., says Ray Chiarello, CFO of 2,800-employee Electronic Data Management International in Cuidad Juarez. SWEATSHOPS? Global competition is also battering the theory of comparative advantage, which holds that free trade will prompt the U.S. to import goods made by low-wage, low-skilled labor and export those made by the highly skilled. But companies are undermining that construct by shifting even the most skilled jobs and technologies to low-wage countries.

At General Electric Co., for example, CEO John F. Welch has for years been pushing his operating units to drive down costs by globalizing production. At first that meant moving appliance factories to low-wage countries such as Mexico, where GE now employees 30,000. Then last year, GE's Aircraft Engines (AE) unit set up a global engineering project that already has increased the number of engineers abroad tenfold, to 300, with sites in Brazil, India, Mexico, and Turkey. ''We just can't compete globally with a primarily domestic cost base,'' says AE commercial engines General Manager Chuck Chadwell in a recent AE internal newsletter. An AE spokesman agrees that GE is shifting low-end engineering jobs offshore but says high-end design work is staying in the U.S.

Brian and Mary Best are on the losing end of GE's globalization drive. Both have worked for 25 years as planners at GE's jet-engine plant in Lynn, Mass. But the unit has been shedding planners, who design and help build tools used to make engines, leaving 140 in Lynn, down from 350 a decade ago and 200 in 1999. In February, Brian was laid off from his $50,000-a-year job, and Mary hopes she's not next. ''Our jobs are going to places like Mexico and Poland, where labor is cheaper,'' says Mary, who has a BA in business administration. Says Brian: ''GE's only allegiance is to its shareholders.''

Globalization also helps push down U.S. wages. Trade accounts for roughly one-quarter of the rise in U.S. income inequality since the 1970s, studies show. Imports shift demand from low-skilled workers to educated ones. Yet economists have never found a way to measure direct wage pressures from globalization.

Mike Spaulding knows about that pressure. Spaulding, 55, works at Buffalo's Trico Products Corp., a maker of windshield wipers, purchased by Tomkins PLC in 1998. Trico began shifting 2,200 jobs to Mexico in the mid-1980s. Then in 1995, management said the 300 remaining jobs could stay if employees slashed costs. So Spaulding and his colleagues swallowed a $2-an-hour cut, to $12.50, where his pay remains today. ''We've had to cut back on our lifestyle—forgo some vacations and going out to dinner,'' he says.

Demands like Trico's have lowered pay across the auto-parts industry. One-third of U.S. auto-part employment migrated south to Mexico between 1978 and 1999, according to Stephen A. Herzenberg, an economist at the Keystone Research Center in Harriburg, Pa. The result: Wages in the U.S. auto-parts industry plunged by 9% after inflation, he found.

Some companies use the mere threat of overseas job shifts against workers who try to unionize to raise their pay. In February, Yvonne Edinger and some colleagues tried to form a union at a Parma (Mich.) factory owned by Michigan Automotive Compressor Inc., a joint venture of Japan's Denso Corp. and Toyoda Automatic Loom Works Ltd. The 425 workers at the plant, which makes car air conditioners, earn $12 to $14 an hour—vs. $16 to $18 for parts makers in the United Auto Workers. But when the organizing drive began, ''Japanese coordinators sent over to troubleshoot the line told people that the plant would be moved if they voted in the UAW,'' says Edinger. That scared so many workers that the organizing drive has been put on hold. A company spokeswoman says it has heard no allegations of threats by its coordinators. Yet such threats are routine. According to a 1996 study by Cornell University labor researcher Kate Bronfenbrenner: 62% of manufacturers threaten to close plants during union recruitment drives.

For nearly a decade, political and business leaders have struggled to persuade the American public of the virtues of globalization. But if trade truly brings a net gain to the U.S. economy, why not use some of the extra GDP to compensate the losers and diminish the opposition? True, this wouldn't address wage cuts and threats of moving offshore, much less qualms about the environment and the supranational role of global trade, and finance bodies. Still, if the decision makers don't start taking Americans' objections seriously, the cause of free trade could be jeopardized.

THE PROS AND CONS OF GLOBALIZATION

PLUSES

—Productivity grows more quickly when countries produce goods and services in which they have a comparative advantage. Living standards can go up faster.

—Global competition and cheap imports keep a lid on prices, so inflation is less likely to derail economic growth.

—An open economy spurs innovation with fresh ideas from abroad.

—Export jobs often pay more than other jobs.

—Unfettered capital flows give the U.S. access to foreign investment and keep interest rates low.

MINUSES

—Millions of Americans have lost jobs due to imports or production shifts abroad. Most find new jobs—that pay less.

—Millions of others fear losing their jobs, especially at those companies operating under competitive pressure.

—Workers face pay-cut demands from employers, which often threaten to export jobs.

—Service and white-collar jobs are increasingly vulnerable to operations moving offshore.

—U.S. employees can lose their comparative advantage when companies build advanced factories in low-wage countries, making them as productive as those at home.

Mr. HOLLINGS. That anxiety over globalization is real. The average American working in manufacturing is not part of this wonderful economy. On the contrary, they are on the edge of losing completely. Just look at the fact that 28,700 manufacturing jobs in the State of South Carolina have been lost since NAFTA.

Let me tell you what happens. They say: Reeducate. I go right to Onieta, simple plant, making T-shirts. We brought it to Andrews, South Carolina some 30-some years ago. At the time it closed, last year and re-located to Mexico, they had 487 employees, and the average age was 47 years of age—all loyal, wonderful, productive, everything. So let's do it Washington's way, reeducate. They sound like Mao Zedong—reeducate, get ready for global competition. So tomorrow morning we have the 487 workers out of a job. They are now reeducated and they are expert computer operators.

Are you going to hire a 47-year-old computer operator or a 21-year-old computer operator? You are not taking on the pension, the retirement cost. You are not taking on the health care cost of the 47-year-old. You are going to hire the 21-year-old. So even Washington's way, they are high and dry. Deadline, go to the town of Andrews and some other places such as that where they have closed down these plants. We have high employment in Greenville, Spartanburg, but go to Williamsburg, go to Marlboro, go to Barnwell and you will see what has been occurring.

So we traveled the State. We have worked for jobs. And don't let the Tom Donahue and the Chamber of Commerce, come up here and start telling me about jobs. I have to sort of make a record. He has gone from representing Main Street and jobs in America to the multinationals, money makers, who can make far more by transferring their production outside of the United States.

I have gotten every Chamber of Commerce award. Bobby Kennedy and I were the tin men back in 1954. I have gotten it from every county Chamber of Commerce, the National Chamber of Commerce, any Chamber of Commerce. But on account of this trade debate, Donahue had them endorse and finance my opponent the year before last. Then do you know what he did, January of last year, after I came back from reelection? He gave me the award. He sent me some good government award or American leadership in commerce. I told him to stick it. Come on. What is going on around here? The unmitigated gall. That crowd has left.

I know the Business Roundtable. I refereed the fight between Secretary of Commerce Luther Hodges and Roger Blough, President of U.S. Steel and head of the Business Roundtable. Because when Secretary Hodges was appointed by President Jack Kennedy, there were 12 on both sides. It was all about the Business Roundtable. They did their manufacturers census and everything else and gave it to the Business Roundtable. The poor Secretary didn't even have control of his own office so he ran them out. And we had to referee that fight and get some of them back in, but at least put the secretary in charge of his own office. But CEO's are arrogant. I know them. They are arrogantly greedy, and they could care less about the country. Jack Welch, the best of the best, says I am not going to add a supplier unless that supplier moves to Mexico. Read the Business Week. The head of Boeing said, ''I'm not an American company, I'm an international company.'' Caterpillar is saying it too. They take pride that they don't have a country.

Well, I happen to represent a country, and I am not going to take it sitting down. They ought to be embarrassed. I appreciate the distinguished chairman of the Finance Committee being here now, but the way they have treated this debate in violation of the Pastore rule, and they bring on morning business and talk about every other subject, they could care less about this debate. The vote is fixed. So we don't learn anything. I can learn from my fellow Senators if I am mistaken or in error. Fine, let's learn and understand what the situation really is. My figures are the Government's figures—the Department of Commerce, the Department of Labor figures, Department of Agriculture statistics.

We are not doing well at all in our deficit balance of trade. I can tell you here and now, Strom and I are going to get by. We are not paying our bills. The distinguished Chair is going to have to pick up my bills because I am spending money the government does not have. Mr. President, it is wonderful and since we have a little time you might indulge me. They ought to understand that the Department of Treasury, under the law—I know they would like to avoid this discussion. The Fed hasn't paid the large August payment on the interest cost. It is going to run around $70 billion. As of 9/12/2000, the national debt is $5,684,118,446,519.63. At the beginning of the fiscal year, it was $5,656,270,901,615.43. So in round figures, the debt has increased around $28 billion. The debt has gone up already. We spent $28 billion more than we took in. We had wonderful receipts on personal income on April 15, and again in June for corporate. But even with those, we now have spent $28 billion more than we took in. We have a deficit and we have had a deficit since Lyndon Johnson balanced the budget in 1968–1969. Yet they all talk surplus.

We don't have a federal surplus. We don't have a surplus in trade. We don't have a surplus in agricultural trade. We don't have a surplus in technology trade. Where are the surpluses? We have a surplus in campaign contributions. Maybe that is the name of the game. Forget about the country. Use the Government to reelect ourselves and promise those things that we don't have. That is the biggest campaign finance abuse—using the Government and the budget. We call something a surplus when we have a deficit, and we promise so much in tax cuts and spending and everything else. Then when it comes to this important subject, either we say nothing or we don't even debate it.

I reserve the remainder of my time on the amendment.

The PRESIDING OFFICER. The Senator from Delaware is recognized.

Mr. ROTH. Mr. President, I rise in opposition to the amendment of my friend. The amendment is not only irrelevant to the underlying bill normalizing trade with China, it would unnecessarily limit the support Congress has directed Ex-Im and OPIC to provide to U.S. exporters worldwide.

First, and most importantly, I want to remind my colleagues that the point of this bill is to ensure that American workers, American farmers, and American businesses reap the benefits of an agreement that it took 3 Presidents of both parties 13 years to squeeze out of the Chinese. Those benefits would be forfeit if this amendment were to pass and thereby hinder our ability to see H.R. 4444 enacted into law.

Thus, the amendment would not only limit the actual assistance that Congress directed Ex-Im and OPIC to provide our exporters, the amendment could have the effect of denying them real export opportunities that are likely to equal $13 billion annually.

Second, the bill ignores the realities of how our exporters do business—pursue markets abroad. Generally, exporting does require you to invest abroad in some form even if only in the form of a representative office, and the available economic analysis suggests that American investment abroad enhances our exports.

The so-called ''benchmark studies'' of the Emergency Committee for American Trade or ECAT have amply detailed that effect. This past year, as part of the Finance Committee's review of U.S. trade policy, we heard from the Cornell professor who completed the study for ECAT. His testimony was compelling, he found that U.S. investment abroad increased U.S. exports and, pointedly, did not find any substance to the argument that trade represented a highway for run-away American plants, as some claim.

The obvious reason for that phenomena is that our market is already open with very few exceptions. If American firms were interested in moving production to China simply to export back to the United States, they could already have done so for many years. One thing this lengthy debate has made clear is that our market has remained open to the Chinese, while the Chinese market, until the agreement of this past November goes into effect, remains largely closed to U.S. exporters. Firms that simply wanted an export platform to the United States could have been exporting to the U.S. for the past 20 years.

In fact, what passage of PNTR promises is that U.S. companies will no longer have to move to China simply to produce for the Chinese market. Under the November agreement, our exporters can produce in the United States, export to China, and for the first time sell directly to the Chinese consumer without the interference of some state-owned trading company. In other words, passage of PNTR is the best way to halt any alleged erosion of our manufacturing base because you can make the goods here and sell them in China.

Third, this amendment would have a chilling effect on normal business practices that yield export sales. The amendment does not, for example, define what it means by a production facility or what constitutes ''moving'' such a facility to the People's Republic of China.

Thus, for example, would the Ex-Im Bank be required to deny any support to a U.S. exporter if it closed any facility in the United States or even reduced production in such a facility while it opened a sales office in China? Would OPIC be required to oppose any form of risk insurance for a U.S. company establishing a facility in China manufacturing goods for the Chinese market if the company had closed or merely reduced production in a U.S. facility manufacturing a completely different product?

Those are just a few of the complications that would arise for the Ex-Im Bank, OPIC, and most importantly for American exporters for whom Congress created those programs if this amendment were to pass.

Congress certainly did not intend that the Ex-Im Bank and OPIC be hamstrung in providing support to our exporters. To the contrary, the explicit intent of Congress in creating those programs was to enhance our exporters competitiveness, not to hobble it.

I oppose this amendment for all of the foregoing reasons and ask my colleagues to do so as well.

Mr. GRAMM. Mr. President, I ask unanimous consent to speak in morning business.

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

(The remarks of Mr. GRAMM and Mr. MOYNIHAN are located in today's RECORD under Morning Business.)

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. Mr. President, I have a unanimous consent request. I ask unanimous consent that at 4:45 today the Senate proceed to a series of rollcall votes in relation to the following amendments in the order mentioned:

Division I of Senator SMITH's amendment No. 4129;

Division IV of Senator SMITH's amendment No. 4129;

Hollings amendment No. 4136;

Hollings amendment No. 4135;

Hollings amendment No. 4137.

I further ask unanimous consent that any remaining divisions of amendment No. 4129 be withdrawn and the Feingold amendment regarding the Commission be withdrawn from the list of eligible amendments.

Finally, I ask unanimous consent there be 2 minutes of debate, equally divided in the usual form, prior to each of the votes.

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

Mr. ROTH. I yield the floor.

The PRESIDING OFFICER. The distinguished Senator from South Carolina is recognized.

Mr. HOLLINGS. Mr. President, of course, our chairman, in opposition to the amendment, has said three Presidents have worked 13 years and found the best way to stop the erosion of our manufacturing base was this particular PNTR agreement. If that is the case, I am a happy man. I have my grave doubts because I have been around here and, as John Mitchell said years ago: Watch what we do, not what we say.

So I put in amendments with respect to the matter of jobs. They say it is going to create jobs. I say there is going to be a loss of jobs. On this particular score, since we lost 69,000 manufacturing jobs just last month, and the NAM, the group in charge of manufacturing, the private entity, says we have a $228 billion deficit in the balance of manufacturing trade, then I think what we ought to do is look at this thing very closely; certainly not finance it.

Companies say it is too much of a burden to report. Not at all. They have to just make a statement that they have not used the monies of exports to adulterate the cause; namely, instead of creating jobs in America, to lose the jobs. The same with the Overseas Private Investment Corporation.

Obviously, people looking at the record wonder why we have gotten ourselves in such a situation. I have watched it over the years and participated, obviously, in it, again and again. What really has happened is much like in the early days before World War II, the Spanish war, where they had the fifth column. We have, in international trade, the fifth column in the United States. Let me tell you how it is comprised.

Yes, after World War II the United States had the only industry. We had the Marshall Plan. We sent over our technology, our expertise and, bless everybody, it has worked. Capitalism has defeated communism. And the tax is still to favor the investment overseas. The Senator from North Dakota, Mr. DORGAN, was voted down earlier this year on an amendment to stop financing it. That is exactly what this amendment says: Just don't—Export-Import Bank, OPIC—finance your demise.

But at that particular time the manufacturers in America had all kinds of trouble traveling to the Far East and elsewhere. They didn't like it. Air travel was a burden. Now it is a pleasure.

What happened is that the banks who were financing, like Chase Manhattan and Citicorp, started making most of their money, as of 1973, outside the United States. They saw their opportunity for expansion in financial trade and obviously sponsored all these foreign policy associations—the Trilateral Commission and everything else. So the best and the brightest crowded in from the Ivy League into these particular entities. They started talking about free trade, free trade, the doctrine of comparative advantage—and it is 50 years later, all power to them—free trade when there is no such thing. The competition is not for profit. It is not free. It is controlled trade and the competition is for market share and, in essence, jobs.

The next thing you know, they started actually investing. I will never forget it. These countries, starting with Japan, began to invest in the United States. Back in the 1980s, we had the independent study about the Japanese contributions to Harvard University. The Japanese-financed academics had tremendous influence over the business model being taught in leading business schools. So they began to take over, and with their investments and contributions to the outstanding campuses of America—the next thing you know, we had everyone in America making profits from their investments, buying into the principle of lean manufacturing and lower costs. We had influence in the banks, we had the Trilateral Commission, we had the campuses, and before long we had the retailers who made a profit, a bigger profit out of the imported articles than what they did on the American-produced article.

Then you had the retailers, the Trilateral Commission, the banks, the campuses, the consultants, and finally the lawyers. Ten years ago Pat Choate wrote in ''Agents of Influence,'' that Japan had 110 lawyers, paid way more than we were paying them here—the consummate salary of the House and Senate by way of pay. Japan was better represented in the United States than the people of America by their Congress.

You get all these lawyers who come in and move into the Business Roundtable and the Chamber of Commerce—the Main Street merchant is forgotten. As the distinguished farmers have to realize, the U.S. Farm Bureau is now an insurance company. They have lost the American farmer. We have a deficit in the balance of agriculture with the People's Republic of China.

With respect to wheat, corn, and soybeans, if we lose the positive balance of trade that we have now, and start to get a deficit, let the President simply report it to the Congress and renegotiate and see if we can get better terms. That is what is called for. Otherwise we are going to sell out agriculture.

Overall, the Department of Agriculture shows a deficit in the balance of trade, particularly in cotton. We actually import more cotton from the

People's Republic of China than we export. We have a deficit in the balance of trade with the People's Republic of China in cotton.

I can see it happening, going from 440 million dollars down to 39 million dollars in the last 4 years. It is diminishing rapidly. Obviously, 800 million farmers can do better than 3.5 million in America. We are committed under this agreement to make the 800 million just as productive as the 3.5 million. We have to bring them over here, put on the seminars, carry them through our experimental stations, show them our technology under this agreement.

Once they have a glut in agriculture, once they solve their transportation and distribution problems, we are going to be in the soup in this country. We do have the greatest agriculture in the entire world, but trying to maintain it with the Export-Import Bank, the financing of our sales overseas, the research—we have the fifth column working against us. We are financing our own demise.

The fix is in on all of these votes. They will not even debate them. The legacy of President William Jefferson Clinton is one of fear. I just finished reading a book by David Kennedy, ''Freedom from Fear,'' about Roosevelt, about his leadership. It was true leadership. It was not taking the popular side of a public poll. On the contrary, he was always climbing uphill, all during the thirties and early part of the forties at the beginning of the war. He was fighting to get his policies and programs through. They were not popular ones at all. He led. He said: The only thing we have to fear is fear itself. That was his legacy, freedom from fear.

Now we have global anxiety that President Clinton talked about—the fear of the worker and the farmer in America. They do not know how long they will be able to continue to produce, how long they will have a job, how long they will have a family, how long they will have financial security.

My amendments are not against China. They are against the United States and its failure to compete in international trade. Congress has the fundamental responsibility—article I, section 8 of the Constitution—the Congress, not the President, not the Special Trade Representative, but the Congress shall regulate foreign commerce. But we have been abandoning this responsibility. We do not debate it in the elections. We are now up to a $350 billion, almost a $400 billion deficit, costing us 1 percent of our GNP.

We are in bad shape, but nobody wants to talk about it. They just want to vote and get out of here. If my colleagues debate my amendments, I will be glad to show them the statistics I have corralled.

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

The PRESIDING OFFICER. The Senator has 5 minutes 20 seconds.

Mr. HOLLINGS. I will be glad to relinquish that time if the other side is ready to vote. We are going to vote at 4:45 p.m., within the half hour. I want to be able to answer my colleagues, so I retain the remainder of my time.

I suggest the absence of a quorum.

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

The senior assistant bill clerk proceeded to call the roll.

Mr. HOLLINGS. 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. HOLLINGS. Mr. President, I ask for the yeas and nays on the remaining Hollings amendments. I think they may have been ordered on one. I ask unanimous consent that it be in order to ask for the yeas and nays on the other two.

The PRESIDING OFFICER. Is there objection to it being in order to seek the yeas and nays on both amendments?

Without objection, it is so ordered.

Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

VOTE ON AMENDMENT NO. 4129, DIVISION I

Mr. HOLLINGS. The question is on agreeing to amendment No. 4129 of the Senator from New Hampshire. The yeas and nays have been ordered.

The clerk will call the roll.

The senior assistant bill clerk called the roll.

Mr. REID. I announce that the Senator from Hawaii (Mr. AKAKA) and the Senator from Connecticut (Mr. LIEBERMAN) are necessarily absent.

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

The result was announced—yeas 30, nays 68, as follows:

[Rollcall Vote No. 248 Leg.]

YEAS—30

Ashcroft	Hollings	Sessions
Bunning	Hutchinson	Shelby
Campbell	Inhofe	Smith (NH)
Collins	Jeffords	Snowe
Conrad	Kennedy	Specter
DeWine	Kohl	Thompson
Dorgan	Leahy	Thurmond
Feingold	Mikulski	Voinovich
Hatch	Santorum	Warner
Helms	Sarbanes	Wellstone

NAYS—68

Abraham	Edwards	Lott
Allard	Enzi	Lugar
Baucus	Feinstein	Mack
Bayh	Fitzgerald	McCain
Bennett	Frist	McConnell
Biden	Gorton	Miller
Bingaman	Graham	Moynihan
Bond	Gramm	Murkowski
Boxer	Grams	Murray
Breaux	Grassley	Nickles
Brownback	Gregg	Reed
Bryan	Hagel	Reid
Burns	Harkin	Robb
Byrd	Hutchison	Roberts
Chafee, L.	Inouye	Rockefeller
Cleland	Johnson	Roth
Cochran	Kerrey	Schumer
Craig	Kerry	Smith (OR)
Crapo	Kyl	Stevens
Daschle	Landrieu	Thomas
Dodd	Lautenberg	Torricelli
Domenici	Levin	Wyden
Durbin	Lincoln	

NOT VOTING—2

Akaka	Lieberman

The amendment (No. 4129, division I) was rejected.

Mr. ROTH. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

Mr. ROTH. Mr. President, can I have order, please?

The PRESIDING OFFICER. The distinguished Senator will suspend. Will Senators please cease audible conversation.

Mr. ROTH. Mr. President, I ask unanimous consent that the next votes in the series be limited to 10 minutes each.

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

AMENDMENT NO. 4129, DIVISION IV

Mr. ROTH. Mr. President, I yield my minute. My understanding is that the author of the amendment yields back his time as well.

The PRESIDING OFFICER. In accordance with the unanimous consent agreement, the question is on agreeing to amendment No. 4129, division IV. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. REID. I announce that the Senator from Hawaii (Mr. AKAKA) and the Senator from Connecticut (Mr. LIEBERMAN) are necessarily absent.

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

The result was announced—yeas 24, nays 74, as follows:

[Rollcall Vote No. 249 Leg.]

YEAS—24

Ashcroft	Helms	Reed
Byrd	Hollings	Sarbanes
Campbell	Inhofe	Smith (NH)
Collins	Jeffords	Snowe
DeWine	Kennedy	Specter
Edwards	Kohl	Thompson
Feingold	Lautenberg	Torricelli
Harkin	Mikulski	Wellstone

NAYS—74

Abraham	Enzi	Mack
Allard	Feinstein	McCain
Baucus	Fitzgerald	McConnell
Bayh	Frist	Miller
Bennett	Gorton	Moynihan
Biden	Graham	Murkowski
Bingaman	Gramm	Murray
Bond	Grams	Nickles
Boxer	Grassley	Reid
Breaux	Gregg	Robb
Brownback	Hagel	Roberts
Bryan	Hatch	Rockefeller
Bunning	Hutchinson	Roth
Burns	Hutchison	Santorum
Chafee, L.	Inouye	Schumer
Cleland	Johnson	Sessions
Cochran	Kerrey	Shelby
Conrad	Kerry	Smith (OR)
Craig	Kyl	Stevens
Crapo	Landrieu	Thomas
Daschle	Leahy	Thurmond
Dodd	Levin	Voinovich
Domenici	Lincoln	Warner
Dorgan	Lott	Wyden
Durbin	Lugar	

NOT VOTING—2

Akaka Lieberman

The amendment (No. 4129, division IV) was rejected.

Mr. ROTH. I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Nevada is recognized

Mr. REID. I have a suggestion. Maybe we should lower the amount of time on a vote to 5 minutes because then we could do it in 15 or 20. If we are going to have 10-minute votes, I respectfully suggest we do that. People are coming up to everybody saying: We have places to go, things to do, and these votes are taking too long.

I will not take any more time because we have an order in effect that the votes are supposed to be 10 minutes, but I hope we could get people here to do that.

AMENDMENT NO. 4136

The PRESIDING OFFICER. In accordance with the unanimous consent agreement, the question now occurs on the Hollings amendment No. 4136.

Who yields time?

The PRESIDING OFFICER. The Senator from South Carolina is recognized for 1 minute.

Mr. HOLLINGS. Mr. President, at the present moment we have a $350 billion deficit in the balance of trade with the People's Republic of China, and it promises to increase. But proponents of the bill say: No, this is going to open the market in China for advanced technology.

At the moment, we do have a deficit in the balance of trade in advanced technology, according to the Department of Commerce, of $3.5 billion. So this amendment says, after January 1, from thereafter, if it exceeds $5 billion, that the President try to renegotiate and get better terms. This is only a request on behalf of the President.

This amendment ought to be adopted, really, by a voice vote. We can do away with the rollcall, if you want to.

The PRESIDING OFFICER. The Senator from Delaware is recognized.

Mr. ROTH. Mr. President, I rise in opposition to the Hollings amendment. What this amendment would do is to urge the President to negotiate with the Chinese whenever there is a deficit in advanced technology products, even when there are no allegations of unfair trade practices. It is unclear what the result of these negotiations would be. Will the President urge the Chinese to prevent U.S. companies from transacting business in China until the balance of trade in these products moves into surplus? Or will the President raise barriers to imports into our own market, until the desired balance is achieved?

Whatever the intended result, the price to our farmers and workers would be too high if this amendment were adopted. Let's not forget what is at stake here. With China joining the WTO, the passage of PNTR will enhance dramatically the access of American products—including high technology products—to the Chinese market. That is why I urge my colleagues to vote against this amendment.

Mr. President, I yield the floor.

The PRESIDING OFFICER. All time has expired on the amendment.

The yeas and nays have been ordered.

Mr. KERRY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. Mr. President, I ask unanimous consent the yeas and nays be vitiated and this be a voice vote.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The question is on agreeing to amendment No. 4136.

The amendment (No. 4136) was rejected.

Mr. ROTH. I move to reconsider the vote.

Mr. L. CHAFEE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 4135

The PRESIDING OFFICER. The question now occurs on Hollings amendment No. 4135. There are 2 minutes equally divided.

Who seeks time?

Mr. HOLLINGS. Mr. President, I want a rollcall on this one because it deals with agriculture. At the present time, surprisingly, we have a deficit in the balance of trade overall in agriculture with the People's Republic of China. We do have a plus balance of trade in wheat, corn, rice, and soybeans. We want to maintain that trade. We want to help that wheat farmer in Montana.

So this amendment simply says, if we get to a deficit in the balance of trade for America's farmers in wheat, corn, rice, or soybeans, that the President is requested to see if he can negotiate a better term. That is all the amendment calls for.

I am sure the farmers want a recorded vote on this one. They want us to show we are supporting America's agriculture.

The PRESIDING OFFICER. The Senator from Delaware is recognized.

Mr. ROTH. Mr. President, I rise in opposition to this amendment. This amendment is both unnecessary and, with all due respect to my good friend, misguided.

The amendment is unnecessary because the President already has——

Mr. BYRD. Mr. President, may we have order.

The PRESIDING OFFICER. The Senator from West Virginia is absolutely correct. The Senate will be in order. We will suspend until the Senate is in order.

Will the Senators to the Chair's right please take their conversations off the floor.

The Senator is recognized.

Mr. ROTH. I thank the distinguished Senator from West Virginia for his courtesy.

The amendment is unnecessary because the President already has the authority to negotiate with any country about any issue at any time. The proposal is misguided because it seems to urge the President to take actions to eliminate a deficit in certain products, even if the balance of trade is not the result of any market barriers or unfair trade practices. What does this mean as a practical matter? Will the President urge the Chinese to void existing contracts until the balance of trade is in surplus? We just don't know. In the end, this type of intervention in the market is unwise and, ultimately, counter to our own interests.

I would also note that many of the agriculture groups that this amendment is intended to help support my decision to oppose all amendments. This includes groups representing rice, corn, wheat, and soybean farmers. For these reasons, I urge my colleagues to vote against this amendment.

I yield the floor.

The PRESIDING OFFICER. The time allotted to the Senator has expired.

All time has expired.

The question now occurs on agreeing to Hollings amendment No. 4135. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Utah (Mr. HATCH) is necessarily absent.

I further announce that, if present and voting, the Senator from Utah (Mr. HATCH) would vote ''no.''

Mr. REID. I announce that the Senator from Hawaii (Mr. AKAKA) and the Senator from Connecticut (Mr. LIEBERMAN) are necessarily absent.

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

The result was announced—yeas 16, nays 81, as follows:

[Rollcall Vote No. 250 Leg.]

YEAS—16

Byrd	Hollings	Shelby
Campbell	Hutchison	Smith (NH)
Dorgan	Inhofe	Specter
Feingold	Mikulski	Wellstone
Harkin	Sarbanes	
Helms	Sessions	

NAYS—81

Abraham	Craig	Inouye
Allard	Crapo	Jeffords
Ashcroft	Daschle	Johnson
Baucus	DeWine	Kennedy
Bayh	Dodd	Kerrey
Bennett	Domenici	Kerry
Biden	Durbin	Kohl
Bingaman	Edwards	Kyl
Bond	Enzi	Landrieu
Boxer	Feinstein	Lautenberg
Breaux	Fitzgerald	Leahy
Brownback	Frist	Levin
Bryan	Gorton	Lincoln
Bunning	Graham	Lott
Burns	Gramm	Lugar
Chafee, L.	Grams	Mack
Cleland	Grassley	McCain
Cochran	Gregg	McConnell
Collins	Hagel	Miller
Conrad	Hutchinson	Moynihan

Murkowski	Rockefeller	Thomas
Murray	Roth	Thompson
Nickles	Santorum	Thurmond
Reed	Schumer	Torricelli
Reid	Smith (OR)	Voinovich
Robb	Snowe	Warner
Roberts	Stevens	Wyden

NOT VOTING—3

Akaka	Hatch	Lieberman

The amendment (No. 4135) was rejected.

Mr. ROTH. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 4137

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

Mr. HOLLINGS. This amendment deals with the Export-Import Bank. James Harmon, president, stated that the principal beneficiaries under the Export-Import Bank had a 700,000 job loss or more during the past 10 years. What we are doing, in essence, is financing our own demise. So the amendment simply states that when you apply for this particular subsidy, you must certify that you haven't moved your manufacture overseas or that you haven't sent your advanced technology abroad.

Many of my colleagues have been trying to catch a plane. I wish they would take me with them. As a result, I ask unanimous consent to vitiate the order for a rollcall vote.

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

The question is on agreeing to the Hollings amendment No. 4137.

The amendment (No. 4137) was rejected.

Mr. ROTH. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

Ms. MIKULSKI. Mr. President, today's vote will set the course for America's relationship with China into the future.

The debate is about whether the United States should grant China Permanent Normal Trading Relations, PNTR status or continue the annual review of China's trade status.

It is not a debate on whether we should trade with China.

Granting PNTR to China will establish China as a full partner—not just in trade, but in every aspect of international relations.

It will end our ability to review and challenge China's trade status on an annual basis.

Denying PNTR to China will maintain our national sovereignty in our dealings with China.

It will retain our right to annually review America's trade relationship with China.

It will retain our right to exert pressure on China to improve on various fronts—from human rights to nuclear proliferation.

This is an exceptionally difficult decision for me.

I have studied the issue for many months.

I have weighed the pros and cons of granting China PNTR, and I acknowledge that there are strong arguments on both sides.

I will oppose PNTR for China.

I believe we should engage China—but not embrace China.

We all want to increase trade with China.

I want to see the United States not only win Nobel Prizes but also win new markets.

I want the United States to reap the rewards of great new American ideas by developing new American products and exporting those products around the world.

I want U.S. industries which can benefit from lower trade barriers in China—such as high tech companies and agricultural producers—to reap the rewards from this agreement.

Ambassador Barshefsky and the administration did a great job in negotiating a trade agreement to bring down China's trade barriers to the United States.

Although China's trade barriers to the United States still remain much higher than U.S. trade barriers to China, this agreement is a big step forward.

Yet I cannot ignore so many other factors in making this crucial and far-reaching decision.

I believe that the downside of this agreement has been significantly dismissed and the benefits have been greatly exaggerated.

So even though I believe and support trade, I do not believe we should grant permanent trade privileges to countries—such as China—at any price.

Instead, we should trade with China but not grant it PNTR status.

We should continue to review our trade relationship with China on an annual basis.

Since 1980, Congress has had the legal right to review the President's annual decision to grant China Most Favored Nation, MFN Status.

Unfortunately, we have rarely taken advantage of this right.

For the most part, Congress has rubber stamped the President's decision to give China full trading rights and access to the U.S. market without asking for concessions.

I voted against granting China MFN after the Chinese Government massacred thousands of Chinese citizens at Tiananmen Square in 1989.

The majority of my colleagues also voted to deny China MFN and together we took a firm stand against China's brutal massacre.

I wish President Bush had not vetoed our decision.

If he had upheld our vote, China would have learned that its behavior could jeopardize its access to the U.S. market.

Instead, President Bush taught the Chinese Government that it could literally get away with murder.

We should use the annual review as it was intended—to actively debate and question whether China deserves continued access to the U.S. market.

If we had ever used the annual review to deny China access to our market, it could have exerted pressure on China to improve its behavior.

It could even have worked to exert pressure if China had ever believed that its access to our market was in jeopardy.

I believe we should retain and strengthen our annual review because it is a practical and prudent tool.

Otherwise, it will be much more difficult to raise the numerous concerns we have about China.

There are at least 6 key factors that lead me to oppose PNTR for China.

U.S. NATIONAL SECURITY WILL BE JEOPARDIZED

I am worried that by transferring our wealth and technology to China it will enable Beijing to build its war machine with more smart weapons and technological developments.

Media reports indicate that China uses U.S. computers to develop its nuclear arms—such as illegally using U.S. supercomputers to simulate warhead detonations without actual underground tests.

This and other practices lead me to believe that China's use of U.S. technology to build its war machine will only increase if we grant it PNTR status.

Taiwan already lives in fear that efforts to declare independence from China will result in military action from Beijing.

This fear will only increase if China's military might is strengthened and it continues to break every nuclear nonproliferation agreement it claims it will respect.

I cannot ignore China's continued blatant disregard for international nuclear non-proliferation agreements.

Despite its repeated commitments to such agreements, China remains one of the key suppliers of nuclear technology and expertise to several rogue countries.

Who are they?

Pakistan, Iran, North Korea and Libya.

As recently as July of this year, the United States learned that China continues to assist Pakistan in building long-range missiles that could carry nuclear weapons.

This dangerous irresponsible behavior cannot be ignored especially because Kashmir remains such a volatile area.

China continuously avoids its international obligations.

It flagrantly jeopardizes international security at a time when its trade relationship with the United States is still undecided.

So the American people can be sure it will take even more egregious steps if its trade relationship with the United States becomes permanent.

CHINA'S POOR RECORD OF COMPLIANCE WITH EXISTING INTERNATIONAL AGREEMENTS

How do we have fair trade with a country that has not fairly lived up to its previous international agreements?

China has made efforts at the national level to improve its compliance record.

Yet these efforts mean little in practice, because they are so often ignored at the local and provincial levels.

For example, Beijing repeatedly promises to comply with intellectual property agreements.

But factories throughout China continue to turn out pirate videos and CDs—with a wink and a nod from the local government.

The effect is a failure to protect against infringement of U.S. copyrights, trademarks and patents.

Will China improve its record of compliance once it joins the WTO?

Unfortunately, there's no reason to think it will.

The WTO simply doesn't have strong enforcement mechanisms.

The WTO is a multilateral, bureaucratic institution.

We cannot expect it to adequately resolve our battles with China.

If we grant China PNTR status and it joins the WTO, we will still have to fight our own trade battles with China.

THE POTENTIAL BENEFITS OF THIS AGREEMENT HAVE BEEN SIGNIFICANTLY OVERSTATED

We're told that when China opens its markets, we will increase our exports and decrease our staggering trade deficit with China.

But open markets does not mean that China will actually buy our goods.

Evidence indicates that China will resist abiding by its agreement with the United States by maintaining barriers to U.S. products and investment.

Chinese leaders have stated that the concessions they made are just expressions and theoretical opportunities rather than binding commitments.

They have also indicated that they will look to trade remedies to limit U.S. goods from entering into China.

CHINA NOW DUMPS ITS CHEAP PRODUCTS INTO OUR MARKETS AND WILL INCREASINGLY DUMP MORE

China's persistent practice of predatory dumping jeopardizes U.S. jobs and threatens to reduce wages of hard-working Americans.

I have spent my entire life trying to save jobs, save communities and help people who are trying to help themselves.

I am a blue collar Senator.

My heart and soul lies with blue-collar America.

My career in public service is one of deep commitment to working-class people.

I have fought and continue to fight for economic growth, jobs and opportunities in America, in particular in my own State of Maryland.

I have heard from the working people of Maryland. Most fear for their jobs and security if we grant China PNTR status.

Their fear stems, in part, from the fact that U.S. industries trying to compete with dumped products from other countries often reduce workers wages or cut the workforce to reduce costs.

Some estimates indicate that China's continued dumping of cheap imports into the United States will eliminate over one million jobs by 2010.

I share their concern and the facts back it up.

There is also the legitimate fear that American jobs will be lost because U.S. companies will move their production to China.

Why would not the U.S. companies move to China when they can pay their workers $10 a day—rather than $10 an hour?

Why wouldn't they move to China when they can take advantage of China's exploited workers who are used to poor working conditions, long hours and poor pay?

Why wouldn't U.S. companies move to China where they don't need to comply with America's stringent labor and environmental regulations.

Corporate profits would soar, but American production would plummet.

How can we claim that American workers won't suffer if these fears are realized?

It is likely that many will either lose their jobs or see lower pay checks.

The minimum wage here is already too spartan.

I can only envision what it will become if we grant China PNTR. It could be reduced to an even lower global minimum wage that is tied to the Chinese yen rather than the U.S. dollar.

How can we turn our backs on American workers simply for short-term corporate gain?

In addition, continued dumping by China will lead to irreparable damage to important U.S. industries.

For example, China will dump even more cheap steel into the U.S. market and further harm the U.S. steel industry.

China is the largest producer of crude steel. Its already huge industry continues to grow at nine to ten percent a year.

To be profitable, it will have to sell this steel to markets outside of its borders.

So if we grant China PNTR status, we can expect that much more Chinese steel will be dumped into the U.S. market.

Despite the fact that the U.S. steel industry has won many anti-dumping disputes, steel imports are up 23 percent this year from last year.

Why?

Because the Administration fails to apply antidumping duties to the extent it should to protect this vital U.S. industry.

This will lead to continued suffering for the U.S. steel industry, which has already been forced to reduce salaries and cut its workforce in order to remain competitive.

We cannot lose the American steel industry.

It's not just a jobs issue—it's a national security issue.

During times of war, we cannot rely on foreign steel.

Steel won't be the only industry that suffers if China continues to enjoy its current access to our markets.

If we grant China PNTR, other vital U.S. industries will be harmed by China's dumping of cheap products.

China's continued dumping of cheap goods has contributed to our inflated trade deficit with China.

The United States is already too dependent on Chinese imports—which is the main reason for our extraordinarily high trade deficit with China.

Continued dumping of cheap products by China will further increase this deficit which today is over $68 billion and by 2010 is estimated to increase to $131 billion if we grant China PNTR status.

CHINA'S ABYSMAL TREATMENT OF ITS OWN PEOPLE

Even ardent supporters of granting China PNTR agree that China has a horrendous human rights record.

In fact, the State Department has recognized China as one of the worst offenders of human rights in the world.

Over the last 50 years, China has persecuted 80 million people.

The government continues to arrest political activists, suppress ethnic minorities and prohibit freedom of speech and religion.

The same leaders who negotiated this trade agreement, will not allow Chinese Catholics, Christians or Tibetan Monks the freedom of worship.

Even as we debate this agreement, China has plans to ''settle'' over 58,000 people in Tibet in an effort to further weaken the religion and culture of Tibet.

I agree with a statement that was recently brought to my attention by Cardinal William H. Keeler, the Archbishop of Baltimore.

He informed me that the United States Commission on International Religious Freedom in their assessment of China PNTR stated the following:

> While many Commissioners support free trade, the Commission believes that the U.S. Congress should grant China permanent normal trade relations only after China makes substantial improvement in respect to religious freedom.

I believe that China must also make substantial improvements to respect other fundamental human rights, whether it is gender equality or labor rights.

The evidence indicates that it has a long way to go on these fronts as well.

It is well known that China treats women as property rather than as individuals with fundamental human rights.

Family planning officials impose forced abortions or sterilizations on women to limit China's population growth.

China also fails to apply its domestic laws to protect women and children from being sold within China or to prevent them from being trafficked to

other countries, such as Thailand, Taiwan, Japan, Canada and even the United States.

It is also common knowledge that China exploits its workers.

Chinese workers are prohibited from forming or joining labor unions.

They cannot bargain collectively to improve their wages or their working conditions.

They are prohibited from advocating for workers' rights for themselves or on behalf of others.

Those Chinese workers who attempt to exercise any of these rights are often beaten and/or thrown in political prisons.

My colleagues in the House worked hard to create a Human Rights Commission in this legislation to maintain pressure on China to improve its human rights record.

Although this Commission could be useful in monitoring China's human rights record, it lacks enforcement power to ensure that China's record actually improves.

So long as China has permanent trade privileges with the United States it will lack any incentive to improve its human rights record.

We would have much more leverage over China if it sincerely believed that its trading privileges with the United States could be jeopardized each year because of its appalling human rights violations against its own citizens.

GRANTING CHINA PNTR STATUS WILL RESULT IN UNITED STATES ADOPTING AN INDEFENSIBLE DOUBLE STANDARD BOTH IN OUR RELATIONSHIP WITH OTHER COUNTRIES AS WELL AS IN OUR OTHER DEALINGS WITH CHINA

I've heard many of my colleagues say that trade will lead to democracy.

If this is true in China, why isn't it true in Cuba?

Many of the same people who support granting China PNTR status oppose every effort to increase trade with Cuba, even the sale of food and medicine.

Another serious inconsistency is in our treatment of family planning in China.

On the one hand, supporters of PNTR argue that granting China PNTR status will help improve China's human rights record.

But on the other hand, we deny funding for vital programs to improve the human rights situation in China for women.

For example, since 1979 we have either denied or limited our contribution to the United Nations Population Fund, UNFPA because it works with China.

We rightly criticize China's one child policy which results in forced abortion or sterilization to limit women to having only one child.

But we refuse to contribute to valuable efforts aimed to combat these barbaric practices.

We actively choose not to fund UNFPA programs that provide reproductive health and family planning education as well as improve the economic status and gender equality of women in China.

How can we consider granting China PNTR status and argue that it will help improve the human rights situation in China when we refuse to support efforts to protect and promote the fundamental human rights of women in China?

Mr. President, I believe in free trade as long as it's fair trade.

I've supported trade agreements that represents our national interest and our national values.

But this agreement does not meet these criteria.

Trade in itself does not yield democracy, human rights or stability.

These goals would best be achieved by a robust annual review.

In fact, access to the freedom of ideas on the Internet will do more to achieve these goals than a trade agreement ever could.

I will oppose granting China PNTR status.

I cannot support trade at any price—especially when the price is American security, American jobs and American values.

Mr. McCONNELL. Mr. President, it is an honor to rise today in support of H.R. 4444, a bill granting permanent normal trade relations to China. While there is considerable and legitimate debate on this measure, for this Senator it is a simple choice.

At its base, this is a common sense issue—does the United States want its businesses, its farmers, its manufacturers to have the same advantages that every other member of the Word Trade Organization will enjoy? Or, because of our desire to score political points, do we wish to shut out American interests and bar them from beneficial interaction with this enormous market?

As has been pointed out several times during the course of this debate, China already has full access to American markets. However, U.S. businesses do not have reciprocal access to Chinese markets. It's a one way street. A vote against H.R. 4444 would serve not to punish China for behavior we find distasteful but, rather, would forbid American industry and farmers from taking advantage of the agreements our Government worked for 13 years to secure. Let me repeat that.

Defeating PNTR would in no way force China to alter its behavior, it would however single out U.S. interests as ineligible from benefitting from hard-won concessions. That is an unacceptable alternative.

We all agree that our relationship with China is complex and evolving. The United States must remain strong and active in its pursuit of increased security and improved human rights in China. But, we will not be able to accomplish any of our goals if we decide to erect our own Great Wall, and refuse to interact with the Chinese people. Rather, by taking advantage of hard-won access we will be able to export not only American products, but, perhaps more importantly, American ideas and ideals.

The approach of merely wielding the stick has not proven effective and, therefore, it is time to engage with China on a different level. A level that will allow us new opportunities to improve not merely the bottom-line of American farmers and entrepreneurs, but the rights and freedoms of the Chinese citizens as well. In the end, I believe strongly that this will be the enduring legacy of this new relationship.

In all honesty, I do not enter this debate armed solely with high-minded objectives for improved relations and greater freedoms for the Chinese. No, I am blessed to be a U.S. Senator solely because the citizens of Kentucky have allowed me to hold this office, and, thus, I confess that it is also for parochial reasons that I am enthusiastic about our improving trade relationship with China.

Kentucky is home to more than 125,000 jobs that are supported by exports. That number has increased by 15,000 since the implementation of the North American Free Trade Agreement. I might add as an aside, Mr. President, that during debate of that historic agreement we heard many of the same sky-is-falling arguments which are being used during this debate. Well, they were wrong then, and they are wrong today.

Those 125,000 Kentucky workers were responsible for more than $9.6 billion in exported goods in 1999, a figure that has grown by $6 billion since 1993.

Yet, despite those impressive statistics, there is incredible room for growth in Kentucky's export economy. The latest available statistics show that Kentucky exported a mere $69 million worth of goods and services to China in 1999. By way of contrast, Kentucky export totals were more than $336 million to the Netherlands, $295 million to Belgium and $137 million to Honduras. It is astonishing that three countries whose total population is just over 30 million purchase more than 11 times the amount of goods from Kentucky than do China's 1.3 billion citizens. In short, a country with 124 times the population of Belgium should not be purchasing $200 million less in Kentucky products. Clearly, the United States must aggressively alter our relationship with China in order to reverse this perverse trend, and that is exactly what we propose to accomplish.

Kentuckians are calling for these changes and they have been outspoken in their support and clear in their understanding of what is at stake. I want to share with the Senate some of the persuasive arguments they have offered in support of action I hope we will shortly take.

I have heard from countless Kentuckians describing how normalizing our trade relations with China will improve their businesses. I heard from folks like Alan Dumbris. Alan is the plant manager of PPG Industries which manufactures coatings, glass chemicals and

fiber glass products. Here is how he framed the debate:

Here at the Berea, Kentucky facility, 140 associates work together to satisfy our customers while contributing over $6 million to the local economy. We believe that PNTR is good for PPG and good for our facility. . . . Without PNTR, PPG Industry's competitors will have preferential access to Chinese markets.

It is clear to me that Alan Dumbris understands this issue, and he's right on the mark. He sums it up clearly and concisely; if we refuse to grant PNTR to China, Americans will be forced to operate at a severe disadvantage from their international competitors. That is common sense, and that is why Alan agrees that we should send this bill to the President.

I also heard from Ronald D. Smith, President of Gamco Products Company in Henderson, KY. Gamco employs nearly 400 people in Henderson which is a small town on the banks of the Ohio River in western Kentucky. The employees at Gamco produce zinc die casting, which is used on faucets and other products. Here is how Ronald Smith of Henderson stated his support:

U.S. manufacturers, like us, deserve a fair chance at securing a portion of this business. The current business structures impede our success. China's accession to the WTO would have very positive benefits to our organization in the years ahead.

Again, I say that Kentuckians understand the issue clearly. What is at stake here is fundamental fairness and opportunity for Kentucky and American businesses.

But it is not merely manufacturers that contacted me with their unequivocal support for PNTR. The agriculture sector has been consistently enthusiastic in calling for improved access to Chinese markets for their products. And, as anyone who has followed the difficulties our farmers have faced over the last several years knows, the clearest opportunity for improving agriculture's bottom-line lies in expanding our exports.

Here, I would like to quote another Kentuckian. Steve Bolinger is the President of the Christian County Farm Bureau Federation, and he hits the nail on the head when he states:

This could be an excellent opportunity for Christian County considering we raise over 17,000 head of beef cattle. These farmers will surely benefit from the trade agreement as China has agreed to cut tariff rates from 45 to 25 percent on chilled beef. . . . Granting PNTR for China will not just benefit farmers in Christian County, it will benefit all of America and China.

I cannot improve on Steve's assessment.

There is a final, but vitally important issue relating to U.S.-China trade that I would like to take a few minutes to discuss. Kentucky's tobacco farmers are in desperate need of new markets for their product. I think its clear that China provides such a market—in fact, one might say there are 1.3 billion reasons for this Kentucky Senator to support PNTR. This potential market is music to the ears of my farming families who have been caught in the crosshairs of an unprecedented legal and political assault for the past seven years.

The importance of tobacco to Kentucky's economy cannot be overstated. I have been on this floor defending my tobacco farmers every year since I first came to the Senate 16 years ago. And, let me tell you, I long for those times when tobacco was not the pariah it has been shaped into over the past few years by an Administration bound and determined to put these farmers out of business.

And, as we all know, there is a lot of debate about the legacy of President Clinton and Vice President Gore. But, I think it is clear that their national war on tobacco has achieved devastating results. Just ask my tobacco farmers in Kentucky. In fact, for the very first time tobacco will not be Kentucky's largest agricultural money maker.

The past 7 years have been devastating to Kentucky's tobacco economy and farm families. The cold political calculations which went into demonizing tobacco during the previous Presidential campaign made clear that this Administration was not interested in what might happen to the impacted farmers. As a result of their efforts, quota has been cut so much that Kentucky's farm families are only growing one-third of what they produced just three years ago. This translates into real loss of income—not just low prices that will bounce back—quota cuts mean many Kentucky farmers won't be able to pay their bills.

That's why you saw me down here in 1999 and again this year, fighting to make sure tobacco farmers were, for the first time in history, included in our most recent agriculture economic assistance packages. Tobacco farmers are just farmers—it's not their fault that this Administration decided that they were politically dispensable and that their crop was now politically incorrect. Thanks to the Clinton-Gore Administration and their trial lawyer friends, 15,000 Kentucky tobacco farmers are now out of business. Again, that has had a real impact on Kentucky's rural communities. No money to buy tractors. No money to buy fertilizer. No money to buy seed. And even more devastating, in many cases, no money to pay the rent or buy the food or put shoes on a child's feet for school. Yet, despite this harsh reality, during the past seven years there has not been one request in any of the Clinton/Gore budgets for one dime to aid tobacco farmers. Regardless of one's opinion on tobacco, that fact is disgraceful.

But Kentuckians are optimistic by nature, and we haven't lost hope. We are looking for ways to move forward. We're looking east—we're looking Far East. China is one market that has the potential to buy our crop—and lots of it. And I'm doing all I can to get that market open and keep it open.

On June 6th of this year I met with Chinese Ambassador Li, and we discussed PNTR and the possibility of selling American tobacco, particularly Kentucky burley tobacco, to China. We are working through tough issues and the Chinese have now agreed to buy American tobacco. Through my relationship with Ambassador Li, I was able to arrange a meeting on June 16 between the Chinese Trade Minister/Counselor here in Washington, D.C. and representatives of the Burley Tobacco Grower's Cooperative Association, the Council for Burley Tobacco, the Kentucky Farm Bureau Federation and my staff.

I have encouraged the Burley Tobacco Growers Cooperative and the other Kentucky representative tobacco organizations to strongly pursue the Chinese market by meeting with representatives of China's tobacco interests. In fact, earlier this month, I joined the Burley Tobacco Grower's Cooperative and Kentucky's Farm Bureau in a meeting with members of China's Inspection and Quarantine Office who were in Kentucky to look over our tobacco crop.

Finally, I intend to help our Burley Tobacco Growers Cooperative arrange a trip to China for later this year. I plan to arrange meetings with government officials and tobacco buyers in China to establish the business relationships necessary for us to sell our product to China down the road.

Mr. President, if I might, I would like to quote one more Kentuckian. Donald Mitchell is a 38-year old, lifelong tobacco farmer from Midway, Kentucky whose family has been in the tobacco business for generations. He accurately sums up the potential of the Chinese market when he says:

I think voting for PNTR for China is an excellent chance to market our burley tobacco to the world's largest tobacco consumer. And, today we need every opportunity—and this is a major one.

Is Donald Mitchell suggesting that exporting tobacco to China is a guaranteed solution for Kentucky's farmers? No. But, he is correct in recognizing that this is an incredibly important first step. And I predict that once the Chinese get a shot at American tobacco, they are going to want more. This is the best new market in the world, and we're going to be in this for the long haul. We must work each year, first to begin, and then to increase, our sales there.

So, Mr. President, I close where I began. I recognize that there is room for legitimate debate on the subject of granting China Permanent Normal Trading Relations—but to this Senator—the issue is clear. I am going to support passage of this measure, because I am convinced it will provide Americans a level playing field that they have not yet enjoyed. Further, I am going to do everything in my power to take advantage of this improved relationship to assist Kentucky's tobacco farmers as they work to gain access to China's market.

Mrs. LINCOLN. Mr. President, I came to the floor earlier this week to express

my strong support for passage of the permanent normal trade relations legislation currently before the Senate. During the course of debate on this issue we have heard several points of view and have considered several amendments to the underlying legislation.

I would like to be abundantly clear for the RECORD that I am joining several of my colleagues that support passage of PNTR by voting against all amendments to this vital legislation. This does not mean that I do not support some of the amendments and initiatives that have been presented before this body. It is unfortunate that our time in the Senate has not been managed in a way that provides us with the adequate time to appropriately debate and amend a vital piece of legislation without running the risk of its complete demise.

I, along with many others, have been calling for Congress to take up and pass PNTR legislation since February of this year. We are nearing the end of this legislative session and, unfortunately, time is a precious commodity. We have a backlog of appropriations bills that must be completed prior to October 1st and any successful amendments to this bill could force a conference committee that would further stall and likely doom passage of this essential legislation.

Several of my colleagues have submitted a letter from over 60 agricultural related associations and corporations. I, too, received this letter and the same sentiment has been expressed to me by countless companies and associations, including Federal Express, Wal-Mart, United Parcel Service, Microsoft, the U.S. Chamber of Commerce, and many, many more industries concerned with expanding our market opportunities. In addition, I have heard from many of my constituents in Arkansas including rice farmers, wheat farmers, pork producers, soybean growers, and various other industries from across my State. All of them have urged the Senate to pass PNTR as soon as possible.

Many of us have worked to keep this bill clean in order to guarantee its passage and expedite its signature by the President. I am proud that we have achieved this goal, and I am proud that we are now positioned to take advantage of China's continually growing markets. I have no illusions about the rigid, Communist regime of China and I, along with others, want nothing less than to improve the quality of life for citizens of China. I know, however, that the surest way to encourage internal reforms is to open this country to western influence, private enterprise, and the opportunities that come with good old American capitalism.

Ms. COLLINS. Mr. President, international treaties and trade agreements are among the most complex issues to come before this body. Their complexity is increased by an order of magnitude when the country in question has a value system and history that are so unlike our own.

Despite the fact that China is a country old enough that its history is counted by centuries rather than by decades, I believe that there is still much that we do not understand about that nation—and that lack of understanding appears to run both ways. For instance, I simply cannot understand the attitude of the Chinese leaders on issues that we consider to be basic human rights—like religious freedom. Nor can I understand their previous reluctance to comply with the terms of international trade agreements.

As a result, I have found the decision on whether to vote to establish permanent normal trade relations with China to be one of the more difficult decisions I have made as a Senator. Ultimately, after much deliberation, I have decided that the opportunities afforded our nation by expanding the global marketplace and by supporting China's membership in the World Trade Organization make PNTR in the best interests of our nation. For the first time, this agreement will help ensure that China reduces trade barriers, opens its markets to American goods and services, and follows the rules of international trade.

Nevertheless, this is a close call. I remain deeply concerned about China's record on human rights and its involvement in creating instability in the world through the proliferation of weapons technology. Consequently, I supported numerous amendments such as Senator WELLSTONE's amendment on religious freedom and Senator HELMS' amendment relating to human rights. I was also proud to be a cosponsor and debate on behalf of Senator THOMPSON's nonproliferation amendment. Regrettably, the Senate did not adopt these amendments, but I hope that the lengthy and impassioned debate sent a message to China that we have not forgotten its record on human rights and nuclear proliferation.

I have also been concerned about the impact that granting PNTR would have on American jobs, particularly those in my home state of Maine. I have considered very carefully the concerns of those who have suggested that granting PNTR for China would have an adverse effect on some of our domestic manufacturers. In fact, I wrote to U.S. Trade Representative Charlene Barshefsky to express these concerns and to inquire about the import surge protections included in the U.S.-China bilateral agreement. Ambassador Barshefsky's reply, which I will enter into the RECORD, discusses the measures in the bilateral agreement that will provide vulnerable U.S. industries with protection from surges in Chinese imports. Were it not for these protections, which are stronger than those in place with other WTO members, I would likely have opposed passage of this legislation.

The agreement contains a textile-specific safeguard that provides protection from disruptive imports for our domestic producers three years beyond the expiration of all textile quotas in 2005 under the WTO Agreement on Textile and Clothing. I would also point out that, were we not to pass PNTR for China, our existing import quotas on Chinese textiles will expire at the end of the year with no hope of renewal through future negotiations with China.

Those on both sides of this issue have published reports that attempt to project the impact on jobs of granting China PNTR. Given the vast and completely conflicting findings, it was particularly difficult to judge the validity of these reports. An Economic Policy Institute analysis suggests that Maine would lose 20,687 jobs by 2010 were Congress to approve PNTR for China. Closer inspection of the EPI projections for Maine, however, reveal fatal flaws in the analysis, as the University of Southern Maine's respected economist Charles Colgan has pointed out. For example, the EPI numbers for Maine, when broken down by industry, project that Maine will lose 18,091 jobs in the shoe industry over the next ten years. Yet, according to Maine Department of Labor figures, Maine has only 5,800 jobs in the entire industry. This one discrepancy alone reduces by more than 12,000 the projected number of Maine jobs affected, an inaccuracy that calls into question the validity of the entire EPI analysis.

Conversely, the administration and industry groups have suggested that substantial export and job growth opportunities will accompany passage of PNTR. While these projections may be overly generous, I believe that PNTR represents, on balance, a net gain for my State. According to the International Trade Administration, Maine's exports to China increased by 58 percent from 1993 to 1998. Moreover, small and medium-sized businesses account for 63 percent of all firms exporting from Maine to China.

Maine Governor Angus King put it well when he said, ''The potential for increasing Maine's already dynamic export growth—and creating more and better jobs here at home—will only increase if we can gain greater access to the Chinese market.''

Maine's best known export may be our world-renowned lobster, but the lobster industry is but one of many natural resource-based industries that will benefit from China's agreement to lower tariffs and reduce non-tariff barriers to its market. The paper industry, which employs thousands of people in my State, supports PNTR because the agreement would result in a reduction in the current average Chinese tariffs on paper and paper products from 14.2 percent to 5.5 percent. The concessions made by China regarding trading rights and distribution also will provide new market access to products manufactured in the paper mills of Maine.

The potato industry, a mainstay of the northern Maine economy, is another example of a natural resource-

based industry that stands to gain from improved access to China's market. More and more, the potato farmers of Maine are delivering their products not only to grocery stores, but also to processing plants that produce items such as french fries and potato chips. Tariffs on these products are now a prohibitive 25 percent, but will be reduced under the agreement by about 10 percent. The Maine Potato Board has endorsed PNTR and expects to see a significant expansion in the global french fry market as a result of these tariff reductions.

The opening of China's markets also will benefit many of Maine's manufacturers. Companies such as National Semiconductor and Fairchild Semiconductor will benefit from the elimination of tariffs on information technology products and agreements to remove non-tariff barriers to the Chinese market. Pratt and Whitney, which manufactures jet engines in North Berwick, ME, is already a major exporter to China and considers PNTR a critical component for the future growth of its business. Moreover, enactment of PNTR will ensure that Pratt and Whitney can compete on equal footing with its European competitors to supply engines and parts for the 1000 commercial aircraft China will purchase by 2017.

My support for PNTR reflects my belief that Maine workers will excel in an increasingly global economy. In Bangor, for instance, the community is developing the Maine Business Enterprise Park. The park is projected to create 2,500 new jobs in technology-intensive industries by providing new and expanding companies with the space and trained workforce needed for success and growth. Undoubtedly, the Chinese market will be a destination for some of the technology products and will help support Maine's transition into the new economy.

Extending PNTR to China advances the cause of free trade, opens China and its market to international scrutiny, and binds it economically to the rules governing international trade. Ultimately, I believe we need to take advantage of the economic opportunities that PNTR represents for our Nation. Therefore, I will vote to grant PNTR to China.

At this point, Mr. President, I ask unanimous consent that a letter from Ambassador Barshefsky expounding upon the protections contained in the bilateral agreement be printed in the RECORD. I yield the floor.

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

EXECUTIVE OFFICE OF THE PRESIDENT, THE UNITED STATES TRADE REPRESENTATIVE,

Washington, DC, September 7, 2000.

Hon. SUSAN M. COLLINS,
U.S. Senate,
Washington, DC.

DEAR SENATOR COLLINS: Thank you for your letter requesting information about our agreement with China on World Trade organization (WTO) accession relevant to the concerns of the U.S. shoe and textile industry and Maine's workers.

We believe that a number of provisions of our bilateral agreement and WTO accession generally will increase market access for Maine's exports to China and likely benefit Maine's farmers, workers, and industries. In the agricultural sector, U.S. farmers no longer will have to compete with China's subsidized exports to other markets. China has also agreed to eliminate sanitary and phytosanitary barriers that are not based on sound scientific evidence. In addition, exporters will benefit from obtaining the right to import and distribute imported products such as fish, fishery products, and lobsters in China and from tariff cuts on potatoes, potato products, and dairy products. Maine's key export sectors will benefit from reduced tariffs in China, strong intellectual property protection and improved trade rules protecting U.S. industries against unfair trade practices including:

Tariff elimination for information technology products;

Major tariff reductions for paper, wood products, construction equipment, heating equipment, leather products, footwear machinery, footwear and parts;

Low tariffs for most chemicals at WTO harmonization rates;

Elimination of import restrictions for construction equipment and footwear machinery.

The agreement will also open the Chinese market to a wide range of services, including telecommunications, banking, insurance, financial, professional, hotel, restaurant, tourism, motion pictures, video distribution, software entertainment distribution, periodicals distribution, business, computer, environmental, and distribution and related services. More detailed information on improved market access for specific sectors can be found at the USTR website www.ustr.gov.

The bilateral WTO accession agreement also provides for substantial improvements in access for our shoe and textile products to the Chinese market. In addition to phasing in import rights for our companies, China will permit them to distribute imports directly to customers in China. The Agreement also will reduce China's tariffs on textiles and apparel products from its current average tariff of 25.4% to 11.7%—which will be lower than the U.S. average tariff at the time reductions are completed by January 1, 2005. For shoes and shoe components, China's current average tariff of 25% will be reduced to 21% by January 1, 2004. U.S. producers believe that there are significant opportunities for US exports of textile products such as high volume, high quality cotton and manmade fiber yarns and fabrics, knit fabrics, printed fabrics; branded apparel, sportswear and advanced speciality textiles used in construction of buildings, highways and filtration products to China.

In addition to increased market opportunities for Maine's workers and industries, China's accession to the WTO will include measures to address imports that injure U.S. industries, including the textile and footwear industries. Among these measures are two ''special safeguards,'' one of which is specifically for textiles. The textile and apparel industries have recourse to both the special textile safeguard and the product specific safeguard. The special textile safeguard is available until the end of 2008—four years after quotas otherwise expire under the WTO Agreement on Textiles and Clothing. This can be used by the textile industry to protect the market from disruptive imports in the same manner as under our longstanding bilateral agreements; there has been no change in the criteria for using this safeguard and it is a known quantity for the industry.

The more general product-specific safeguard is also available and will allow us to impose restraints focused directly on China in case of an import surge based on a standard that is easier to meet than that applied to other WTO Members. This protection remains available for a full 12 years after China's WTO accession. A more detailed description of these two safeguard measures is attached to this letter.

In addition to these two safeguard mechanisms, we believe that existing U.S. trade laws, as augmented by the provisions of the November 1999 bilateral agreement (including the provisions of H.R. 4444), provide adequate means to address the shoe and textile industries' concerns about imports from China. In particular, we would note that the agreement allows the United States to continue to use existing NME provisions with respect to China for 15 years after China's entry into the WTO. Lastly, when China becomes a member of the WTO, the United States will be able to ensure that China abides by its commitments under the Agreement on Subsidies and Countervailing Measures which are clarified in our bilateral agreement. When we determine that an industry is market oriented or that China is no longer a non-market economy, U.S. countervailing duty law will apply.

When China accedes to the WTO, the bilateral quotas currently in force with China will be incorporated into the WTO Agreement on Textiles and Clothing (ATC). As of January 1, 2005, in accordance with the agreements reached as part of the Uruguay Round, all textile quotas will be eliminated, however, additional protections have been incorporated into the agreement for the benefit of the U.S. industry. For example, in addition to the two safeguard mechanisms, the U.S. established low annual quota growth rates, which will be the base for quota growth during the ATC phase-out period. China's weighted average annual growth rate is presently 0.9722 percent, compared to a figure for WTO Members of 9.1231 percent. Additionally, it is anticipated that any increase in imports from China would come primarily at the expense of other restricted suppliers. Finally, China's undertakings to prevent illegal textile transshipment, and our strong remedies should transshipment occur, including the ''triple charge'' penalty, will continue to apply under the ATC regime.

With regard to the Economic Policy Institute's (EPI) study, a policy brief written by the Institute for International Economics, ''American Access to China's Market: The Congressional Vote on PNTR,'' clearly refutes the methodology and conclusions of the study, especially its questionable correlation of a bilateral deficit with unemployment. In addition, the EPI study purports to be based on the U.S. International Trade Commission's (ITC) China report that actually suggests substantial benefits for American workers, farmers and companies, despite underestimating the benefits of granting PNTR. For example, the ITC's calculations did not factor in the effects of vital reductions in restrictions on the right to import and distribute, reductions in restrictions on trade in services, or reductions in Chinese non-tariff barriers. Nor did the ITC's calculations factor in China's anticipated economic growth and ongoing economic reforms. Despite underestimating the benefits of China's accession to the WTO, the ITC's limited model nonetheless finds that China's entry into the WTO will lead to higher incomes in the United States and a decrease in our overall global trade deficit. In simulations of the effects of China's April 1999 tariff offer, the ITC reports that U.S. GDP rises by $1.7 trillion and our overall trade deficit decreases by $800 million. Finally, in a letter to EPI,

the Director of Operations of the ITC stated that the EPI study in several ways misrepresents the work and the findings of the ITC's analysis.

I hope that this reply addresses your concerns. If you have any further questions, we would be happy to address them.

Sincerely,

CHARLENE BARSHEFSKY.

The PRESIDING OFFICER. The Senator from Delaware is recognized.

Mr. ROTH. Mr. President, there are no further amendments in order to H.R. 4444. Therefore, the 6 hours of debate time remain. It is my understanding that the debate time will be consumed tomorrow and Monday. Therefore, there are no further votes this evening. The next vote will be on Tuesday at 2:15 p.m. on passage of H.R. 4444.

I ask unanimous consent that all debate time allotted in the previous consent agreement be consumed or considered used when the Senate convenes on Tuesday, with the exception of 90 minutes for each leader to be used prior to 12:30 p.m.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. ROTH. Mr. President, I yield the floor.

Mr. GRAMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

MORNING BUSINESS

Mr. THOMPSON. Mr. President, I ask unanimous consent that there be a period for the transaction of morning business with Senators permitted to speak for up to 10 minutes each.

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

BOY SCOUTS OF AMERICA

Mr. THURMOND. Mr. President, yesterday, the House of Representatives voted on a bill which would have repealed the Federal charter of the Boy Scouts of America. Fortunately, the bill received a mere twelve votes. However, even the consideration of such an absurd proposal concerns me tremendously.

I recognize that traditional values and institutions which uphold those values are under attack and considered out of date by some elements of our society. Unfortunately, the Boy Scouts of America is one of many fine organizations being challenged.

The Boy Scouts embody the beliefs on which the very foundation of this country was built. Since its inception in the early 1900s, this fine American institution has taught the young men of our Country about the importance of doing one's duty to God, of serving others, and of being a responsible citizen, and has in turn provided this Nation with countless distinguished leaders.

I find it disappointing that at a time when the United States is in critical need of organizations that teach our youth character and integrity, some would choose to attack the Boy Scouts of America. Few fail to recognize the hurdles today's adolescents face. Confronted by obstacles that were unimaginable in my day, Boy Scouts provides young people with the knowledge, self confidence and willpower to do what is right in difficult situations.

I commend the Boys Scouts of America for its dedication to our youth, and reaffirm my commitment to its preservation.

MICROSOFT LITIGATION

Mr. BENNETT. Mr. President, I wish to call to the attention of my colleagues an article that appeared on September 1 in the Washington Post, written by Charles Munger, who is the vice chairman of Berkshire Hathaway, on the issue of the Microsoft litigation and the impact that will have in the marketplace.

As I have considered this particular issue, as I pointed out to my colleagues, I come to the Senate unburdened with a legal education but with a background in business. Here is a businessman commenting on the implications of this litigation in a way that I think others might find interesting.

I ask unanimous consent that it be printed in the RECORD.

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

[From the Washington Post, Sept. 1, 2000]

A PERVERSE USE OF ANTITRUST LAW

(By Charles T. Munger)

As best I can judge from the Microsoft antitrust case, the Justice Department believes the following: that any seller of an ever-evolving, many-featured product—a product that is constantly being improved by adding new features to every new model—will automatically violate antitrust law if: (1) it regularly sells its product at one all-features-included price; (2) it has a dominant market share and (3) the seller plays ''catch-up'' by adding an obviously essential feature that has the same function as a product first marketed by someone else.

If appellate courts are foolish enough to go along with the trial court ruling in the Microsoft case, virtually every dominant high-tech business in the United States will be forced to retreat from what is standard competitive practice for firms all over the world when they are threatened by better technology first marketed elsewhere.

No other country so ties the hands of its strongest businesses. We can see why by taking a look at America's own history. Consider the Ford Motor Co. When it was the dominant U.S. automaker in 1912, a small firm—a predecessor of General Motors—invented a self-starter that the driver could use from inside the car instead of getting out to crank the engine. What Ford did in response was to add a self-starter of its own to its cars (its ''one-price'' package)—thus bolstering its dominant business and limiting the inroads of its small competitor. Do we really want that kind of conduct to be illegal?

Or consider Boeing. Assume Boeing is selling 90 percent of U.S. airliners, always on a one-price basis despite the continuous addition of better features to the planes. Do we really want Boeing to stop trying to make its competitive position stronger—as it also helps travelers and improves safety by adding these desirable features—just because some of these features were first marketed by other manufacturers?

The questions posed by the Microsoft case are (1) What constitutes the impermissible and illegal practice of ''tying'' a separate new product to a dominant old product and (2) what constitutes the permissible and legal practice of improving an existing one-price product that is dominant in the market.

The solution, to avoid ridiculous results and arguments, is easy. We need a simple, improvement-friendly rule that a new feature is always a permissible improvement if there is any plausible argument whatever that product users are in some way better off.

It is the nature of the modern era that the highest standards of living usually come where we find many super-successful corporations that keep their high market shares mostly through a fanatical devotion to improving one-price products.

In recent years, one microeconomic trend has been crucial in helping the United States play catch-up against foreign manufacturers that had developed better and cheaper products: Our manufacturers learned to buy ever-larger, one-price packages of features from fewer and more-trusted suppliers. This essential modern trend is now threatened by the Justice Department.

Microsoft may have some peculiarities of culture that many people don't like, but it could well be that good software is now best developed within such a culture. Microsoft may have been unwise to deny that it paid attention to the competitive effects of its actions. But this is the course legal advisers often recommend in a case such as this one, where motives within individuals at Microsoft were mixed and differed from person to person. A proper antitrust policy should not materially penalize defendants who make the government prove its case. The incumbent rulers of the Justice Department are not fit to hold in trust the guidance of antitrust policy if they allow such considerations of litigation style to govern the development of antitrust law, a serious business with serious consequences outside the case in question.

While I have never owned a share of Microsoft, I have long watched the improvement of its software from two vantage points. First, I am an officer and part owner of Berkshire Hathaway Inc., publisher of the World Book Encyclopedia, a product I must admire because I know how hard it was to create and because I grew up with it and found that it helped me throughout a long life.

But despite our careful stewardship of World Book, the value of its encyclopedia business was grossly and permanently impaired when Microsoft started including a whole encyclopedia, at virtually no addition in price, in its software package. Moreover, I believe Microsoft did this hoping to improve its strong business and knowing it would hurt ours.

Even so, and despite the huge damage to World Book, I believe Microsoft was entitled to improve its software as it did, and that our society gains greatly—despite some damage to some companies—when its strong businesses are able to improve their products enough to stay strong.

Second, I am chairman and part owner of Daily Journal Corp., publisher of many small newspapers much read by lawyers and judges. Long ago, this corporation was in thrall to IBM for its highly computerized operation. Then it was in thrall to DEC for an even more computerized operation. Now it uses, on a virtually 100 percent basis, amazingly cheap Microsoft software in personal computers, in a still more highly computerized operation including Internet access that makes use of Microsoft's browser.

Given this history of vanished once-dominant suppliers to Daily Journal Corp., Microsoft's business position looks precarious to me. Yet, for a while at least, the pervasiveness of Microsoft products in our business and elsewhere helps us—as well as the courts that make use of our publications—in a huge way.

But Microsoft software would be a lousy product for us and the courts if the company were not always improving it by adding features such as Explorer, the Internet browser Microsoft was forced to add to Windows on a catch-up basis if it didn't want to start moving backward instead of forward.

The Justice Department could hardly have come up with a more harmful set of demands than those it now makes. It it wins, our country will end up hobbling its best-performing high-tech businesses. And this will be done in an attempt to get public benefits that no one can rationally predict.

Andy Grove of Intel, a company that not long ago was forced out of a silicon chip business in which it was once dominant, has been widely quoted as describing his business as one in which ''only the paranoid survive.'' If this is so, as seems likely, then Microsoft should get a medal, not an antitrust prosecution, for being so fearful of being left behind and so passionate about improving its products.

NUCLEAR WASTE STORAGE

Mr. BENNETT. Mr. President, I rise to address an issue that is of great concern to the people of my State, and, I think beyond the parochial issue, the people of the country as a whole.

Private Fuels Storage is in the process of seeking a license to store nuclear waste on the Goshute Indian Reservation in the State of Utah. Their application seeks a 20-year license with the option of extending it for an additional 20 years. This is being described as an ''interim storage'' place for nuclear waste. I have been silent on this issue up until now. But I have decided to take the floor and announce my opposition to this storage for two reasons, which I will outline. One is something that requires further study and might be dealt with, but the second and more powerful reason for my opposition is a permanent policy issue.

Let me address the perhaps less important issue first. But it is an important issue that requires consideration; that is, the location of this particular site with respect to the Utah Test and Training Range.

One of the things most Americans don't realize is that we require the Air Force to train over land. There are very few training ranges that will allow aircraft to train over land. Much of the training that takes place in the Armed Forces takes place over the water, but it is not the right kind of training experience for pilots to always have to fly over water.

The Utah Test and Training Range has a long history of service to our Nation's military. It was there that the pilots trained for the flights over Tokyo in the Second World War. Indeed, it was there that the crew of the plane that dropped the atomic bomb on Hiroshima was trained.

The proposal for the storage site at the Goshute Indian Reservation is in a location that will affect the flight pattern of Air Force pilots flying over the Utah Test and Training Range. I have flown that pattern myself in a helicopter provided by the military, and I have seen firsthand how close it is to the proposed nuclear waste repository.

There are people at the Pentagon who have said the flight path will not be affected; everything is fine. I have learned during the debate over the base realignment and closure activity that sometimes what is said out of the Pentagon is more politically correct than it is substantively correct. I have talked to the pilots at Hill Air Force Base who fly that pattern, and they have told me, free of any handlers from the Pentagon, that they are very nervous about having a nuclear waste repository below military airspace that will require them to maneuver in a way that might cause danger, and could certainly erode the level of the training that they can obtain at the Utah Test and Training Range.

I do not think we should move ahead with certifying this particular location until there has been a complete and thorough study of the impact of this proposal on the Utah Test and Training Range and upon the Air Force's ability to test its pilots.

That, as I say, is the first reason I rise to oppose this. But it is a reason that is subject to study, analysis, and examination, and may not be a permanent reason.

The second reason I rise to oppose this is more important, in my view, than the first one. I want to deal with that at greater length.

Let us look at the history of nuclear waste storage in the United States. The United States decided 18 years before a deadline in 1998 that the Department of Energy would, in 1998, take responsibility for the storage of nuclear waste. That means that through a number of administrations—Republican and Democrat—the Department of Energy has had 18 years to get ready to deal with this problem. Current estimates are that the Department of Energy is between 12 and 15 years away from having a permanent solution to this problem. I do not think that is an admirable record—to have had 18 years' notice, miss the deadline, and still be as much as 15 years away from it.

The deadline is now 2 years past, and we are no closer to getting an intelligent long-term solution to this problem than we were. Perhaps that is not true. Perhaps we are closer in this sense: That a location has been identified. Up to $8 billion, or maybe even as much as $9 billion, has been spent on preparing that location as a permanent storage site for America's nuclear waste. We are no closer politically to being ready for that. We perhaps are a good bit closer in terms of the site.

I am referring, of course, to the proposed waste repository at Yucca Mountain in Nevada, on the ground that was originally set aside and used as the Nevada Test Site. Many times people forget that. The Nevada Test Site is where we tested the bombs that were dropped elsewhere, and the bombs went into our nuclear stockpile. So the ground at the Nevada Test Site has already been subjected to nuclear exposure. The seismic studies have been done, and Yucca Mountain has been found to be the most logical place to put this material on a long-term basis. Twice while I have been in the Congress we have voted to move ahead on that, and twice the President has vetoed the bills.

Against that background comes this proposal to build an interim storage site in the State of Utah on the reservation of the Goshute Indians adjacent to the Utah Test and Training Range.

This is my reason for opposing that so-called interim site: I do not believe that it will be interim. I do not believe that. If we start shipping nuclear material to the Goshute Reservation in Utah, that gives the administration and other politicians the opportunity to continue to delay moving ahead on Yucca Mountain.

Now, how much Federal money has been spent preparing the Goshute Indian Reservation to receive this? Virtually none, compared to the between $8 and $9 billion that has been spent on Yucca Mountain.

There will be one delay after another if this thing starts in Utah. People will say: We don't need to move ahead on Yucca Mountain; we have a place we can put it in the interim. The interim will become a century, or two centuries, while the Government continues to dither on the issue of Yucca Mountain.

I am in favor of nuclear power. I believe it is safe. I believe it is essential to our overall energy policy. I am in favor of the Energy Department's fulfilling the commitment that was made in 1980 that said by 1998 the Department of Energy will have a permanent storage facility. I believe we have identified that facility through sound science, through expenditure of Federal funds, through every kind of research that can be done, and we are ignoring, for whatever political reason, the opportunity to solve this problem at Yucca Mountain while we are talking about an interim solution at the Goshute Reservation.

It is simply not a wise public policy to say that since we cannot solve the permanent problem, we will find a backdoor way for a stopgap interim solution. The stopgap interim solution

will become a permanent solution without the plan, without the analysis, and without the expenditures that have already gone into the permanent solution that is available.

Therefore, for these two reasons, I announce my opposition to the depository on the Goshute Reservation in Utah. I am sending a letter to the Nuclear Regulatory Commission asking that they extend the time for another 120 days for public comment on their proposal to proceed with this license. I think the first reason that I have cited alone justifies that extension of time because there has not been sufficient analysis of the impact of this proposed facility on the Utah Test and Training Range. I hope in that 120-day period we can get that kind of analysis.

The second more serious reason will still remain. I hope in that 120-day period we can begin to approach that, as well.

I thank the Senators for their courtesy in allowing me to proceed on this issue. It relates directly to the State of Utah, but I think in terms of the impact on nuclear power as a whole, it is an issue about which the entire Nation should be concerned.

I yield the floor.

DR. WEN HO LEE

Mr. SPECTER. Mr. President, I have sought recognition to comment briefly on the extraordinary case of Dr. Wen Ho Lee who was released from custody yesterday by the Federal judge saying that Dr. Lee was owed an apology because of major mistakes made by ranking officials at the Department of Justice and the Department of Energy. This matter has been the subject of oversight inquiry by the Judiciary subcommittee, which I chair. Our inquiry began last October and ended in early December at the request of the Director of the FBI so that it would not interfere with the pending prosecution of Dr. Lee.

There are many questions which arise from what has happened since—especially the dramatic comments of Judge Parker yesterday that Wen Ho Lee was owed an apology, and that blame lay at the doorsteps of the top officials in Justice and Energy.

The questions which need to be explored are:

What evidence or what factors were there which led to Dr. Lee's detention and solitary confinement for some 9 months?

What did the Department of Justice and the Department of Energy do by way of their investigation?

What were the specifics where the key FBI witness changed his testimony from an earlier hearing where he said Dr. Lee was deceptive, to a later hearing where he omitted that very important fact which led to Wen Ho Lee's detention?

Was there any racial profiling in this case?

How did the Department of Justice focus on Dr. Lee?

Those are among the many questions to be answered in an oversight hearing which our subcommittee is attempting to schedule now for the week of September 25.

The inquiries which we have already made have suggested that there was significant reason for the FBI to conduct the investigation. Dr. Wen Ho Lee is entitled to the presumption of innocence like every American. And on this date of the report, he is presumed innocent, and he is, in fact, innocent. But on this date of the record, the Department of Justice has convicted itself of absolute incompetence. Let me be very specific about why.

Director Louis Freeh sent his top deputy, John Lewis, to talk to Attorney General Janet Reno in August of 1997 to request a warrant for Dr. Lee under the Foreign Intelligence Surveillance Act. There was a statement of probable cause which was very substantial which justified the issuance of that warrant to gather further evidence. Attorney General Reno referred that matter to a man named Daniel Seikaly in her department, a person who had never handled a warrant under the Foreign Intelligence Surveillance Act.

The wrong standard was applied, and the FBI was turned down notwithstanding the top deputy, John Lewis, having been sent there by Director Freeh. Then, inexplicably, for the next 16 months, the FBI did not conduct any investigations. Some memoranda were transmitted between Washington, DC, and Albuquerque, NM, but the case lay dormant.

It is really hard to understand why the case would lie dormant when the FBI had been so arduous in asking for the warrant under the Foreign Intelligence Surveillance Act. But then, in late December of 1998, it was known that the Cox committee was about to publish its report and was said to be highly critical of the way the Department of Justice and the Department of Energy handled the Wen Ho Lee case.

Then the Department of Energy initiated a polygraph of Dr. Lee on December 23, 1998, conducted by an outside agency—not by the FBI but by Wackenhut. The Wackenhut contractors told the FBI that Dr. Lee passed the polygraph but did not give the FBI agents the polygraph charts or the videotape of the interview.

On January 17 of 1999, the FBI conducted an interview with Dr. Lee to close out the case. But then, on January 22, 5 days later, the FBI finally received the complete record of the December 23 polygraph and began to question the Wackenhut interpretation of the results.

Without going into more of the details in the limited time I have at the moment—there will be more time to amplify this statement later in the subcommittee hearings—Dr. Lee was not terminated until March 8. The search warrant was not issued until April 9 in the context of substantial evidence of deletions and downloading. There are very significant questions for the Department of Justice to answer as to why the warrant was not issued under the Foreign Intelligence Surveillance Act, why the investigation was not made by the FBI from August of 1997 to December of 1998, why Dr. Lee was kept on the job in the face of downloading very substantial classified matters.

The issues about his retention require very serious oversight. There are all the appearances that the FBI's failure to handle the matter properly, the Department of Justice's failure to handle the matter properly, through the disclosure by the Cox committee in January of 1999, and the ultimate firing, the ultimate search warrant, suggest that the Department of Justice really threw the book at Dr. Lee to make up for their own failings. But there needs to be a determination on oversight as to the justification for keeping Dr. Lee in solitary confinement. When the judge finally suggested that he was going to release Dr. Lee to house arrest, the Federal Government put out an objection to his having any contact with his wife, which was really extraordinary.

Then suddenly, on a plea agreement, on one of 59 counts under the indictment, according to the Department of Justice, it is OK to release Dr. Lee on the plea bargain. There was no fine, no jail time on the conviction, only a debriefing. There is a real question as to how meaningful that is since those materials are customarily offered on a tender by Dr. Lee's counsel before the plea bargain is entered into.

These are some of the issues which our Judiciary subcommittee will be looking into on oversight, both as to the Department of Justice and the Department of Energy. When a Federal judge says that America owes Dr. Lee an apology, the details have to be determined. When the FBI makes representations that Dr. Lee poses a threat to the security of the United States, and that the information he has downloaded could lead to the defeat of our military forces worldwide, those assertions need to be investigated as a matter of oversight. How did the Department of Justice move from those very serious allegations to a statement, in effect, that let the matter go, without a fine, without a jail sentence, with only probation on a single one of 59 counts.

The handling of these espionage matters is of great import. The subcommittee is nearing completion of a report on Dr. Peter Lee, who confessed to providing information to the People's Republic of China on nuclear secrets and submarine detection. These are matters which require congressional oversight. Our Judiciary subcommittee will undertake just that.

I yield the floor.

Mr. GRAMM. Mr. President, like most people this morning, I read the headline ''Physicist Lee Freed With Apology.'' I want to comment on this.

I want to be careful about what I say because I am angered and embarrassed about what has happened to one of our fellow Americans.

For the last few months I have been troubled by the case of Wen Ho Lee. I have been troubled because I have had the deep suspicion that Dr. Lee was a victim of scapegoatism by the Justice Department and by the Energy Department. But I tried to follow the old adage we all learn from our mamas—that when you do not have the facts, wait until you get the facts before you have something to say. Today we have the facts. The facts are that the Federal judge in this case said—talking about Janet Reno, the Attorney General of the United States of America, and Bill Richardson, the Secretary of Energy—and I quote the Federal judge:

> They did not embarrass me alone. They have embarrassed our entire nation and each of us who is a citizen of it.

Let me say they certainly embarrassed me. It seems to me that what happened was we had a terrible breach of security. Our Energy Department was asleep at the switch when the nuclear secrets of this country were stolen. That was raised to a level of public awareness. Rather than going out and finding the person who was guilty of stealing these secrets, it now appears that what the Justice Department did, to its great shame and our embarrassment, is engage in racial profiling to identify an Asian American of Chinese ancestry, Dr. Lee, and to use him as a scapegoat for the failure of this administration to protect American national security.

This individual citizen ended up month after month in solitary confinement, having been charged in a 59 count indictment, and then when it was clear that there was no case, they plea bargained to release him on a minor offense. I say ''minor'' only as compared to the selling of nuclear secrets of the United States to the Chinese, or giving such information to them. Dr. Lee transferred secure data to a nonsecure source, a charge for which John Deutch, in a much higher position of government in this administration, was never prosecuted.

In return for admitting guilt to this charge, this man, who was denied his freedom and who was on the verge of having his life ruined, is now exonerated by a Federal judge. I would like to say this:

First of all, I don't understand an administration that stands up and damns racial profiling and yet engages in it when it suits their political agenda.

I don't understand scapegoating when you are talking about a man's freedom and when you are talking about a man's life.

I think if our Attorney General, Janet Reno, had any honor and any shame, and I think if Bill Richardson had any honor and any shame, they would resign as a result of this outrage to the American people.

The idea that this man was in solitary confinement month after month, deemed a public enemy, and vilified, it seems to me, at least, based on everything we know—and it seems if the Justice Department had any facts, they would have presented them to this court and to this judge—because of his race. I think it is an outrage. And I think an apology is due from the President of the United States.

I think this is a terrible wrong and an outrage. I have for months been suspicious that this was happening, but I didn't want to say anything until we had the facts.

I hope my language hasn't offended anybody. But I just do not understand people who, to get political cover for their own failings, don't seem to care that we are talking about the life of a real person. Our system is not based on my rights, or Bill Clinton's rights, it is based on the rights of each individual citizen.

The idea that this man has had his good name and his family so attacked and has been in solitary confinement when the only thing the Justice Department ended up getting him to plea bargain on was that he took material out of a secure setting to a nonsecure setting when another official of this Government, by his own admission, did exactly the same thing and was never prosecuted—this is a terrible outrage.

I just didn't feel comfortable not saying something about it. I just wanted to go on RECORD as saying that there is something very wrong in America. This is not the America I grew up in when this kind of thing happens. Somebody in the Senate needed to say something about it. I decided that was me.

I yield the floor.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, could I respond in the most emphatically sympathetic and supportive way to the statement of the Senator from Texas.

In 1993, this Congress passed legislation to create the Commission on Protecting and Reducing Government Secrecy in the United States. We had a fine commission. Senator HELMS and I represented the Senate, and in the House, LARRY COMBEST and Lee Hamilton, and John Deutch of the CIA. The commission came up with a unanimous finding.

We began with the proposition—and I can say to a fellow academic; he will recognize it—Max Weber set forth that secrecy is the natural weapon of a bureaucracy against the parliament and against the other agencies of the political system. We found the most extraordinary things. I later wrote about this.

In December 1946, a brilliant crypto analyst at Arlington Hall Girl's School, not far from the Pentagon, and broke the first of the Soviet KGB codes. These are one-time pads. You ''can't break them'' but they got a little careless, used once or twice. There were the names of all the physicists at Los Alamos, the principal ones. A measure of the extent of the KGB operation in this country? As our crypto analyst worked along, an Army corporal cipher clerk handing him pencils, coffee, whatever, an Army corporal cipher clerk, a KGB spy. In very short order, the KGB knew we were breaking their code.

Then, of course, Kim Philby was at the British Embassy and we shared some of these findings with the British—we probably still do. Then he defected. In no time at all, they knew that we knew, and we knew that they knew that we knew.

People might be interested to learn, who was the one person in the U.S. Government who did not know? The President of the United States. On whose orders was this the case? Omar Bradley, Chairman of the Joint Chiefs of Staff. This is Army property. I guess he had a sense that if he said, ''Give everything to the White House,'' it gets out.

President Truman never knew any of these things.

With the exceptions of the Rosenbergs, none of these persons were ever prosecuted. One of them, the most important, Hall, teaches physics at Cambridge University in England, and comes back and forth to this country. He had been part of that tremendous effort. He was from an immigrant family living in Manhattan, went to Queens College. They spotted him at Queens College, and they sent him up to Harvard. Then he was sent to Los Alamos. He was never prosecuted because to prosecute, it must be stated where we got the information and so forth.

Secrecy can be so destructive to the flow of information that is needed. It will continue long after there is any conceivable need for secrecy. We estimated recently that the classified documents we have in place now would be 441 times stacked up the height of the Washington Monument.

A trivial example, but a characteristic example, President Ford at one point had in mind that I might be Librarian of Congress. I was in India, leaving the post as Ambassador and had a cable exchange with the head of personnel in the White House. I was going back through Peking, staying with the Bushes, stopped at Pearl Harbor, and then would be here. An historian writing about the Library of Congress—an interesting post; there have only been seven or eight in our history—picked this up and went to the Ford Library. Yes, there is information; but no, she couldn't see it, it was classified. It took months to get the cable to Washington declassified.

One could argue that there was good reason to keep that classified for seven days, but 30 years later? That is a pattern. It is a pattern that the people who deal with these things as classified don't know the material, the subject matter; they don't know the physics taught to first-year graduate students

at MIT, but information is still classified ''top secret, no form,'' in some bureaucracy in Washington. The absolute standard operating procedure is to classify something ''Top secret'' and then send it to the President in the hopes that it will get on his desk if it looks really enormous.

There are endless examples of clippings from Newsweek magazine stamped ''Confidential.'' Just a bureaucratic mode.

The idea that Dr. Lee was imprisoned is hard to understand. Solitary confinement, worse. But leg irons? There were leg irons so one could not run off to Mexico. Obviously, much needs to be explained.

I say also for Dr. Deutch, this is a man of utmost patriotism. What was his offense? I don't think it is a crime at all. He took work home with him. After dinner he would sit down and work. There is a penalty for that, and he accepted it. He has had all his clearances removed, which is a heavy price for a scientist, but he has accepted that. The idea that he has done anything wrong beyond that is to say to people: Don't go near the clandestine services of the United States, don't go near the atomic laboratories.

I have no standing as a scientist, but I was a member of the President's Science Advisory Committee, and I am a fellow of the American Association for the Advancement of Science, and having been a member of the board and vice president at one point, I can say I know a fair number of scientists. Their postdoctorate students don't want anything to do with the Federal laboratories.

If you want to do something to the national security of the United States, keep the best minds out of the weapons labs. That will do it faster than any transfer of information, which has a half-life of nine months before others catch up or they think it up on their own.

I can speak to this. For example, with atomic secrets, we have a wonderful person, a great man, Hans Bethe, who was standing alongside Oppenheimer at Los Alamos. A man of luminous intelligence. There is nothing that he is more skeptical about than the idea of keeping physical science secret. He tells the story that after the atomic bomb was detonated, he and the other physicists involved said: All right, but no hydrogen bomb. No, that is too much.

And there was the further advantage:

> And thank God, nobody knew how. It was not possible to make one. It can't be done. The physics just won't work.

And then he said: Stanislaw Ulam and Edward Teller figured out how it could be done.

And we said: Oh, Lord, if Ulam can think of it, Sakharov will think of it. So we had better go through with it.

He and Oppenheimer said:

> You have to go through to a hydrogen bomb because science is not in a box that you can put in a closet.

I also want to say on this floor that I have not known a more patriotic man than John Deutch; absolutely committed to this country's security. Provost at MIT, a physical chemist, a man of great science, who made the error of working after supper at home. Nothing was ever transferred to anybody. He was working. What do I do in the morning? That kind of thing. And the very idea we would try to punish him for that is to put, I say, in jeopardy the whole reputation of American classified science and clandestine service. We do that at a great cost, which you will not recognize for half a century, perhaps. But it will come.

I thank the Senator from Texas for what he has said. I appreciate his indulgence in what I have joined him saying.

I see my colleague seeks recognition. I yield the floor.

PRESCRIPTION DRUGS

Mr. FRIST. Mr. President, I rise to speak briefly on an issue which has been talked about on the floor of the Senate this morning, and that is prescription drugs.

We all hear the critical cry—I say ''cry'' because it is almost that—as we talk to seniors across this country who say: We need some help; these drugs cost too much; they are out of our reach; we need help.

What is interesting is this is not heard from everybody. It is principally from a group of people who don't have access to affordable prescription drugs, and now we are charged as a body to develop a policy to ensure, to guarantee that coverage and getting it as quickly as we can to those people who need it, who are crying out now.

This past year I received over 3,000 letters or e-mails from seniors in Tennessee on this very topic. What did I hear? One elderly couple from Kingsport, TN, wrote:

> We are requesting that you do not support any big government drug scheme. Government does not do things better than individuals. Please protect seniors' choice of private coverage. One size does not fit all. We do not want the bureaucrats interfering with our doctor-patient prescription drug choices.

A widow from Tennessee who had a liver transplant writes:

> I'm against the big government plan. I have certain medications I must take and want to be able to get whatever medicines I need.

These letters speak volumes. They, first of all, point out the importance of health care security for our seniors that prescription drugs do provide but also the importance of having a right to choose what is best for one's individual needs.

I mention these letters because I do believe this body should respond as government should, in the broader sense, with a health care proposal, prescription drug plan, that gives affordable access to all seniors, making it a part of health care security. The plans we have heard talked about in the press today are the Bush Medicare plan and the Gore prescription drug plan that have been contrasted on the floor earlier today by a colleague from the other side of the aisle.

I want to comment on those. It is useful for this body because, in essence, Governor Bush's proposal looks at two bills on this floor. One is Chairman ROTH's bill, which gives an immediate helping hand to those seniors who need it today, working predominantly through the States; the second component of the Bush proposal is modeled on the same concept as Breaux-Frist, the bipartisan plan that is based on the way we get our health care as Senators today.

On the Gore side—and that is why this contrast is useful —is the Clinton-Gore proposal, which is also on this floor in terms of prescription drugs. Although we use Governor Bush and Vice President GORE, they both represent bills that are currently on the floor of the Senate.

Looking at Governor Bush's Medicare plan, it has two parts. One is overall modernization, long-term strengthening of the overall Medicare plan, the health care plan for our seniors and individuals with disabilities. The second part offers immediately, right now, the help that seniors are crying out for today. You simply cannot ignore those low-income and middle-income individuals who can't afford the drugs, who really are choosing between putting food on the table and buying those prescription drugs.

The two-part plan has its overall goal to strengthen Medicare and to get that prescription drug coverage to all seniors. It is based on this bipartisan plan, this Breaux-Frist type principle.

The primary focus of Governor Bush's proposal is a universal prescription drug proposal that includes this comprehensive modernization. It does several things. No. 1, it lets seniors choose. Beneficiaries can stay in traditional Medicare, what they have today, or they can choose a plan such as Senator BILL FRIST or Senator ROTH or President Clinton has, a model called the Federal Employees Health Benefits Plan. Under Governor Bush's proposal and under the Breaux-Frist proposal, all current Medicare benefits are preserved.

The real advantage is that seniors for the first time are given a real option to choose among plans that might better be able to meet their individual needs. One plan might have more preventive care. Another plan might have vision care—not in Medicare today. Another plan might have dental care—not in Medicare today.

No. 2, Governor Bush's proposal, and the Breaux-Frist proposal in the Senate, provides all seniors some prescription drug coverage access. Yes, there is a 25-percent subsidy of the cost of those premiums for everybody with a 100-percent subsidy for those people under 150 percent of poverty.

All seniors under Governor Bush's proposal have a limit, a cap on how much is spent out of pocket, not only for prescription drugs but for all health care—visits to the physician, visits to the hospital, prescription drug coverage. Once your out-of-pocket expenditures get above $6,000, it is covered by the Government

Fourth, this proposal is based on the Federal Employees Health Benefits Plan. I think that is very important because seniors understand if that care is really good enough for President Clinton or Senator FRIST, health care will be good enough for me.

No. 5, Governor Bush has said yes, this is going to take more money. It is going to take about $110 billion in more money. Why? Because that modernization in bringing things up to date, that better coordination of services, is going to require an investment. That is in real contrast to the Clinton-Gore proposal which, when we first heard about it, was going to cost $167 billion; that is when it was introduced last year. Right now, the figure touted by the Gore campaign is $250 billion. The Congressional Budget Office says no, it is not $167, it is not $250 billion, but in truth it is about a $337 billion plan.

So, taxpayers, watch out. Seniors, watch out. This plan has already doubled in size, in how much it costs, in the last 12 months, the plan of the Clinton-Gore team. No. 6, and most important, I think, in the short term, is seniors deserve this coverage now, not 2 years from now, not under the Clinton-Gore plan which phases in over another 8 years—actually they don't fully implement it until the year 2010. Our seniors need health care now.

I would like to briefly turn at this point to S. 3016 and S. 3017, introduced by Senator ROTH. What this bill says—which complements, supplements, and parallels very much what Governor Bush has said, and Governor Bush did it through his helping hand—since we have a problem now, let's reach out right now and get the money to the neediest people, the low- and moderate-income people who need it right now; not to be phased in later.

What this Roth bill does is it makes grants immediately available to those people who need it the most. It will extend prescription drug coverage immediately, recognizing it is a transition program, until we modernize Medicare through the Breaux-Frist or Governor Bush approach. It immediately extends prescription drug coverage to about 85 percent of Medicare beneficiaries.

It serves as a bridge to overall Medicare modernization, overall reform.

This is not the answer. This is the short-term answer to plug that hole that everybody agrees is there, whether Democrat or Republican. That hole is created because true modernization is going to take 12 months or 24 months or 36 months. So let's start that modernization program now, but, in the meantime, let's get help to the people who need it, who are out there making that choice between putting food on the table, buying those groceries, or buying prescription drugs. Let's help them in 6 months, not 10 years from now, not 5 years from now. That is where the Roth bill moves right in.

Let me point out that 22 States already have taken action. Remember, all 50 States right now are administering prescription drug programs. That mechanism is there right now. It is not in HCFA, it is not in the Federal Government now, and that is why, under Chairman ROTH's leadership, we can get that aid to the people who need it most.

I will talk more about the Clinton-Gore plan later, but let me just close by saying all I said sharply contrasts it.

No. 1, the Gore plan forces seniors to wait 10 years before it is fully implemented. It doesn't even start offering any drugs or drug coverage for at least 2 years.

No. 2, it doesn't give seniors any choice. They can choose one time, at 64½ years. They choose one time, and that is it. Contrast that with the Breaux-Frist plan or Governor Bush's plan, which allows choice at any point in time.

No. 3, the Clinton-Gore plan does nothing to strengthen Medicare. It is a 50-percent copayments for drugs. It does nothing to modernize or strengthen Medicare long term.

No. 4, it does nothing to benefit, to improve that underlying benefit package in terms of preventive drugs, preventive care, in terms of vision care, in terms of dental care. The flexibility is simply not there in the Gore plan.

I close by saying our debate about the various plans is an exciting one for me. Our goal must be health care security for seniors. Governor Bush and our plans, through Breaux-Frist and the Roth proposal, do just that.

I reserve the remainder of my time.

VICTIMS OF GUN VIOLENCE

Ms. MIKULSKI. Mr. President, it has been more than a year since the Columbine tragedy, but still this Republican Congress refuses to act on sensible gun legislation.

Since Columbine, thousands of Americans have been killed by gunfire. Until we act, Democrats in the Senate will read the names of some of those who have lost their lives to gun violence in the past year, and we will continue to do so every day that the Senate is in session.

In the name of those who died, we will continue this fight. Following are the names of some of the people who were killed by gunfire one year ago today.

SEPTEMBER 14, 1999

Charles Caldwell, 18, Minneapolis, MN; Penny Calhoun, 32, Salt Lake City, UT; Henry J. Calhoun, 32, Salt Lake City, UT; Jovan Coleman, 19, Chicago, IL; Orlando Cortezq, 24, Dallas, TX; Israel Cuervas, 26, Dallas, TX; Charlie D. Duff, 18, Chicago, IL; Alfredo Fernandez, 50, Houston, TX; Toi Goodnight, 41, Pittsburgh, PA; Stevie Gray, 33, Washington, DC; Jessie Harper, 39, Houston, TX; Michael L. Harris, 41, Chicago, IL; Lee Sun Heung, 43, Baltimore, MD; John Homilton, 82, Oakland, CA; Stephen Hornbaker, 35, Pittsburgh, PA; Kerne Lerouge, 43, Boston, MA; Nigel D. Reese, 17, Chicago, IL; Herman Ridley, 24, Baltimore, MD; Frank Rizzo, Houston, TX; Charles Waldon, 62, Houston, TX.

One of the victims of gun violence I mentioned, 41-year-old Toi Goodnight of Pittsburgh, was shot and killed one year ago today in a carjacking incident. The man who killed Toi shot her in the mouth and left her on the highway as he drove away in her car.

We cannot sit back and allow such senseless gun violence to continue. The deaths of Toi Goodnight and the others I named are a reminder to all of us that we need to enact sensible gun legislation now.

OLYMPIC AMBUSH MARKETING

Mr. STEVENS. Mr. President, at the end of this week the men and women of the United States Olympic Team will march into the Olympic Stadium in Sydney, Australia for the XXVII Olympic games. These athletes who inspire all of us to set high goals and reach those goals deserve our congratulations and support. The American people also deserve praise and thanks for their individual contributions to our athletes and to the United States Olympic Committee. Without those contributions, most of our athletes would never have the chance to compete.

American companies have also financially supported the United States Olympic Committee and the Olympic games through official sponsorships. Unfortunately, Mr. President, that Olympic sponsorship is being eroded by an insidious practice known as ''ambush marketing''—advertising that falsely implies an official association with a particular event or organization. In no context is ambush marketing more prevalent or more damaging than with the Olympic games which, because of the reliance on private and corporate funding, are increasingly threatened by a decline in sponsorship interest.

Internationally, it is fair to say that corporate sponsorship saved the Olympic movement. In 1976, Montreal was left with a debt of nearly one billion dollars following the summer Olympic games in that city. Los Angeles, however, managed to capitalize on corporate sponsorship, turning a profit and revitalizing international interest in the games.

American companies have long been proud to be official sponsors of the Olympic games because of the humanitarian and inspirational values the games present. These companies also recognize the valuable marketing potential of the Olympics, enhancing

their presence and business reputation in an increasingly global marketplace. By encouraging corporate involvement, Olympic organizers have ensured that such companies continue to devote tremendous financial and human resources to be identified as official Olympic sponsors. This sponsorship is particularly important in the United States, because there is no direct government support of our athletes.

Congress has recognized the value of corporate sponsorship by adopting the Olympic and Amateur Sports Act, which I authored, to authorize the International Olympic Committee to grant worldwide sponsors of the Olympic games exclusive rights to use certain emblems, trademarks, and designations in the advertising, promotion and sale of products in designated product categories. The act also provides enhanced trademark protections to prevent deceptive practices specifically involving the use of Olympic trademarks or trade names. As a consequence, numerous major corporations have become Olympic sponsors and have contributed millions of dollars to the games and to U.S. athletes.

As the popularity of the Olympics has grown, so have the incentives to be associated with the games. Unfortunately, it is too easy for companies to imply an affiliation with the olympics, without becoming official sponsors. Such ambush or parasite marketing is often subtle—frequently depicting olmypic sports, athletes, medals, the host city, a burning torch, or other olympic games indicia—but its effect is proven. Studies have concluded that ambush marketers have been quite successful in their efforts to mislead the American public.

As companies begin to perceive only negligible goodwill or favorable publicity resulting from their Olympic sponsor status, their willingness to support the Olympic games and our athletes may wane. That is why I am considering legislation to further clarify the types of unauthorized use of Olympic games imagery and indicia that are actionable under the Amateur Sports Act. Australia, which will host the Olympic games in the next few weeks, has in place an ''Olympic Insignia Protection Act'' to protect against ambush marketing, and we may need additional protection in the U.S. Unfortunately, that legislation cannot be addressed this year.

There is a vast difference between freedom of speech and deceptive advertising. I will ask the congress to authorize private suits, similar to private antitrust legislation, to allow those injured by ''ambush marketing'' to recover their losses and financially punish those who try to mislead our people.

The USOC has been aggressive in protecting its trademark interests. These additional tools may be needed, however, to ensure the value of Olympic sponsorships and encourage corporate participation in the Olympic movement.

VIOLENCE AGAINST WOMEN PROTECTION ACT

Mr. SARBANES. Mr. President, I rise today to express my strong support for S. 2787, the Violence Against Women Protection Act of 2000. It is critically important that the Congress soon pass this legislation to reauthorize the Violence Against Women Act, and to continue the progress made since the Act was first passed in 1994.

I am proud to have been a cosponsor of both the original Violence Against Women Act, VAWA as well as S. 2787 and other legislation introduced in the 106th Congress to reauthorize VAWA. Through a $1.6 billion grants program, VAWA has provided hundreds of thousands of women with shelter to protect their families, established a national toll-free hotline which has responded to innumerable calls for help, and funded domestic violence prevention programs across the Nation. Most importantly, VAWA has provided a new emphasis on domestic violence as a critical problem that cannot be tolerated or ignored.

In my own State of Maryland, the funding provided by VAWA is essential to the continued operation of facilities like Heartly House in Frederick, Maryland, which provides shelter to battered women, accompanies rape victims on hospital visits, and assists women in crisis in numerous other ways. In Baltimore City, VAWA funds have helped create a dedicated docket in the District Court which has effectively increased the number of domestic violence cases prosecuted. In Montgomery County, Maryland, VAWA funds provide victims with legal representation in civil protective order hearings. Importantly, the staff for this program is located inside the Courthouse, making it easy and safe for victims to get the help that they need. VAWA funds are being used creatively in Garrett County, where the Sheriff's Department purchased a four wheel drive vehicle so that their domestic violence team can travel to remote areas of the county—overcoming the feelings of isolation many victims feel, particularly in the winter months.

Programs like these are working in Maryland and all across the country to reduce the incidence of domestic violence. And, according to the Bureau of Justice Statistics, VAWA is working. Intimate partners committed fewer murders in 1996, 1997, and 1998 than in any other year since 1976. Likewise, the number of female victims of intimate partner violence declined from 1993 to 1998; in 1998, women experienced an estimated 876,340 violent offenses at the hands of a partner, down from 1.1 million in 1993.

But despite these successes, clearly the incidence of violence against women and families remains too high. According to the National Coalition Against Domestic Violence (NCADV), over 50 percent of all women will experience physical violence in an intimate relationship, and for 24–30 percent of those women the battering will be regular and on-going. Additionally, the NCADV reports that between 50 and 70 percent of men who abuse their female partners also abuse their children.

Even though strides have been made, we still have a long way to go before domestic violence is evicted from our homes and communities. It is critically important that we not allow VAWA to expire, and that we take this opportunity to reauthorize VAWA and build upon its success. The Violence Against Women Protection Act of 2000 will authorize more than $3 billion over five years for VAWA grant program and make important improvements to the original statute. For example, S. 2787 will authorize a new temporary housing program to help move women out of shelters and into more stable living accommodations. S. 2787 will also make it easier for battered immigrant women to leave their abusers without fear of deportation, and target additional funds to combatting domestic violence on college campuses. Finally, the legislation will improve procedures to allow states to enforce protection orders across jurisdictional boundaries.

VAWA has made real strides against domestic violence, and the Violence Against Women Protection Act will continue the important work begun in 1994. I am proud to report of the valuable programs all across Maryland combatting domestic violence thanks to VAWA, and I urge Senate leaders to bring S. 2787 to the floor for consideration as soon as possible. We have an invaluable opportunity to make a statement that domestic violence will not be tolerated, and that all women and children should be able to live without fear in their own homes.

FEDERAL LAW ENFORCEMENT PROBLEMS DUE TO THE McDADE LAW

Mr. LEAHY. Mr. President, I came to the floor on May 25 to speak about the pressing criminal justice problems arising out of the so-called McDade law, which was enacted at the end of the last Congress as part of the omnibus appropriations law. At that time, I described some examples of how this law has impeded important criminal prosecutions, chilled the use of federally-authorized investigative techniques and posed multiple hurdles for federal prosecutors. In particular, I drew attention to the problems that this law has posed in cases related to public safety—among them, the investigation of the maintenance and safety practices of Alaska Airlines. The Legal Times and the Los Angeles Times recently reported on the situation regarding the Alaska Airlines investigation, and I ask unanimous consent to include these reports in the RECORD following my remarks.

Since I spoke in May, the McDade law has continued to stymie Federal law enforcement efforts in a number of States. I am especially troubled by

what is happening in Oregon, where the interplay of the McDade law and a recent attorney ethics decision by the Oregon Supreme Court is severely hampering Federal efforts to combat child pornography and drug trafficking.

I refer to the case of In re Gatti, 330 Or. 517 (2000). In Gatti, the court held that a private attorney had acted unethically by intentionally misrepresenting his identity to the employees of a medical records review company called Comprehensive Medical Review (''CMR''). The attorney, who represented a client who had filed a claim with an insurance company, believed that the insurance company was using CMR to generate fraudulent medical reports that the insurer then used to deny or limit claims. The attorney called CMR and falsely represented himself to be a chiropractor seeking employment with the company. The attorney was hoping to obtain information from CMR that he could use in a subsequent lawsuit against CMR and the insurance company.

The Oregon Supreme Court upheld the State Bar's view that the attorney's conduct violated two Oregon State Bar disciplinary rules and an Oregon statute—specifically, a disciplinary rule prohibiting conduct involving dishonesty, fraud, deceit or misrepresentation; a disciplinary rule prohibiting knowingly making a false statement of law or fact; and a statute prohibiting willful deceit or misconduct in the legal profession. In so doing, the court rejected the attorney's defense that his misrepresentations were justifiable because he was engaged in an investigation to seek evidence of fraud and other wrongful conduct. The court expressly ruled that there was no ''prosecutorial exception'' to either the State Bar disciplinary rules or the Oregon statute. As a result, it would appear that prosecutors in Oregon may not concur or participate in undercover and other deceptive law enforcement techniques, even if the law enforcement technique at issue is lawful under Federal law.

Gatti has had a swift and devastating effect on FBI operations in Oregon. Soon after the decision was announced, the U.S. Attorney's Office informed the FBI Field Office that it would not concur or participate in the use of long-used and highly productive techniques, such as undercover operations and consensual monitoring of telephone calls, that could be deemed deceptive by the State Bar. Several important investigations were immediately terminated or severely impeded.

Because of the Gatti decision, Oregon's U.S. Attorney refused to certify the six-month renewal of Portland's Innocent Images undercover operation, which targets child pornography and exploitation. Portland sought and obtained permission to establish an Innocent Images operation after the work of another task force over the past two years revealed that child pornography and exploitation is a significant problem in Oregon. With that finally accomplished, and with the investigative infrastructure in place, the U.S. Attorney refused to send the necessary concurring letter to the FBI for Portland's six-month franchise renewal. Since the U.S. Attorney's concurrence is necessary for renewal of the undercover operation, it now appears that Portland's Innocent Images operation will be shut down.

Gatti has also had an immediate and harmful impact on Oregon's war on drugs. Last winter, there was a multi-agency wiretap investigation into the activities of an Oregon-based drug organization. To date, the investigation has produced numerous federal and state indictments. Recently, the post-wiretap phase brought to the surface a cooperating witness. During the initial briefing, the cooperating witness indicated he had information about other drug organizations in Oregon and another State. In an effort to widen the investigation, the FBI sought the AUSA's concurrence in the cooperator's use of an electronic device to record conversations with other traffickers. Citing the Gatti decision, the assigned AUSA refused to provide concurrence. Since AUSA concurrence is required for such consensual monitoring, the FBI cannot make use of this basic investigative technique. Thus, a critical phase of the investigation languishes because of the interplay of Gatti and the McDade law.

These examples show how the McDade law is severely hampering federal law enforcement in Oregon. But as I made clear in my prior remarks, this ill-conceived law is having dangerous effects on federal law enforcement nationwide. Let me update my colleagues on the Talao case, which I discussed at some length in May.

In Talao, a company and its principals were under investigation for failing to pay the prevailing wage on federally funded contracts, falsifying payroll records, and demanding illegal kickbacks. The company's bookkeeper, who had been subpoenaed to testify before the grand jury, initiated a meeting with the AUSA in which she asserted that her employers were pressing her to lie before the grand jury, and that she did not want the company's lawyer to be present before or during her grand jury testimony. The grand jury later indicted the employers for conspiracy, false statements, and illegal kickbacks.

The district court held that the AUSA had acted unethically because the company had a right to have its attorney present during any interview of any employee, regardless of the employee's wishes, the status of the corporate managers, or the possibility that the attorney may have a conflict of interest in representing the bookkeeper. The court declared that if the case went to trial, it would inform the jury of the AUSA's misconduct and instruct them to take it into account in assessing the bookkeeper's credibility.

When I last spoke about the Talao case, the Ninth Circuit was reviewing the district court's decision. The Ninth Circuit has now spoken, and although it found no ethical violation, it did so on the narrow ground that the bookkeeper had initiated the meeting, and that the AUSA had advised the bookkeeper of her right to contact substitute counsel. Thus, the court sent a message that AUSAs and investigating agents may not approach employees in situations where there is a possible conflict of interest between the employee and the corporation for whom the employee works, and corporate counsel is purporting to represent all employees and demanding to be present during interviews. Let me put that another way. If a corporate whistleblower in California told an FBI agent that the agent should speak to a particular employee who had important information, and the AUSA assigned to the case knew that the corporation was represented by counsel in that matter, the AUSA arguably would have to nix the interview.

The need to modify the McDade law is real, and our time is running out. I introduced legislation last year that addressed the most serious problems caused by the McDade law, and I worked with the Chairman of the Judiciary Committee to refine and improve it. I described our approach when I spoke on this issue in May. Congress should take up and pass corrective legislation before the end of the session.

I ask unanimous consent to have several articles printed in the RECORD.

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

[From the Los Angeles Times, Tues., July 18, 2000]

JUSTICE DEPT. FACES UNEXPECTED ROADBLOCKS DUE TO ETHICS RULES

(By Robert L. Jackson)

WASHINGTON.—Consider it further proof of the law of unintended consequences.

Aiming to prevent unethical conduct, Congress last year passed a law requiring federal prosecutors to abide by the ethics rules of the state bar where they are conducting investigations.

Instead, the Justice Department says, the move has hampered law enforcement in cases related to public safety—among them the investigation of the maintenance and safety practices of Alaska Airlines.

In documents submitted to the Senate Judiciary Committee by James Robinson, chief of Justice's criminal division, and Assistant Atty. Gen. Robert Raben, the department has argued that probes like this were ''stalled for many months'' by the McDade law.

The law blocked FBI agents and Justice Department lawyers from interviewing airline mechanics in a timely fashion for a grand jury investigation of whether Alaska's maintenance records were falsified in Northern California, the department says. And it reportedly is causing problems for prosecutors looking into complaints from corporate whistle-blowers elsewhere.

While the law seems harmless on its face, California—like many other states—has an ethics provision prohibiting lawyers or government investigators from directly contacting a person who is represented by counsel.

Federal officials say FBI agents who tried to interview workers at the airline's Oakland maintenance facility were blocked by company lawyers who claimed to represent all airline personnel.

When mechanics then were served with grand jury subpoenas, attorneys lined up by the airline were able to delay their appearances by insisting on grants of immunity from prosecution, which slowed the inquiry by months.

The federal investigation widened after the Jan. 31 crash of an Alaska Airlines jet in the Pacific Ocean that killed all 88 people on board. But FBI agents were similarly impeded from questioning ground mechanics, according to the Justice Department.

''Those interviews that are most often successful—simultaneous interviews of numerous employees—could not be conducted simply because of fear that an ethical rule . . . might result in proceedings against the prosecutor,'' said Sen. Patrick J. Leahy (D-Vt.), a Judiciary Committee member who is trying to amend the law.

Alaska Airlines insists it has cooperated with the FBI and denies wrongdoing in its maintenance practices. No criminal charges have been brought. The Federal Aviation Administration recently said it had uncovered ''serious breakdowns in record-keeping, documentation and quality assurance'' but that the airline has devised an acceptable plan to correct them.

Leahy said the airline case is only one example of the hurdles erected by the McDade law, which was sponsored by Rep. John M. McDade (R-Pa.), who retired from the House last year. McDade had been the target of an eight-year federal investigation into allegations that he accepted $100,000 in gifts and other items from defense contractors and lobbyists.

Cleared by a jury after a 1996 trial, McDade maintained he was the victim of an investigation run amok.

His sponsorship of the Citizens Protection Act was supported by both the American Bar Assn. and the National Assn. of Criminal Defense Lawyers.

It was approved by Congress without any hearings.

Leahy, in a bipartisan effort with Sen. Orrin G. Hatch (R-Utah), the committee chairman, is trying to amend the McDade law.

Justice officials say the statute has made them ''reluctant to authorize consensual monitoring''—a body mike worn by an informant, for example—in California and other states for fear that state ethics rules could be interpreted to prohibit this conduct and lead to disciplinary action against department prosecutors.

The law also is making officials reluctant to speak with corporate whistle-blowers without a company lawyer present.

Hatch would add a provisio to McDade saying federal prosecutors should follow state standards unless they are inconsistent with traditional federal policy, a qualification that would effectively gut the law. It is doubtful whether Congress will amend McDade this year.

[From the Legal Times, June 26, 2000]

ETHICS LAW HURTS PROBE, DOJ SAYS

(By Jim Oliphant)

The Justice Department says its criminal probe of safety problems at Alaska Airlines has been severely hampered by a controversial federal ethics law enacted last year.

In documents provided to a Senate committee, the department says that a measure that forces federal prosecutors to adhere to state ethics rules has stymied the long-running investigation into the airline's safety and maintenance practices.

Seattle-based Alaska Airlines has been the target of a federal grand jury in San Francisco since early 1999, when a mechanic claimed that workers at the airline had falsified repair records for Alaska passenger jets.

Earlier this year, after Alaska Airlines Flight 261 plunged into the Pacific Ocean, killing all aboard, the Justice Department, along with the Federal Aviation Administration, widened its inquiry into the company's safety operations.

Department officials, as well as lawyers in the U.S. attorney's office in San Francisco, declined to discuss the grand jury's investigation, which has yet to produce a single indictment.

But in a report prepared for the Senate Judiciary Committee, the DOJ says the grand jury's work was ''stalled for many months'' because of the so-called McDade Amendment, a law implemented last year that forces federal prosecutors to follow state ethics codes.

California, like most states, has an ethics provision that prohibits lawyers from directly contacting a party who is represented by counsel. The Justice Department claims that lawyers for Alaska Airlines used the rule to prevent the Federal Bureau of Investigation and other investigators from speaking with mechanics and other airline employees.

In the early stages of the Alaska investigation, the department's report says, attempts by the FBI to seize documents and interview workers at Alaska Airlines' hangar facility in Oakland, Calif., were blocked by lawyers for the company who ''interceded, claimed to represent all airline personnel, and halted the interviews.''

Because of the California ethics law, the report says, the federal prosecutor was forced to end the interviews and recall the agents.

The report explains that prosecutors then attempted to subpoena the workers to the grand jury. Again, the request was met with a response by company lawyers, who lined up attorneys separate from the company to represent each worker before they testified before the grand jury.

''Because the attorney for each witness insisted on a grant of immunity, and because of scheduling conflicts with the various attorneys, the investigation was stalled for many months,'' the report says. ''When the witnesses finally appeared before the grand jury, they had trouble remembering anything significant to the investigation.''

The Justice Department report also mentions the Jan. 31 crash of Alaska Airlines Flight 261, which crashed into the Pacific Ocean, killing 88 people aboard. The National Transportation Safety Board's investigation has focused on defects in the plane's jackscrew assembly and horizontal stabilizer, which controls the up-and-down movement of the aircraft.

In the wake of the crash, the report says, the FBI received information that the plane had experienced mechanical problems on the first leg of its flight from Puerto Vallarta, Mexico, to Seattle.

But agents could not interview the airline's employees after the crash because of the ethics law, the report says.

''Those interviews that are most often successful—simultaneous interviews of numerous employees—could not be conducted because of fear that they might result in ethics proceedings against the prosecutor,'' the report says.

Alaska Airlines maintains that it has fully cooperated with FBI and FAA investigators during the government's investigation. It has denied any wrongdoing at its Oakland facility. The company has retained Los Angeles' O'Melveny & Myers to represent it in the criminal investigation.

CHANGE OF POLICY

For years, as a matter of Justice Department policy, federal prosecutors were told that they didn't have to follow state ethics rules—particularly ones related to bypassing lawyers and contacting potential witnesses directly.

The policy was intended to aid prosecutions of organized crime in the 1980s and was first detailed in a memo by then-Attorney General Richard Thornburgh in 1989. The department's rule was clarified under Janet Reno in 1994.

In October 1998, Congress passed a law that made federal prosecutors subject to state ethics codes. The law was named for former Rep. Joseph McDade (R–Pa.), who was the subject of an eight-year federal bribery investigation. McDade was eventually acquitted.

The law went into effect last year, over strenuous Justice Department objections. Since then, the department hasn't given up the fight to overturn it. And its efforts have support in the Senate Judiciary Committee, where bills offered by the committee's chairman, Sen. Orrin Hatch (R-Utah), and Sen. Patrick Leahy (D–Vt.) would establish separate ethical proscriptions for prosecutors.

The Hatch bill would repeal McDade. The Leahy bill would specifically allow prosecutors to contact witnesses regardless of whether they were represented by counsel. Neither bill has made it out of the judiciary committee.

''This law has resulted in significant delays in important criminal prosecutions, chilled the use of federally authorized investigative techniques and posed multiple hurdles for federal prosecutors,'' Leahy said on the floor of the Senate last month.

Both the American Bar Association and the National Association for Criminal Defense Lawyers lobbied Congress hard for the McDade law. Kevin Driscoll, a senior legislative counsel for the ABA, said that his organization is reviewing the Justice Department's complaints about the law's implementation. But, he added, the ABA's support of McDade has not changed.

William Moffitt, a D.C. criminal defense lawyer who is president of the NACDL, says that the Justice Department is ''looking for reasons to complain'' about McDade.

''They don't have the unfettered ability to intimidate and they don't like that,'' Moffitt said. ''People ought to be able to go to the general counsel (of a corporation) if they are subpoenaed and they ought to be able to be told to get a lawyer.''

Few details of the grand jury's investigation of Alaska Airlines have come to light. The airline says that it has received three subpoenas for information related to 12 specific aircraft. In a filing with the Securities and Exchange Commission last month, the airline's parent company, Alaska Air Group Inc., said one subpoena asked for the repair records for the MD–83 craft that crashed in January.

Matt Jacobs, a spokesman for the U.S. attorney's office in San Francisco, declined comment on the status of the investigation, as did the press office for Justice Department in Washington.

The FAA conducted a separate probe of the Alaska Airline's maintenance procedures and proposed a $44,000 fine, which the airline is contesting. The agency recently threatened to shut down the airline's repair facilities in Oakland and Seattle if it did not provide a sound plan for improving its safety protocols.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Wednesday, September 13, 2000, the Federal debt stood at $5,685,088,778,465.03 (five trillion, six hundred eighty-five billion, eighty-eight million, seven hundred seventy-eight thousand, four hundred sixty-five dollars and three cents).

One year ago, September 13, 1999, the Federal debt stood at $5,654,838,000,000 (five trillion, six hundred fifty-four billion, eight hundred thirty-eight million).

Five years ago, September 13, 1995, the Federal debt stood at $4,967,411,000,000 (four trillion, nine hundred sixty-seven billion, four hundred eleven million).

Ten years ago, September 13, 1990, the Federal debt stood at $3,234,805,000,000 (three trillion, two hundred thirty-four billion, eight hundred five million).

Fifteen years ago, September 13, 1985, the Federal debt stood at $1,823,101,000,000 (one trillion, eight hundred twenty-three billion, one hundred one million) which reflects a debt increase of almost $4 trillion—$3,861,987,778,465.03 (three trillion, eight hundred sixty-one billion, nine hundred eighty-seven million, seven hundred seventy-eight thousand, four hundred sixty-five dollars and three cents) during the past 15 years.

ADDITIONAL STATEMENTS

POW–MIA DAY

• Mr. BURNS. Mr. President, I rise today to pay my respects and to acknowledge our prisoners of war (POW) and those still missing in action (MIA).

In the year 2000, fewer and fewer Americans understand the meaning of POW/MIA Day, Memorial Day, or Veterans Day. I feel it is important that I and my fellow veterans help our Nation understand that freedom is not free. It is paid for by the service and sacrifices of those who served our country.

The United States of America has been honored and blessed with the service and sacrifice of our men and women in uniform. Our Nation has been kept strong and safe by these great Americans and for this we owe a debt we can never fully repay. Nobody knows this more than the friends and families of those souls who became prisoners of war or are still listed as missing in action. Their anguish and pain is unimaginable. I believe it is important to acknowledge those friends and family members on this day as well.

On September 15, 2000, we acknowledge with upmost respect and gratitude those who have given their freedom to preserve ours. Those who have been prisoners of war have demonstrated steadfastly the beliefs of duty, honor, and country. They never gave up on these beliefs and the United States must never give up on them. We must take care of those who have taken care of us and this includes making every effort to account for those patriots who are missing in action. Our Nation must bring them home to their loved ones.

To those who paid the ultimate sacrifice by giving their lives for our country, we must always be thankful. We must never take for granted the freedoms we have due to the men and women who have faithfully served our country in times of war and peace.

May God bless all these American heroes and their families on this and everyday.•

TEENS FAVOR SENSIBLE GUN LAWS

• Mr. LEVIN. Mr. President, a new study conducted by researchers at Hamilton College reveals that students across the country are strongly in favor of sensible gun laws. According to the report, approximately ninety percent of high school students surveyed support proposals such as the registration of handguns and licensing of handgun owners, criminal background checks for prospective gun purchasers, and five-day ''cooling off periods.'' In addition, eighty to ninety percent of the teens surveyed in the poll support laws that would require all guns to be sold with trigger locks, require all gun buyers to pass a safety course, and hold adults criminally responsible for keeping a loaded firearm where it could be reasonably accessed by a child and that child harms himself or others.

Here are some of the other findings from the report: ''High school students back handgun regulation at higher levels than respondents in recent adult surveys; High school students believe that the Constitution protects the right of citizens to own guns. But they reject the idea that government regulation of the sale and use of handguns violates this right; Almost half of high school students say it would be easy for a teenager to obtain a handgun in their neighborhood. A third report that they know of someone at their school who has been threatened with a gun or shot at.''

The Hamilton College researchers were the first to nationally survey high school students about their feelings toward gun issues. I am not surprised that the results show overwhelming support for the gun safety proposals that many of us in Congress have been trying to enact into law. Students are well-versed on the dangers of guns in their homes and schools. In this survey, more than twenty-five percent of students reported that they or someone close to them has been ''shot by a gun.''

Mr. President, with just a few weeks remaining until the Senate's target adjournment date, it's long past time to act. Let's listen to our young people and enact the sensible gun laws they want and need to keep American schools safer from gun violence.•

TRIBUTE TO DR. MILO FRITZ

• Mr. STEVENS. Mr. President, Alaska lost one of its true pioneers when Dr. Milo Fritz died at his home in Anchor Point at the age of 91.

One of America's pre-eminent eye, ear, nose, and throat surgeons, Milo treated patients throughout Alaska. Dr. Fritz came to Alaska 60 years ago. With his wife Betsy, a nurse by his side, he began a practice that took him into almost every remote community of our State—to areas where there were no doctors, no clinics, no health care facilities of any kind.

The area he served covered almost a quarter of our State's 586,000 square miles, from Anchorage northeast to the Canadian border near Fort Yukon, west to Bettles and Huslia, south to Anvik and Shageluk, and east again over the Chugach Mountains to Anchorage.

Dozens of villages in that vast expanse would never have seen a doctor if Milo Fritz had not traveled by dog sled or small boat, or piloted his own single-engine airplane, because in that region there were no health-care facilities.

A command surgeon for the 11th Air force in World War II, Milo spent much of his service time in Alaska. After the war, and a brief sojourn in New York, he and Betsy returned to Alaska at the request of our then-territory's commissioner of health to investigate problems of blindness and deafness among children in Alaska Native communities.

Sterilizing his surgical instruments in boiling water heated on a portable stove he carried with him, Dr. Fritz performed tonsillectomies and sometimes, in the absence of a dentist, even had to extract infected teeth.

He specialized in treating otitis-media, a terrible and common disease among Alaskan rural children.

He wrote this brief account of one of his typical visits, this one in the village of Allakaket, which rests on the Arctic Circle in the foothills of the Brooks Range:

> In Allakaket, we operated in a log community hall and slept in the schoolteacher's quarters. In this village we did 22 T and A's (combined removal of tonsils and adenoids), five tonsillectomies, extracted a few teeth, and prescribed two pairs of glasses.
>
> We took one night off and in my airplane went into the wilderness into a heavenly spot called Selby Lake, where we fished for grayling and lake trout amid majestic surroundings that were as simple and beautiful and unspoiled as they must have been on the seventh day (a reference to the biblical account of creation).

After our territory of Alaska became the 49th State, Dr. Fritz took advantage of an opportunity to bring the health problems he encountered to the attention of State government, and ran successfully for the Alaska State legislature. in the 1960s and early in the 1970s he represented Anchorage in our State house. In 1982 he represented the Kenai Peninsula. I had the privilege to serve with him from 1966 to 1968.

Just as he was a perfectionist in the practice of medicine, Dr. Fritz was a

stickler for fair and thorough legislative practices. I remember Milo came to the Alaska House of Representatives at 5:30 a.m.—so he could read and analyze each bill before the regular session started. Milo had a commitment to the processes of democracy that few people share or understand.

At the time of his death, a family member said:

He was a skilled practitioner of the healing arts; a patron of the arts; humanitarian; solon; diligent inquirer into the mysteries of jurisprudence and its philosophy; a student of the legislative process; stern foe or hypocrisy and deceit; physician in the true tradition of Hippocrates and Saint Luke; and friend. Milo would want people to know that he tried.

Mr. President, Milo Fritz's contributions to Alaska and Alaskans over almost three generations are far more than those of a man who just ''tried.'' He left a legacy of caring and hard work and love of people and of his profession that will be hard to match.

He gave his all, over and over again, whether in a distant village or in his office in Anchorage, and Juneau and Anchor Point. I was not only fortunate to serve with him in our legislature, I was also one of his patients. so I know first had of the excellence with which he accomplished whatever task was before him.

Flags in Alaska flew at half staff last week to honor the memory of Dr. Milo Fritz, a great Alaska physician, legislator, and pioneer. A great man.

To Betsy, his wife of 63 years, and his son Jonathan, we extend our deepest sympathy. I, too, Mr. President, have lost a friend.

Mr. President, I ask that the articles about Dr. Fritz's life and death which appeared in the Kenai Peninsula Clarion, and the Anchorage Daily News on September 8th and 9th respectively, and editor Bill Tobin's tribute in the ''voice of the times'' column on September 10th, be printed in the RECORD.

The material follows:

[From the Anchorage Daily News, Sept. 8, 2000]

DOCTOR, 91, A PIONEER

FRITZ WORKED WITH DEAF, BLIND IN ALASKA'S BUSH

(By Jon Little)

SOLDOTNA.—Milo Fritz, a former state legislator and pioneering physician who dedicated much of his life to healing deaf and blind children in the Alaska Bush, died Aug. 31 at his home in Anchor Point. He was 91.

Gracious, direct and with a razor wit, Fritz was an institution on the Southern Kenai Peninsula.

He was an eye, ear and throat specialist who treated thousands of Alaskans over the years, among them Sen. Ted Stevens, friends and family say. He briefly set up practices on Park Avenue in New York, said Elizabeth Fritz, has wife of 63 years.

But Fritz's career path took a more meaning route, following his heart to villages across Alaska.

''So many of the Native children were going blind and deaf for lack of medical care,'' she said.

Gov. Tony Knowles ordered state flags lowered through the end of the workday today in Fritz's memory. The governor's office recounted Fritz's career in detail:

He was born in Pittsfield, Mass., on Aug. 5, 1909, and came to Alaska in 1940 to set up a practice in Ketchikan. He was soon drawn away by World War II, serving in the Army Air Corps beginning in 1941.

When asked where he wanted to serve, Fritz replied Alaska and was sent back to the state where he'd already set up a practice. He went across the state, helping soldiers. He rose to the rank of command surgeon for the 11th Air force.

According to the governor's office, Fritz won commendations for rescuing a pilot from a plane crash on Mount Redoubt and another pilot from a burning plane at Elmendorf Air Base.

After the war; Fritz went to New York, but in 1947 he was called back by the then Alaska commissioner of health to investigate blindness among Alaska Native children.

Fritz was elected to the Legislature in 1966 and again in 1972 to represent Anchorage in the state House. After moving to Anchor Point, he was elected to a third term in 1982.

Janet Helen Gamble, has long-time receptionist, described Fritz as a missionary. ''Sometimes he got paid, sometimes he didn't, because he really was not interested in money. He was interested in people's health, how he could make people see better.''

Fritz and his wife retired to the house they bought in 1949, where the scenery hasn't changed much over the decades. ''We see nothing man-made from our windows in the summer unless a ship goes by,'' Elizabeth Fritz said. ''It was the perfect place to end our lives and do things we'd put aside all these years.''

He is remembered by his family as, ''a skilled practitioner of the healing arts'' as well as a humanitarian and a ''diligent inquirer into the mysteries of jurisprudence and its philosophy'' and a ''stern foe of hypocrisy and deceit.''

In addition to his wife of 63 years, Fritz is survived by his son Jonathan, also of Anchor Point. No memorial service is planned, in accordance with his wishes.

[From the Voice of the Times, Anchorage, AK, Sept. 10, 2000]

PASSING PARADE

(By Bill Tobin)

The death of Dr. Milo Fritz at his Anchor Point home a week ago Thursday took from the Alaska scene a pioneer eye doctor and bush pilot who was part of another era—a time in Alaska when the Legislature was populated by people who had lives outside of politics. Service in Juneau, back in those days, was a part-time affair. Fishermen served and went back to their boats. Physicians served, and went back to practices. Druggists served, and went back to their stores. Real estate agents served and went back to the job of selling houses. Dr. Fritz, a long-time Anchorage eye surgeon who was 91 at the time of his death, was a Republican member of both the House and the Senate during his years in politics. He won international fame for the many years of service he provided as a medical circuit rider on countless trips to remote villages throughout rural Alaska. He learned to fly on the G.I. Bill, after service as a major in World War II, and piloted his own plane on his medical missionary work.

[From the Kenai Peninsula Clarion, Sept. 8, 2000]

MILO H. FRITZ, M.D.

Dr. Milo H. Fritz died at his home in Anchor Point on Thursday, Aug. 31, 2000, after a brief illness. He was 91.

No memorial service is planned in accordance with his wishes.

Born in Pittsfield, Mass., on Aug. 25, 1909, Fritz studied medicine and became a specialist in eyes, ears, nose and throat medicine. He came to Alaska in 1940 to set up a practice in Ketchikan, but was soon drawn away by the war. He served in the Army Air Corps beginning in 1941 and rose to the rank of command surgeon for the 11th Air Force. He spent many of his war years in Alaska, including service in Anchorage and Adak, and received commendations for rescuing a pilot from a plane crash on Mount Redoubt and another pilot from a burning plane at Elmendorf Air Base.

After the war, Fritz set up a practice in New York, but in 1947 he was called back by the then-Alaska Commissioner of Health to investigate blindness among Alaska Native children. Fritz again made Alaska his home, and his desire to address health problems in Alaska eventually drew him to the Alaska Legislature. Fritz was elected in 1966 and again in 1972 to represent Anchorage in the state House, and, after moving to Anchor Point, he was elected to a third term in 1982, representing the Kenai Peninsula.

''(He was) a skilled practitioner of the healing arts; patron of the arts; humanitarian; solon; diligent inquirer into the mysteries of jurisprudence and its philosophy; a student of the legislative process; stern foe of hypocrisy and deceit; physician in the true tradition of Hippocrates and St. Luke; and friend,'' his family said. ''Milo would want people to know that he tried.''

He was preceded in death by his son, Pieter, in 1977.

Fritz is survived by his wife of 63 years, Elizabeth, and son, Jonathan, both of Anchor Point.

In recognition of his services to the people of Alaska, Gov. Tony Knowles has ordered state flags lowered through the end of the workday today in memory of the former legislator and pioneer.●

HONORING DR. JOHN DIBIAGGIO, PRESIDENT OF TUFTS UNIVERSITY

● Mr. KERRY. Mr. President, I would like to take a few minutes to pay tribute to someone who has been a good friend to those of us in Massachusetts who are committed to quality higher education, Dr. John DiBiaggio, for his service, his vision, and the academic leadership the he has shown—not just in Massachusetts, but nationwide. Dr. DiBiaggio has been the president of Tufts University, in Medford, Massachusetts, since 1993. Yesterday he announced that he will be retiring in June 2002 and I know that he will be sorely missed.

I think anyone who has spent time at Tufts in the last several years has seen Dr. DiBiaggio, or his wife, Nancy, walking their dogs on campus. When the DiBiaggio's moved to Medford in 1993, they moved into Gifford House, an on-campus residence. I think that that decision to live on campus, just like an incoming freshman, to have an sincere open-door policy, and to create a real sense of community, is an enormous testimony to his dedication to service.

Dr. DiBiaggio's tenure at Tufts has been an extremely successful one. Since Dr. DiBiaggio arrived at Tufts, the university has shored up its fiscal

condition by tripling the size of its endowment. The University has built six new buildings at its Grafton campus and a new fieldhouse. The school's student-faculty ratio has dropped to 8:1, one of the best of any major college or university. Since Dr. DiBiaggio became president, the University has established study abroad programs in Chile, Moscow, Japan and Ghana.

Most recently, he announced the creation of a new school of public service. In my judgment, The University College of Citizenship and Public Service will be one of Dr. DiBiaggio's most enduring legacies at Tufts. Despite the large increase in volunteer rates among Tufts students, Massachusetts residents and citizens nationwide, voter apathy and cynicism are at all-time highs. This new school will be a ''virtual college,'' which aims to incorporate the goals of public service into the school's curriculum. In April, the College of Citizenship and Public Service received a $10 million donation from Pierre and Pam Omidyar, the founders of the person-to-person online trading website, eBay. This gift allowed the College of Citizenship and Public Service to grant twenty-one scholarships to undergraduates to participate in programs geared to develop values and skills of active citizenship and covers the financial aid needs of students who are eligible for scholarship assistance.

Tufts is no longer one of Massachusetts' best kept secrets. Under Dr. DiBiaggio's guidance, Tufts' undergraduate, medical, dental, nutrition, international relations, and veterinary schools have grown in stature and are consistently ranked among the nation's elite. The number of applicants increased by more than 70 percent in just the past five years. The test scores, grades and class rank of the incoming freshmen continues to break school records. The University is now standard on U.S. News and World Report's annual list of top colleges and universities, rubbing elbows with Harvard, MIT and Boston College.

I again commend Dr. DiBiaggio on a successful term as President of Tufts University. All of us in Massachusetts know the tremendous vision and scholarship that will be the legacy of Dr. DiBiaggo's service at Tufts. I know that he will be missed by students, parents and alumni alike, but I thank him for his service, and I am genuinely happy for him and for Nancy. I wish them the best of luck in their future endeavors.●

TRIBUTE TO JOSHUA S. WESTON

● Mr. LAUTENBERG. Mr. President, I rise today to pay tribute to Joshua S. Weston, a longtime friend, and one of New Jersey's most actively involved citizens, on the occasion of his receiving the ''Distinguished Achievement Award'' by B'nai B'rith International.

Mr. President, over the years Josh and I have worked together on many endeavors. In 1949, Josh joined me and a childhood friend to form Automatic Data Processing (ADP), a small payroll services company. Thanks to the tireless efforts of many and Josh's leadership as Chairman, ADP is now the leading provider of payroll services worldwide.

When I first heard that Josh was being honored, I was not surprised. Josh has always been an active participant of worthy causes. Josh and his wife, Judy, formed the Weston Science Scholars Program, an innovative science program that affords selected ninth- and tenth-grade students from Montclair High School the opportunity to work with Ph.D. scientists at Montclair State University.

While Josh knows the educational value of a good math and science program, he also recognizes the need for American Jewish students to form a bond with Israel. For more than five years, Josh has underwritten the costs of a United Jewish Federation program in which a college student attends a semester abroad in Israel.

In addition to Josh's philanthropic contributions, he sits on many committees. Josh is the president of the Josh and Judy Weston Family Foundation of Montclair. He serves on the governing boards of the International Rescue Committee, the New Jersey Symphony, the New Jersey Business Partnership, the Liberty Science Center, Mountainside Hospital, Boys Town of Jerusalem and Yeshiva University Business School, among others. He is the recipient of many awards, including an honorary degree from Montclair State University.

Mr. President, I am pleased to honor my good friend Joshua Weston on this acclaimed occasion. We are indebted to him for his service. He has demonstrated to his family, his friends, and his community that this honor is well-deserved. I salute him on yet another great achievement.●

125TH ANNIVERSARY OF THE WYANDOTTE BOAT CLUB

● Mr. ABRAHAM. Mr. President, I rise today to recognize the 125th Anniversary of the Wyandotte, Michigan, Boat Club, which will be celebrated on September 23, 2000. Established in 1875, the club is revered in the annals of rowing, and for 125 years it has been a staple of the Wyandotte community, encouraging the citizens of Southeastern Wayne County to flourish physically, mentally and morally.

The Wyandotte Boat Club is located on the Detroit River, approximately 15 miles ''downriver'' of Detroit. It was formed in 1875 when a group of Wyandotte men, led by Mr. John McKnight, officially organized and together purchased a ten-oar barge. The first home of the club was at the foot of Pine Street in a shed behind the summer home of a resident of Wyandotte. And though the club has come a very long way since this time, in a literal manner it has not moved an inch, for on January 14, 1997, the club moved back to the foot of Pine Street, into a state of the art, multi-million dollar facility.

The boat club has come to play a very large role in the lives of Wyandotte citizens. Its more than 700 members assist in the coaching, maintenance and administration of the club's activities and regattas. They teach rowing programs to individuals of all ages. Furthermore, in the mid 1940's, the club began to sponsor a program offering rowing to area high school students. In its 50 plus years, the program has now expanded to include elementary and middle school students as well as high school students. The school programs are open to all students and there is no charge to the student or the school for participation. Many of the high school oarsmen who have participated in the program have become known both nationally and internationally as top competitors in the rowing arena.

Mr. President, I applaud the members of the Wyandotte Boat Club for the many beneficial things they do for the citizens of Wyandotte on a daily basis. In particular, to sponsor rowing for children of all ages, which not only provides these children with a lifelong hobby, but also helps to teach them some of life's most basic and important lessons. On behalf of the entire United States Senate, I congratulate the Wyandotte Boat Club on 125 successful years, and wish the group continued success in the future.●

THE 25TH ANNIVERSARY OF THE ANTIQUE AND CLASSIC BOATING SOCIETY

● Mr. ABRAHAM. Mr. President, I rise today to recognize the 25th Anniversary of The Antique and Classic Boat Society (ACBS), which will be celebrated from September 21–24, 2000, at the Grand Hotel on Mackinac Island, Michigan. For 25 years, the ACBS has united individuals with an interest in historic, antique and classic boats, allowing them to share fellowship, information, and experiences.

The ACBS is an international organization headquartered on the St. Lawrence River in the Thousand Islands region of Clayton, New York. It currently has 44 chapters worldwide, and a membership of over 6,500 individuals. The organization was founded not only to unite individuals with an interest in antique and classic boats, but also to protect and promote the heritage of boating. It does this through the preservation and restoration of historic boats, as well as by encouraging members to share their love and enjoyment of all aspects of historic, antique and classic boating with both other members and the general public.

I think it is important to note here the large role that the State of Michigan has played in the growth and development of the recreational boating industry. Beginning as early as the

1920's, and continuing through the 1970's, the four most recognized American boat builders were headquartered in Michigan: Chris Craft in Algonac; Gar Wood in Marysville; Hacker Craft in Mount Clemens; and Century in Manistee. Thus, I think that it is only right that the 25th Anniversary of the Antique and Classic Boat Society be celebrated in the Water Wonderland State of Michigan.

Mr. President, I applaud the ACBS for having grown into the world's largest organization dedicated to the preservation and enjoyment of historic, antique and classic boats, a fact which pays tribute to the many people who have devoted themselves not only to promoting the heritage of boating, but also to promoting the ACBS and the many wonderful things it does to preserve this heritage. On behalf of the entire United States Senate, I congratulate the Antique and Classic Boat Society on its 25th Anniversary, and wish the organization continued success in the future.●

A TRIBUTE TO MRS. PATRICIA JANKOWSKI

● Mr. ABRAHAM. Mr. President, on August 25, 2000, Mrs. Patricia Jankowski of Garden City, Michigan, took office as National President of the Ladies Auxiliary to the Veterans of Foreign Wars at the organization's 87th National Convention. On September 23, 2000, there will be a Homecoming celebration in her honor at the Marriott Hotel in the Detroit Renaissance Center, and I rise today to offer my congratulations to Mrs. Jankowski as she returns to Michigan.

Mrs. Jankowski is a Life Member of Northville Auxiliary #4012. Since becoming a member of the Ladies Auxiliary to the VFW, she has been actively involved on all levels of the organization. She has served served as Auxiliary President, District #4 President, and in 1990–91 was selected the Outstanding President of the Year in her membership group when she served as State President.

On the national level, Mrs. Jankowski has served as National Flag Bearer, National Cancer Aid and Research Director, and National Director for the VFW National Home program. As a member of Blazzette Color Guard for five years, she holds two Bronze and one Silver Medal for competition at National VFW Convention. In 1989, she earned National Aide-de-Camp status for recruiting members. And just last year, as National Senior Vice-President, she represented the Auxiliary on a tour of Europe.

Mrs. Jankowski's election to this national office is the highlight of a career dedicated to public service. During her term in office, she will encourage fellow members to raise $3 million for the Auxiliary Cancer Aid and Research Fund for the 13th consecutive year, with her ultimate goal being to top all previous program records.

Mr. President, I applaud Mrs. Jankowski for the wonderful work that she has done for the Ladies Auxiliary to the VFW. Her supreme dedication to that cause and her unending desire to help our Nation's veterans is both admirable and inspirational. On behalf of the entire United States Senate, I congratulate Mrs. Jankowski on taking office as National President of the Ladies Auxiliary to the Veterans of Foreign Wars of the United States, and wish her great success as she leads this outstanding organization.●

DEPUTY CHIEF CHARLES L. BIDWELL CELEBRATES 50 YEARS OF SERVICE

● Mr. ABRAHAM. Mr. President, I rise today to recognize Deputy Chief Charles L. Bidwell of the Brighton, Michigan, Area Fire Department, who will be honored for 50 years of fire service to the City of Brighton at a dinner on September 19, 2000.

Deputy Chief Bidwell has been an active or on-call firefighter since September 14, 1950. He spent his entire career with the City of Brighton Fire Department until July 1, 1998, when the City of Brighton Fire Department and the Brighton Township Fire Department merged to form the Brighton Area Fire Department.

Deputy Chief Bidwell is retired from the General Motors Proving Grounds in Milford, Michigan. He has held the position of Deputy Chief since 1988, and remains one of the most active members of the Brighton Area Fire Department. For the past decade, he has led the department in alarm response.

From June 27, 1994 until January 15, 1995, Mr. Bidwell acted as interim Chief of the City of Brighton Fire Department. He was named the City of Brighton's Firefighter of the Year in 1987, and, at the annual conference of the Michigan State Firemen's Association in Ludington earlier this year, he was selected as Michigan's Firefighter of the Year in honor of this remarkable achievement.

Mr. President, I applaud Deputy Chief Bidwell on his extensive firefighting career and his dedication to the City of Brighton. He is one of the State of Michigan's true role models, and I am glad that the City of Brighton and the Brighton Area Fire Department have taken this opportunity to recognize his many contributions. On behalf of the entire United States Senate, I congratulate Deputy Chief Charles L. Bidwell on 50 years of service, and wish him continued success in the future.●

30TH BIRTHDAY OF HARBOR TOWER APARTMENTS

● Mr. ABRAHAM. Mr. President, I rise today to recognize the 30th birthday of Harbor Tower Apartments in Escanaba, Michigan, which was officially celebrated on July 13, 2000. For thirty years, the presence of Harbor Tower Apartments has enabled the Escanaba Housing Commission, in coalition with the Department of Housing and Urban Development, to provide low-income housing to members of the Escanaba community.

Harbor Tower, an 18 floor, 175 apartment building, was built in 1970. The official dedication of the building took place on July 13th of that same year, and was attended by Miss America Pamela Anne Eldred. The Harbor Tower Apartments are managed by the Escanaba Housing Commission, a group comprised of five full-time employees and a five member Board of Commissioners appointed by the City Council of Escanaba.

To qualify to live in Harbor Tower Apartments, individuals must meet the income guidelines set out by HUD. If they qualify under these guidelines, their rent is determined by their income, with HUD providing subsidy funds. Harbor Tower Apartments is considered a high performer by HUD's PHMAP scoring system. The PHMAP is a grade given to the management and staff on their performance and upkeep of the building.

Perhaps the most important element of Harbor Tower Apartments, at least to the Escanaba Housing Commission, is to make residents feel as if they are a part of a community. They can participate in a variety of activities, including a weekly Rosary, monthly church services, a monthly club meeting, a summer picnic, and other special dinners. In addition, membership in the Harbor Tower Club is available to any resident for only $6 per year. The club's activities include a monthly catered dinner and dance, an annual Christmas Bazaar, and special holiday parties.

Mr. President, I congratulate all of the people whose hard work over the years has made this 30th birthday possible. It is because of their dedication that quality housing remains an option to Escanaba citizens of all income levels. On behalf of the entire United States Senate, I wish the Harbor Tower Apartments continued success in the future.●

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Evans, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

REPORT OF THE INTERAGENCY ARCTIC RESEARCH POLICY COMMITTEE—MESSAGE FROM THE PRESIDENT—PM 127

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Governmental Affairs.

To the Congress of the United States:

As required by section 108(b) of Public Law 98–373 (15 U.S.C. 4107(b)), I transmit herewith the Eighth Biennial Report of the Interagency Arctic Research Policy Committee (February 1, 1998, to January 31, 2000).

WILLIAM J. CLINTON.

THE WHITE HOUSE, *September 14, 2000*.

EIGHTH BIENNIAL REPORT OF THE INTERAGENCY ARCTIC RESEARCH POLICY COMMITTEE TO THE CONGRESS—FEBRUARY 1, 1998 TO JANUARY 31, 2000

(Prepared by the National Science Foundation for the Interagency Arctic Research Policy Committee)

BACKGROUND

Section 108(b) of Public Law 98–373, as amended by Public Law 101–609, the Arctic Research and Policy Act, directs the Interagency Arctic Research Policy Committee (IARPC) to submit to Congress, through the President, a biennial report containing a statement of the activities and accomplishments of the IARPC. The IARPC was authorized by the Act and was established by Executive Order 12501, dated January 28, 1985.

Section 108(b)(2) of Public Law 98–373, as amended by Public Law 101–609, directs the IARPC to submit to Congress, through the President, as part of its biennial report, a statement ''detailing with particularity the recommendations of the Arctic Research Commission with respect to Federal interagency activities in Arctic research and the disposition and responses to those recommendations.'' In response to this requirement, the IARPC has examined all recommendations of the Arctic Research Commission since February 1998. The required statement appears in Appendix A.

ACTIVITIES AND ACCOMPLISHMENTS

During the period February 1, 1998, to January 31, 2000, the IARPC has:

Prepared and published the fifth biennial revision to the United States Arctic Research Plan, as required by Section 108(a)(4) of the Act. The Plan was sent to the President on July 7, 1999.

Published and distributed four issues of the journal Arctic Research of the United States. These issues reviewed all Federal agency Arctic research accomplishments for FY 96 and 97 and included summaries of the IARPC and Arctic Research Commission meetings and activities. The Fall/Winger 1999 issue contained the full text of the sixth biennial revision of the U.S. Arctic Research Plan.

Consulted with the Arctic Research Commission on policy and program matters described in Section 108(a)(3), was represented at meetings of the Commission, and responded to Commission reports and Recommendations (Appendix A).

Continued the processes of interagency cooperation required under Section 108(a)(6)(7), (8) and (9).

Provided input to an integrated budget analysis for Arctic research, which estimated $185.7 million in Federal support for FY 98 and $221.5 million in FY 99.

Arranged for public participation in the development of the fifth biennial revision to the U.S. Arctic Research Plan as required in Section 108(a)(10).

Continued to maintain the Arctic Environmental Data Directory (AEDD), which now contains information on over 400 Arctic data sets. AEDD is available on the World Wide Web.

Continued the activities of an Interagency Social Sciences Task Force. Of special concern is research on the health of indigenous peoples and research on the Arctic as a unique environment for studying human environmental adaptation and sociocultural change.

Continued to support an Alaska regional office of the Smithsonian's Arctic Studies Center in cooperation with the Anchorage Historical Museum to facilitate education and cultural access programs for Alaska residents.

Supported continued U.S. participation in the non-governmental International Arctic Science Committee, via the National Research Council.

Participated in the continuing National Security Council/U.S. Department of State implementation of U.S. policy for the Arctic. U.S. policy for the Arctic now includes an expanded focus on science and environmental protection and on the valued input of Arctic residents in research and environmental management issues.

Participated in policy formulation for the ongoing development of the Arctic Council. This Council incorporates a set of principles and objectives for the protection of the Arctic environment and for promoting sustainable development. IARPC supports the contributions being made to projects under the Council's Arctic Monitoring and Assessment Program (AMAP) by a number of Federal and State of Alaska agencies. IARPC's Arctic Monitoring Working Group serves as a U.S. focal point for AMAP.

Approved four coordinated Federal agency research initiatives on Arctic Environmental Change, Arctic Monitoring and Assessment, Assessment of Risks to Environments and People in the Arctic, and Marine Science in the Arctic. These initiatives are designed to augment individual agency mission-related programs and expertise and to promote the resolution of key unanswered questions in Arctic research and environmental protection. The initiatives are intended to help guide internal agency research planning and priority setting. It is expected that funding for the initiatives will be included in agency budget submissions, as the objectives and potential value are of high relevance to the mission and responsibilities of IARPC agencies.

Convened formal meetings of the Committee and its working groups, staff committees, and task forces to accomplish the above.

Appendix A: Interagency Arctic Research Policy Committee Responses to Recommendations of the Arctic Research Commission

Section 108(b)(2) of Public Law 98–373, as amended by Public Law 101–609, directs the IARPC to submit to Congress, through the President, as part of its biennial report, a statement ''dealing with particularity the recommendations of the Arctic Research Commission with respect to Federal interagency activities in Arctic research and the disposition and responses to those recommendations.'' In response to this requirement, the IARPC has examined all recommendations of the Arctic Research Commission since January 1998. The previous IARPC report, submitted in January 1998, responded to Commission recommendations through 1997. Many of these recommendations deal with priorities in basic and applied Arctic research that ongoing agency programs continue to address.

The following recommendations are from the Arctic Research Commission report ''Goals and Opportunities for United States Arctic Research'' (1999).

RECOMMENDATIONS FOR AGENCIES

At the request of the IARPC agencies we are including specific recommendations for these agencies and interagency groups in order to make clear to them our view of the opportunities.

National Science Foundation

The National Science Foundation Arctic Science Section in the Office of Polar Programs has made great strides in recent years in their interest in and efforts on behalf of research in the Arctic. We are pleased with several developments in recent years, including the partnership with the Commission in support of the ARCUS Logistics Study, the participation of the Section's staff on the Commission's field trips to Greenland and Arctic Canada, and the Foundation's support for the swath bathymetric mapping system deployed in 1998 as part of the SCICEX Program. Nevertheless, there still remains a substantial disparity between support for research in the Antarctic and in the Arctic. A new era is about to dawn in Arctic research because of the arrival in 2000 of the new Coast Guard icebreaker *Healy*. *Healy* has the potential to become the most important ship for Arctic research ever launched. On the other hand, it may languish at the dock making only occasional forays into the Arctic. The National Science Foundation has committed to *Healy* by ending its support for the ARV design activity conducted by the University National Oceanographic Laboratory System. *Healy* will be the principal U.S. resource for surface studies of the Arctic Ocean. Having committed philosophically to *Healy* it is essential that NSF find the resources to operate *Healy* as a research vessel with a minimum operating schedule of approximately 200 days per year. Without sufficient operating support, the NSF commitment to *Healy* will be a hollow one. The FY 99 budget for the Foundation contains a substantial increase in funding for Arctic Logistics needs.

NSF appreciates the Commission's comments on the great strides in recent years by the Arctic Science Section, Office of Polar Programs, on behalf of research in the Arctic. NSF's commitment to supporting Arctic research in all areas remains strong, but NSF is to the sole Federal sponsor for Arctic studies. As the Commission is aware, both NSF and the Office of Polar Programs must continually find the appropriate balance of support for a wide variety of disciplines and activities. In the specific case of supporting research that requires the use of the *Healy*, NSF's FY 00 budget request included funding for initial testing for scientific applications of the *Healy*. In FY 00 the Foundation also hopes to support limited research on the *Healy* during the science system testing cruises.

Long-term planning (FY 01 and beyond) includes continued support for research on the *Healy*. Support for up to 100 operating days is planned, although it is unclear whether the amount required to fully fund 200 operating days, including science costs, would be available for this purpose from NSF. NSF will work with other user agencies to develop mechanisms for science support for the *Healy*.

Department of Defense

A number of activities fall under the Department of Defense. Chief among these is the SCICEX Program of the Department of the Navy. The 109th Airlift Wing of the New York Air National Guard provides LC–130 support for both Arctic and Antarctic research operations. In addition, DOD is conducting a program entitled Arctic Military

Environmental Cooperation (AMEC) jointly with the Norwegian and Russian ministries of defense. The Commission encourages the Department of Defense to continue to provide support for Arctic research and environmental studies and to communicate with the Commission on any new programs.

The level of interest in Arctic research continues to wane at the Office of Naval Research. The fact that the Arctic Ocean is no longer considered an area of strategic threat is due to the decrease in tensions with Russia. The result has been a precipitous decline in funding for Arctic studies at the Office of Naval Research. The Commission believes that the decrease in Arctic operations is a reason for maintaining research levels in the Arctic in order to maintain the national capability in the region. Research is generally much less expensive than operations and the knowledge base created and maintained by research in the region may be of vital national interest in the future, particularly as access to the Arctic Ocean improves, a fact made likely through the observed thinning of Arctic sea ice. Reduced military activities in the region do not justify reduced research efforts and may be an excellent justification for maintaining and even increasing research.

With this mind, the Commission commends the efforts of the Navy in carrying out the SCICEX cruises. The Commission notes the substantial effort made by the Navy to support this program in the face of shrinking resources and facilities. These expeditions into the Arctic Ocean aboard operational fast attack nuclear submarines show an extraordinary interest in the support of science by the Navy. The question of the continuation of these cruises after 1999 and the retirement of the last of the Sturgeon Class submarines is of great concern to the Commission, and the Commission recommends that the Navy explore with the scientific community the means to continue this invaluable access to the Arctic Ocean.

The SCICEX Program began in 1998 to collect swath bathymetric data in the Arctic for the first time from a submarine. This instrument, known as the Seafloor Characterization And Mapping Pods (SCANP), has been made possible by the enthusiastic support of the National Science Foundation's Office of Polar Programs. These data collected by SCAMP will be of great value for students of the region from many disciplines. The region surveyed in 1998 and 1999 will comprise only a moderate fraction of the area of the deep water portion of the Arctic Ocean. The means to continue gathering swath bathymetry with the SCAMP system should be developed for the future, preferably using Navy nuclear submarines. This recent development in submarines capability is a reinforcing reason to continue the SCICEX Program. A corollary issue is the declassification of achieved bathymetry data collected on previous operations. These data are a valuable resource for the research community. A continuing program should be established to bring these data out from the classified realm respecting the security concerns, which may surround the collection of these data. The construction of the new U.S.-Russian Arctic Ocean Atlas CD shows that these difficulties may be overcome.

As a further indication of the utility of Navy nuclear submarines for research in the Arctic Ocean, the Commission also notes the cooperation of the Navy in attempting to carry out a test of the submarine as a receiving ship for seismic refraction measurements. This test, when completed, will indicate the suitability of the submarine for such experiments, and the Commission encourages further investigation of this concept. The Commission also notes the cooperation of the Navy in the declassification of bathymetric and ice profile data collected by Navy nuclear submarines in the Arctic. The value of these data is indicated by the importance attached to the bathymetric data by the international community in connection with the update of the GEBCO chart of Arctic Ocean bathymetry. Navy data will at least double the data base available for this update.

Finally, the Commission recommends that the Navy cooperate fully in a study of the costs and benefits of retaining a Sturgeon Class submarine as an auxiliary research platform for worldwide use by the civilian science community as discussed above.

The Army Cold Regions Research and Engineering Laboratory (CRREL) in Hanover is a national treasure. In the current climate of budget stringency the pressure on Army labs is growing. The Commission wishes to be on record in support of the vital national resource that exists at CRREL. Serious reductions at CRREL might be helpful in the short term but a detriment to the national welfare over the long term. The Commission encourages continued support for CRREL.

The Commission has recently discussed with CRREL the importance of understanding the effects of global climate change on the permafrost regime. The Commission looks forward to CRREL's plans for further study of climate change and permafrost, supports the concept and encourages support for these studies by all of the IARPC agencies.

The Department of Defense invests in R&D priorities consistent with mission requirements and resources. First and foremost, the Science and Technology investments within DoD are undertaken to ensure that warfighters today and tomorrow have superior and affordable technology to support their missions and to give them revolutionary war-winning capabilities. Thus, the DoD S&T investment is directly linked to the assessment of current and future security threats. While the interest of the Department of Defense and the Office of Naval Research in Arctic research and environmental studies remains strong, the prioritization of S&T funding is subject to the fiscal realities and must consider present strategic and operational requirements. The Department remains committed to funding Arctic research at a level commensurate with the mission requirements. Contrary to the Commission's assertion, the decrease in military operations in the Arctic is not a rationale for maintaining or expanding departmental S&T efforts in the region.

From an S&T perspective, the Department of Defense supports the Navy's ongoing examination of the feasibility of continued Arctic research using Navy submarines. Such analysis is taking into account DoD's national security mission, the national security requirements for submarine operations, downsizing of the operational fleet, and the life-cycle costs of implementation of an extension of the SCICEX research program. Further, the Navy is cooperating with NSF and its contractors in an ongoing study of the costs and benefits of retaining a Sturgeon Class submarine as an auxiliary research platform for civilian science applications operated on a reimbursable basis.

National Oceanic and Atmospheric Administration

NOAA has been the leading U.S. agency for AMAP. In this role, NOAA has supplied both staff efforts and funding to the AMAP. These efforts have been largely conducted on a goodwill basis without organized programs or a satisfactory funding base. NOAA deserves great credit for these efforts and the Commission commends and supports their efforts. NOAA has conducted an Arctic Initiative beginning in 1996 at a funding level of approximately one million dollars. The Commission supports this initiative and recommends that it continue in the coming fiscal year and eventually becomes an ongoing part of the NOAA program.

NOAA appreciates the recognition by the Commission of its role as U.S. lead agency for the Arctic Monitoring and Assessment Program (AMAP). It is NOAA's intention to continue its participation in AMAP, to coordinate interagency AMAP projects in a partnership effort, to increase outreach to impacted Alaskan communities, and to promote greater involvement in AMAP activities by Alaskan people and organizations at both local and statewide levels.

NOAA also appreciates the Commission's support of the Arctic Research Initiative (ARI), a peer-reviewed research effort that we have administered jointly with the Cooperative Institute for Arctic Research at the University of Alaska Fairbanks. After a start at the $1.0 million level in FY 97, the ARI received $1.5 million in FY 98 and $1.65 million in FY 99. NOAA intends to continue this program, and the President included support for the ARI as part of NOAA's base budget request for FY 00. NOAA completed a report on the first three years of the ARI and provided copies of the report to the Commission.

As the Commission is doubtless aware, in FY 00 NOAA is combining ARI funds with International Arctic Science Center funds in a joint announcement of opportunity. This announcement was released to the Arctic science community on August 18, 1999. It invites proposals on global change and its effects on the Arctic, including detection; interactions and feedback; paleoclimates, Arctic haze, ozone and UV; contaminants; and impacts and consequences of change. The announcement is available on the IARC web page at http://www.iarc.uaf.edu and on the CIFAR web page at http://www.cifar.uaf.edu.

In order to focus our Arctic research efforts more sharply, we have established an Arctic Research Office within NOAA's Office of Oceanic and Atmospheric Research.

The National Undersea Research Program (NURP) has had a long and perilous history. Only occasionally has it appeared in the President's budget. The Commission believes that NOAA-NURP can be a valuable asset to the research community. In particular, the Commission takes note of the report of the ''Blue Ribbon Panel,'' which spelled out a new paradigm for NURP. The Commission's interests in NURP's activities in the Arctic include the use of unmanned and autonomous underwater vehicles in the Arctic as well as the employment of the Navy's nuclear submarine assets under the SCICEX Program noted above. The Commission believes that the time has come for an organic act for NURP that will establish it as an ongoing activity with a structure based largely on the recommendations of the ''Blue Ribbon Panel.'' As part of their mission NURP should undertake to fulfill the commitment made in the SCICEX MOA to support the research infrastructure costs of the SCICEX Program.

Following the reinvention of the National Undersea Research Program (NURP), which began in 1997, the program has been included in the President's budget each year at increasing levels. The Blue Ribbon Panel report was taken into account in the restructuring of the program, and an organic act supporting the reinvention is under review by the Administration.

Regarding the SCICEX program, the Director of NURP serves on the National Science Foundation's Study Steering Committee to examine and analyze the costs and benefits

of employing a U.S. Navy nuclear submarine dedicated to global oceanographic science. This would be a follow-on to the SCICEX program. Based on the results of this study and future budget levels, NURP will determine its contributions to support infrastructure and research costs in any follow-on to the SCICEX program.

NOAA operates a suite of National Data Centers including the National Snow and Ice Data Center, the National Oceanographic Data Center, the National Geophysical Data Center and the National Climate Data Center. These data centers are charged with the responsibility for data rescue in the former Soviet Union. The Commission recommends that the national data centers communicate the nature of their data rescue activities to the Commission and expand them as necessary to collect data vital to our understanding of the Arctic, especially the dispersal of contaminants in the region.

The NOAA National Data Centers (NNDC) continue their long history of cooperative data exchange with counterpart institutions in the former Soviet Union (FSU). The following summary highlights some of the oceanographic, meteorological, and geophysical data sets recovered and made public in the past few years as a result of this cooperation. While these data are significant contributions to our knowledge of Arctic regions, our FSU colleagues indicate there are enormous holdings still in manuscript form or on outdated magnetic tapes. Reasonable estimates to acquire these additional data and make them available far exceed the resources available to NNDC.

The National Oceanographic Data Center (NODC) has an active, proposal-driven program of ''data archaeology and rescue'' for oceanographic and ancillary meteorological data for the world ocean. These activities are funded by NOAA's Office of Global Programs and by the NOAA/NESDIS Environmental Services Data and Information Management program. As a result of this project, substantial amounts of data for the sub-Arctic and Arctic have been made available internationally without restriction on CD–ROM as part of ''World Ocean Database 1998'' (WOD98) and the ''Climatic Atlas of the Barents Sea 1998: Temperature, Salinity, Oxygen'' products. The majority of these rescued data are from Russian institutions. There are an estimated 500,000 Russian Nansen casts from the Barents Sea and surrounding areas still not available, many of these data being in manuscript form.

The Ocean Climate Laboratory of NODC also is working with the Murmansk Marine Biological Laboratory to construct and publish a ''Plankton Atlas of the Barents Sea.'' A second atlas on the physical properties of the Barents Sea will be expanded to include the Kara and White Seas. Russian institutions have expressed interest in developing atlases, databases, and joint research projects, mainly for the sub-Arctic. For example the Arctic and Antarctic Research Institute (AARI) of St. Petersburg is proposing to prepare such products for the Greenland-Norwegian Sea region. If funding becomes available, AARI and the Ocean Climate Laboratory will co-develop this database and analyses.

Recently, Arctic and sub-Arctic oceanographic data from Sweden, Poland, the U.S., and Canada were added to WOD98, and more data are being processed for future updates.

The National Geophysical Data Center (NGDC) has several ongoing data rescue and exchange programs with Russian counterparts to rescue, digitize, and render available geophysical data from Russia. Most of these are part of larger data exchange programs. Likewise, the National Snow and Ice Data Center (NSIDC), in collaboration with NGDC, has been involved in extensive Russian and former Soviet Union data rescue activities. The NOAA/NESDIS Environmental Services Data and Information Management program has funded most of these activities. A list of rescued data sets at NSIDC is available to the Commission. Many more data sets are in need of rescue and publication. These include ice station seismic refraction stations, borehole temperature measurements, and additional years of sea ice data.

Since 1989 the National Climatic Data Center has been exchanging meteorological and climate data on an annual basis with the All-Russian Research Institute for Hydrometeorological Information (RIHMI) under the ''U.S.-Russia Agreement on the Cooperation in the Field of Protection of the Environment and Natural Resources.'' Data exchanged include three- and six-hourly synoptic weather reports (since 1966), daily temperature and precipitation (since 1884), daily snow (since 1874), daily snow in heavily wooded areas (since 1996), monthly total precipitation (since 1890), and upper air data (since 1960).

In 1996 a project was initiated with RIHMI to rescue synoptic weather observations contained on 10,000 magnetic tapes at risk of being lost due to age and deterioration. The data from approximately 80 observing sites from 1891 to 1935, 700 stations from 1936 to 1965, 1300 sites from 1966 to 1984, and 2000 sites from 1985 to the present were copied to new media. In addition, daily precipitation data were extracted from the observations and provided to the National Climatic Data Center for the preparation of a U.S.-Russian precipitation data set for research.

During 1999 a cooperative project was initiated to make available to NCDC the upper air data from the Russian Arctic drifting stations (data beginning during the 1950s).

Environmental Protection Agency

The Environmental Protection Agency's Office of Research and Development (ORD) has shown little interest in the study of the special environmental concerns in the Arctic. Although the EPA–ORD was closely engaged in the Arctic and a principal support for the activities of the Arctic Environmental Protection Strategy up until 1994, subsequent involvement has been minimal. This has left the United States committed to programs under the Arctic Environmental Protection Strategy, particularly in AMAP, for which the appropriate agency (Environmental Protection) refrained from providing support. The Commission considers this to have been a short-sighted decision and recommends strongly that the EPA–ORD make a substantial effort in the study of contaminants in the Arctic. The U.S. has been judged an underachiever by the international community involved in the AEPS and the current discussion on the future of AMAP under the Arctic Council has become very difficult given that there are no plans for EPA–ORD to directly support AMAP efforts.

The Commission notes the workshop held in Fairbanks in the summer of 1996. The Commission also notes that the intention, announced at the 1996 Meeting by the Head of the Office of Research and Development, to establish an Arctic baseline study station at Denali National Park fails to understand that the Park is not in the Arctic, that experimental opportunities in a National Park are extremely limited, and that there are a number of superior sites in Alaska, notably Toolik Lake and the Barrow Environmental Observatory, which would provide a superior site where EPA could take advantage of ongoing studies by many scientists.

The ability of EPA to interact with the Native residents of the Arctic is compromised by the application of their risk assessment paradigm. This paradigm has led to the conclusion that the U.S. Arctic population is not of high priority because of its small size. This ignores the closeness of the relationship of these people to their environment (roughly 50 percent of their annual caloric intake comes from native plant and animal species), the environmental stresses on village life (almost 50 percent of Alaskan villages use the ''honey bucket'' system for human waste disposal), and their vast and ancient store of traditional knowledge of the Arctic environment.

There are important efforts in the Arctic sponsored by the EPA's Office of International Programs. EPA's Office of International Activities (OIA) has supported the study of contaminants in umbilical cord blood samples from Arctic residents. This AMAP-sponsored program was ignored during the AMAP initial assessment activities but has been resurrected with the assistance and support of EPA-OIA. EPA-OIA has proposed other activities in the Arctic including projects to assess and reduce sources of mercury and PCBs. The Commission commends EPA-OIA for their efforts and urges support for their activation and expansion.

The Arctic Research Commission expressed appreciation for ongoing research sponsored by the Office of International Activities (OIA) on contaminants in cord blood of Native infants, and strong concerns about the lack of investment by the Office of Research and Development (ORD). Below are responses to these concerns, and a brief outline of EPA's relevant activities.

Support of AMAP

EPA's decision to withdraw from the AMAP process in 1994 was based on issues other than recognition of the importance of this activity. EPA has re-engaged with AMAP by directly supporting the Heavy Metals workgroup and conducting other work relevant to contaminant issues in the Arctic.

In March 1999 the Office of Research and Development (ORD) agreed to chair the Heavy Metals Team during AMAP Phase II. To that end, EPA organized and sponsored a workshop ''Heavy Metals in the Arctic'' in September 1999 to produce a final AMAP Phase II heavy metals research plan and to establish an international heavy metals team. ORD has committed to producing a Phase II report in 2003 that includes unreported U.S. data from Phase I and new data from Phase II. The eco-system-level risk assessment process will serve as the conceptual framework for organizing research results. EPA's ability to launch major new research programs to fulfill AMAP research plans is problematic. Available funds will have to be used strategically to focus on the most essential portions of the AMAP Phase II plan. For success, efforts will be made to find matching funds through partnerships and coordination.

AMAP is targeting ''effects'' and plans a special workgroup on combined effects during Phase II. The ORD has also targeted this as an issue and is planning a combined symposium and workshop for multiple stressors and combine effects on the Arctic Bering Sea during FY 00. Workshop results will be framed by the risk assessment process and offered to AMAP as an alternative approach for addressing this scientific challenge.

Arctic Research

The Denali National Park Demonstration Intensive Site Project under the Environmental Monitoring and Assessment Program was designed to establish an air quality station with UV-B monitoring capability. Data collected there can and do provide very useful information about changes in UV-B radiation in northern regions as well as long-

range transport of airborne contaminants from parts of the world very remote from Alaska. However, EPA agrees that the Denali National Park research station is outside of the Arctic and recognizes the need for additional Arctic research. To further development of an Arctic research program, ORD established an Arctic Program office in Anchorage, Alaska. Program staffs are directly involved in AMAP and the Bering Sea Regional Geographic Initiative (see ''Risk Assessment'' below).

The Office of International Activities (OIA) has been a lead in supporting basic research with international implications characteristics of Arctic environmental concerns. OIA, in partnership with the ORD National Effects Research Laboratory and in coordination wit NOAA and DOE, installed a new state-of-the-art mercury Tekran speciation monitoring unit at the NOAA research station in Barrow, Alaska. The equipment became operational in January 1999 and confirmed the ''Arctic Sunrise'' phenomenon this spring. In addition, OIA has continued its support of the Alaska Native Cord Blood Monitoring Program. The program is designed to monitor the levels of selected heavy metals (including mercury) and persistent organic pollutants (including PCB congeners) in umbilical cord and maternal blood of indigenous groups of the Arctic. The study will generate 180 infant-mother specimen pairs and will include two groups of infants from the Faroe Islands, Greenland, and Canada) and infants recruited from the Alaska native American populations. Other OIA activities include the Multilateral Cooperative Pilot Project for Phase-Out of PCB Use, and Management of PCB-Contaminated Wastes in the Russian Federation.

REPA Region 10 continues to support contaminants research through a new partnership with the Sea Otter Commission to expand efforts in monitoring persistent, bioaccumulative, and toxic pollutants (PBTs) in subsistence foods in Alaska. The Traditional Knowledge and Radionuclides Project, conducted in partnership with the Alaska Native Science Commission, is ongoing

Risk Assessment

Risk assessment has a varied history of development and use in EPA. Within the last 10 years, the process and its application have broadened dramatically from single-stressor-driven assessments to complex integrated ecosystem assessments for multiple stressors and combined effects. While it is true that EPA tends to target most resources toward environmental issues impacting areas of greater population density, this is a priority setting exercise rather than an application of the risk assessment process.

EPA has found the broadened risk assessment approach to be very effective in bringing together scientific research and management strategies. Specifically it allows communities to use available scientific information (and, particularly in the Arctic, traditional knowledge) to better understand what complement of stressors may be causing undesirable change in important values, key scientific questions that need to be investigated, and alternative problem solving strategies designed to achieve environmental results.

It is within this broader frame of reference that EPA is focusing resources and time in the Arctic. The risk assessment process involves multiple steps, including planning (establishing shared goals), problem formulation (using available knowledge to develop conceptual models), analysis (exposure and effects data), and risk characterization (establishing relationships). The Bering Sea Regional Geographic Initiative, sponsored by Region 10 and ORD, is focused on planning and problem formulation to help make sense of the enormous amount of available data and to give direction to future research in the Bering Sea. The Traditional Knowledge and Radionuclides Project sponsored by Region 10 is helping redefine the risk management process with tribes and may offer new ways to re-frame how risk assessment is used in the Arctic. In a similar vein, ORD has begun planning and problem formulation for the Pribilof Islands in partnership with the people of St. Paul to develop a demonstration case study of the process within a Native community. Risk assessment will also provide the conceptual framework for reporting on heavy metals for AMAP Phase II.

These activities will provide significant lessons within the Arctic about how to establish management direction, identify data gaps and research opportunities, link research to management concerns, and provide a legitimized use of traditional knowledge.

Department of State

The Department of State is responsible for the negotiation and operation of our international agreements in the Arctic. The Department seeks input from the IARPC agencies and others through the Arctic Policy Working Group, which meets monthly with the Polar Affairs Section at State. Over the years a disconnect has occurred between the Department and the officials in other agencies making the vital decisions affecting our participation and performance in international programs. This stems principally from the lack of coordination between what the agencies will actually do and the policies expressed in these programs. The most obvious case was the failure of the United States to participate in the AMAP health study of contaminants in umbilical cord blood. While endorsing this program and its goals on the one hand, no samples were actually sent for analysis even though samples existed. The result is that the United States has been viewed with a certain amount of scorn in AMAP meetings (the Commission notes that this program has finally begun under the auspices of the EPA Office of International Activities). The cure for this is certainly not simple. The most important step, however, is that the Department of State must, in the future, meet with Agency policy officials to review their recommendations, spell out the equivalent commitments to action by agencies, and modify their positions accordingly. These meetings must be carefully prepared so that the issues to be discussed are clearly spelled out and that the nature of the commitment required from the agencies is understood well beforehand so that the agencies can come to the table prepared to make commitments.

The complexity of this problem can be seen in the state of affairs in October 1998. In October the United States took over the chair of the Arctic Council. At the same time, agency budget appropriations were passed for FY 99 but virtually no specific budget commitments were identified as supporting investigations relevant to Arctic Council needs. Many relevant activities occur in agency programs which could demonstrate U.S. commitment to the Arctic Council but there is no system to collect results and report on relevant U.S. activities to the Council and no financial support for these activities. This problem needs to be addressed immediately for FY 00 and beyond.

The Department of State is puzzled by the Arctic Research Commission's recommendations for the Department with regard to facilitation of U.S. Arctic Research. The entire first paragraph is, verbatim, what was reported in their ''Seventh Biennial Report to Congress,'' which was submitted last year and which covered the period of February 1, 1996 to January 1, 1998. The incident that they highlight as an example of an ''interagency disconnect'' that resulted in ''complete failure'' of the United States to participate in an Arctic Council program occurred in 1996 and involved a Federal agency outside of the control of the State Department. From the perspective of the Department, it appears that the Arctic Research Commission has not seen our response to this same evaluation last year. In that initial response, we explained in detail what the State Department's role is with regard to facilitating U.S. research in the Arctic and the formulation of U.S. Arctic policy. It appears that the Arctic Research Commission has failed to take this into consideration. With regard to the additional language that the Commission has submitted this year, the Department would like to emphasize that all queried Federal agencies, with the exception of one, offered general support for the U.S. chairmanship of the Arctic Council. While we are not in a position to comment on the contents of the budgets of other agencies with regard to support for the U.S. chairmanship, we note that the Department received financial support in the amount of $250,000 for its Arctic Council chairmanship in FY 99 and has requested financial support for the Arctic Council in its FY 00 budget request. We also note that a number of other agencies, among them the Departments of Commerce/National Oceanic and Atmospheric Administration, Energy, Interior/Fish and Wildlife Service, and Environmental Protection Agency, have committed both financial resources and staff time to assist with chairing the Arctic Council. We also note that the Department of State has been generally pleased with the level of participation and leadership from the aforementioned U.S. agencies and others within the Arctic Council's working groups.

U.S. Coast Guard

The U.S. Coast Guard is the principal provider of research time on icebreakers for U.S. scientists not collaborating with other nations. In the past, the lack of an open system for soliciting participants and planning cruises has produced friction and disagreement as well as some important successes. With the advent of *Healy*, the new Coast Guard icebreaker, a new system must emerge. The dialog between the scientific community which will be using *Healy*, Coast Guard designers, and ship builders has been substantially improved. The formation of the Arctic Icebreaker Coordinating Committee has been successful and has led to substantial improvements in the design of research facilities aboard *Healy*. In the near future the need for liaison and coordination will change from the construction team to operations. The Commission anticipates that the Coast Guard will work closely with the AICC drawing upon the U.S. academic community's substantial level of experience in oceanographic operations generally and in Arctic studies in particular.

The AICC and the closer cooperation in which it is participating will not help to produce the potential for a new era of U.S. Arctic research unless a commitment to operating funds for icebreaker utilization is forthcoming. The Commission has recommended to the National Science Foundation that it provide funds for full utilization of Coast Guard icebreakers at up to 200 operating days per year as appropriate depending on funding. The Coast Guard should support NSF in its efforts to provide these funds.

The Coast Guard will depend heavily on the Arctic research community to participate in determining scheduling priorities for *Healy*. The UNOLS Ship Time Request System will be the primary mechanism for fielding and sorting requests for ship access.

There is a clear need for subsequent scheduling meetings to occur. A specific plan for arbitrating competing scheduling demands has yet to be defined. A discussion of how this process should work is an agenda item for the January 2000 Arctic Icebreaker Coordinating Committee meeting. The Coast Guard envisions a process where it provides information on ship availability and operational access to specific areas and where the science community takes responsibility for prioritizing research goals that will result in actual ship access for investigators. Input from the Arctic Research Commission, the National Research Council, and the National Science Foundation will be key to developing an equitable system that meets the national research requirements.

Interagency Task Force on Oil Spills

There is a substantial dearth of knowledge about oil spills in Arctic conditions. The Commission has long recommended a substantial research program on the behavior of oil in ice-infested oceans based in part on the research agenda spelled out in Appendix I. In addition, the Commission has had substantial discussions with the Oil Spill Recovery Institute. The Commission in collaboration with the Alaska Clean Seas Association and others has recommended test burns in the Arctic Ocean to study the variety of questions associated with this highly effective method of disposing of oil on the sea. The Commission recommends that the Interagency Task Force commence such a program soon, before the question is made imperative by an accident in the Arctic.

The Coast Guard supports the ARC in its recommendation to commence a research program on the behavior of oil in ice-covered waters, although no funds are currently available to support such a program. The Coast Guard continues to endorse the preparedness and response efforts of the Emergency Preparedness Prevention and Response Working Group of the Arctic Council, as well as individual national research.

The task force was established as the Coordinating Committee on Oil Pollution Research (CCOPR) under Title VII of Public law 101–380, otherwise known as the Oil Pollution Act of 1990. The Committee has not been funded since FY 95. As a result the Coordinating Committee has focused on ensuring that the research and development projects of its member agencies are discussed and the results of that research and development are shared with Federal, state, local, and private sector researchers. The Coordinating Committee has been unable to initiate any research not already approved by an agency as part of the agency's mission-specific activities. Thus, a proposal for the Committee to initiate and manage a research and development program to study methods of disposing of oil in Arctic waters is not viable at this time. The Arctic Research Commission may wish to propose meeting with the Coordinating Committee to discuss proper research foci with attendant partnership funds to the individual agencies that comprise the Coordinating Committee.

National Aeronautics and Space Administration

The Commission has been briefed on the programs undertaken by NASA in the Arctic or having a substantial component in the Arctic. These programs are clearly of a high caliber. The Commission notes, however, that these programs are poorly publicized outside of the community of NASA Principal Investigators. The Commission recommends that NASA carry out a program of outreach to the Arctic Research Community to publicize these programs and to encourage broader participation. NASA is always at risk for the engineering side of their programs to overwhelm scientific uses and needs. The Commission believes that by broadening the participation of the research community in their programs, NASA can benefit from the resulting community support.

The Commission also notes that NASA is a participating agency in the International Arctic Research Center and supports the Alaska Synthetic Aperture Radar Facility at the University of Alaska. The Commission supports these efforts and looks forward to their continuation and expansion.

NASA welcomes the support of the Arctic Research Commission for its Arctic research program. NASA is sympathetic to the need for outreach of its programs within the broader scientific community. NASA has established procedures by which it seeks to inform the broader community of its goals and vision.

NASA publishes a Science Implementation Plan for the Earth Science Enterprise, which includes Arctic research. This document is reviewed outside NASA and provides an opportunity for scientists to understand the scope of planned activities and their relationship to overarching science goals. NASA has invested in the development of effective user interfaces at its Data Active Archive Centers, realizing how important these are to the productive use of mission data. In continued recognition of this, NASA initiated a National Research Council Polar Research Board review of its polar geophysical products during 1999, with a view to obtaining independent and science-driven advice on how best to provide data sets for Arctic researchers. Furthermore, through this review, NASA seeks to develop a strategy for broader use of its polar data sets by the research community.

In recognition of the important role that the Arctic plays in global climate, NASA will continue to support Arctic research. The Alaska SAR Facility and the International Arctic Research Center each have important roles to play in encouraging innovative and collaborative Arctic research.

National Institutes of Health

Under the Arctic Environmental Protection Strategy the United States has become involved in programs concerning the health of Arctic residents, particularly the indigenous people of the region. In particular, the AMAP health study has been focused on environmental effects on health in the region. When the United States undertook to sign the AEPS Declaration (and subsequently the Arctic Council Declaration) the message to agencies was that there would be no new money requested or appropriated for these activities. As a result, the U.S. effort in the AMAP health program has been paltry. It is clear that the responsibility for the national effort in this regard falls to the National Institutes of Health, particularly the National Institute for Environmental Health Studies. Unfortunately, the NIH–NIEHS effort has been virtually nonexistent. The Commission recommends that NIH immediately organize an Arctic Environmental Health Study focused primarily on the measurement program outlined by the Arctic Monitoring and Assessment Program. In addition, the study of incidences and trends in the major causes of morbidity and mortality in the Arctic should be included in Arctic Council activities, perhaps as an initiative is sustainable development. The effects of both communicable diseases such as tuberculosis, systemic diseases such as diabetes and cancer, and external causes of illness and death such as alcoholism and accident have profound effects in the Arctic.

The NIH should undertake to become the focal point for Arctic Council health studies in both AMAP and the sustainable development activities of the Council. To this end NIH should provide secretariat support for U.S. Arctic Council health-related activities and take on the responsibility to see that the myriad relevant efforts at NIH and elsewhere are collected and reported to the Arctic Council as the U.S. contribution. This activity should also include a program, in collaboration with relevant State of Alaska agencies and institutions, to synthesize these results and return them to the Arctic community in understandable language along with their implications for life in the Arctic.

The Arctic Research Commission observed that, despite the agreement that the United States participate in the Arctic Environmental Protection Strategy (AEPS) and subsequently the Arctic Council, no new monies were requested or appropriated. U.S. efforts in AMAP (Arctic Monitoring and Assessment Program) were considered paltry. The ARC recommended that the National Institutes of Health (NIH), particularly its component, the National Institute of Environmental Health Sciences (NIEHS), organize an Arctic Environmental Health Study, focused on AMAP measurements. A study of the major causes of morbidity and morality was suggested to be included in Arctic Council activities (but perhaps as part of Sustainable Development), and the NIH should become a focal point for reporting health studies to the Arctic Council, including informing the Arctic community of implications for life in the Arctic.

The NIH, and its sister agencies within the Public Health Service (PHS), namely the Centers for Disease Control and Prevention (CDC) and the Indian Health Service (IHS), are pleased to note considerable progress in supporting several programs under the Arctic Council, including both AMAP/Human Health and Sustainable Development.

AMAP Monitoring Program

Although the initial focus of AMAP was on the exposures to, and effects of, anthropogenic pollution, there has been a broadening of its sphere of interest, especially among the Human Health expertroup, to include ancillary aspects that are related to the central focus.

The Alaska Native Tribal Health Consortium, which derived from, and closely affiliates with, the Indian Health Service, is sponsoring the Alaska Native Cord Blood Monitoring Program, with the additional financial and moral support of many other Federal, state, and local organizations. Such a monitoring program comprised a ''core activity'' of AMAP in its first phase, during which the U.S. was not able to participate. Now, however, during the second phase of AMAP, the U.S. is a full partner in the Arctic region monitoring efforts.

AMAP Biomarkers Conference

It is evident that there would be tremendous value in utilizing more sensitive indicators of exposure to, and of the possible adverse effects of, the various anthropogenic pollutants found in the Arctic environment. Applicability of very sensitive ''biomarkers'' based on genetic or biochemical tests could be expected to advance the research agenda considerably if properly understood and applied. With this in mind the National Institute of Environmental Health Sciences, NIH, is sponsoring the International AMAP–2 Biomarkers Conference, in Anchorage, Alaska, in early May 2000. The conference will bring together Arctic health researchers and experts on the use of biomarkers, with the purpose of achieving cross fertilization of ideas and identifying opportunities.

Emerging and Re-emerging Infectious Diseases

The Arctic Investigations Program of the Centers for Disease Control and Prevention

is contributing to the Human Health research agenda through its program to study emerging and reemerging infectious diseases in the Arctic. This is especially apropos because of the suspected relationship of the adverse health effects of pollution on an individual's resistance to infections (e.g. due to an impaired immune response), especially in newborns, infants, and youth.

Arctic Environmental/Health Database

Under consideration is a proposed computerized database that would incorporate traditional environmental/health knowledge from indigenous Arctic populations as well as available data entries in the National Library of Medicine (NLM, NIH) Medline database. The challenge is how to acquire and codify such traditional knowledge in a machine-readable format. If the project can be implemented, it would include education and training of Arctic populations on the access to, and use of, the database, which would also provide a means of disseminating the activities of the Arctic Council AMAP, Sustainable Development, and other working groups.

Arctic Telemedicine

In support of the Sustainable Development initiative proposed by the State of Alaska, the PHS, which chairs the White House Joint Working Group on Telemedicine, is providing input to the Telemedicine Initiative. NIH components that will be involved include the National Library of Medicine (extramural grants support program) and the NIH Clinical Center (intramural telemedicine project).

Department of the Interior

The U.S. Geological Survey has led the effort by IARPC agencies in the assembly of a data structure for Arctic research. Unfortunately, there has never been a satisfactory funding base for this program. In the past, many IARPC agencies have contributed to this effort but these contributions have faded. Only NSF continues to provide support. The Commission recommends that the USGS and the Department of the Interior accept that this program belongs to them and should be fully supported. The USGS should have the full support of the other IARPC agencies. It is particularly important that an effort be staged to save important earth science data from the former Soviet Union. Much useful data is collected in old paper records which are even more vulnerable now that fuel has become scarce in many places. The Commission has recommended that the NOAA National Data Centers undertake a data rescue project coordinated with the USGS.

The Commission is correct in stating that the data collection effort by the U.S. Geological Survey is not a funded effort. Consequently the U.S. Geological Survey is able to continue this work only as a collateral effort. The latest budget information indicates that this picture will not improve in the foreseeable future. However, the USGS intends to continue this work as best it can and will continue to seek partners to help support the program.

The USGS Water Resources Branch has recently reduced the number of hydrologic monitoring stations in the Arctic. Data from these stations are urgently needed for testing and improving the predictions of large-scale of freshwater runoff in the Arctic. In addition, fresh-water runoff affects the stratification of the Arctic Ocean and the distribution of nutrients, traces, and contaminants brought to the Arctic Ocean from the land. The World Climate Research program—Arctic Climate System Study maintains an Arctic Runoff Data Base for these purposes. The Commission recommends that the USGS rebuild a strong program of Arctic hydrologic measurements.

The measurement of Arctic rivers and streams has never enjoyed sufficient funding, so there are just two rivers that flow directly into the Arctic that have stream gages in operation. The cost of maintaining a stream gage on an Arctic river that requires helicopter access is prohibitive. Consequently, unless the budget picture improves significantly, it is unlikely that the U.S. Geological Survey can increase the density of gages in the Arctic. However, the USGS will continue to gather as much information as possible and also promote cooperation with other interested parties whenever possible.

Members and staff of the Commission have visited the National Park Service research logistics housing facility at Nome, Alaska. The Park Service is to be commended for this effort and other agencies should consider the Park Service's example as a model to follow.

The Department thanks the Commission for its continuing endorsement of the National Park Service program.

The Fish and Wildlife Service of the Department has been a stalwart in the work of the Arctic Council's working group on the Conservation of Arctic Flora and Fauna. The Commission recommends that other divisions of the Department follow the example of the Fish and Wildlife Service in their support of Arctic Council Activities.

The Department thanks the Commission for its continuing support for the Fish and Wildlife Service's Arctic Council activities.

Department of Energy

The energy needs of Arctic villages in Alaska are extreme. Poor transportation to remote villages, small communities unable to take advantage of the economies of scale usually associated with municipal energy systems, a mixed economy with only modest cash flow, and the lack of a sophisticated technical infrastructure all make the provision of adequate energy resources in the Arctic difficult. The Commission has no specific programs to recommend but will undertake a review of DOE's village energy programs in FY 99. This study will lead to a Commission Special Report with specific recommendations for research and development of appropriate technology for the Arctic.

The State of Alaska faces many unique challenges in helping to ensure that its citizens have access to affordable and reliable electric power. These challenges are particularly evident in rural areas of the state, where electricity is primarily produced by small, expensive, and difficult to operate and maintain diesel power plants. At present the cost of electricity for rural customers is eased somewhat by the availability of the Power cost Equalization (PCE), an electric rate subsidy program administered by the Alaska Department of Community and Regional Affairs (DCRA). However, funds for the PCE are derived from the sale of oil from Prudhoe Bay and are projected to be exhausted in 2000 or 2001, and when that occurs, electricity rates in rural areas could rise substantially. Faced with higher electricity costs, and the potential danger of environmental damages related to the use of petroleum energy in a fragile Arctic ecosystem, various Alaskan entities are now exploring ways in which renewable sources of energy can aid in the production of electric power. To better understand the role that renewable energy can play, the DOE's Wind energy Program is engaged in collaborative efforts with a number of Alaskan organizations at the state and local levels to explore ways in which wind can make a greater contribution in the production of electric power.

The Department of Energy has been an important source of technology transfer to the Russian nuclear power reactor program. Unfortunately, budget reductions threaten this vital activity. The Commission is concerned that the future of U.S. participation is in jeopardy and that in the future nuclear energy production particularly in the Russian Arctic may proceed without the support of the Department of Energy. The budget for interaction with Russia on nuclear power systems should be supported and reinforced.

The concerns of the Commission are noted. The Department agrees that nuclear safety in the Russian Federation remains an important focus of international concern.

The Commission fully supports the activities in the Arctic under the Agency's Atmospheric Radiation Measurement (ARM) Program. The ARM Program is an important research effort and is also an outstanding example of close cooperation between researchers and Native communities and stands as an example for other research programs.

The Department thanks the Commission for its continuing endorsement of the ARM Program.

Interagency Arctic Research Policy Committee (IARPC)

Unfortunately, the current budget stringency has caused the IARPC agencies to become hesitant about Arctic research in the face of the many other demands on their scarce resources. At the same time, however, the national commitment to activities in the Arctic has grown. This is particularly true in the case of the Arctic Council. The Commission recommends that the NSE, in its role as lead agency for Arctic research, call together the IARPC Seniors to agree on a plan of research to support U.S. participation in the Arctic Council which goes beyond the current rhetoric and demonstrates the national commitment to carry on the goals of the U.S Arctic Policy expressed by the President on 29 September 1994. Since the appropriation of new money to meet these commitments depends on timely consideration of the nation's participation in the Arctic Council, which we currently chair, and the submission of budget requests to allow agencies to meet their responsibilities as member and chair to the Council, it is imperative that the IARPC agencies come to the table with the intention to request and redirect resources to carry out this task.

The biennial revision to the U.S. Arctic Research Plan for 2000–2004, as approved by the IARPC, includes a multiagency focused initiative that is intended to support U.S. participation in the Arctic Council. The Department of State is the lead agency for the Arctic Council. The Department of State has assigned personnel and resources to support the Arctic Council secretariat, although no separate resources were requested to support the research program. Several agencies are conducting research that supports Arctic Council priorities.

On another front, the United States agencies need to update the IARPC plan for a comprehensive study of the Arctic Ocean. While current experiments are important and of high quality, there is no current plan for the study of the Arctic Ocean which provides context for these studies. The National Science Foundation has commissioned the formulation of a strategy for the study of the Arctic Ocean. The other IARPC agencies with responsibilities for research in the Arctic Ocean include Navy, NOAA, USGS, USCG, EPA, NASA and parts of several others. IARPC should organize an interagency meeting of the principal agencies responsible for Arctic Ocean research. The Commission has recommended such a plan in the past and feels even more strongly that an organized

effort is needed given the increasing evidence for rapid and substantial change in the Arctic Ocean. The Commission recommends that IARPC update the 1990 IARPC report ''Arctic Oceans Research: Strategy for an FY 1991 U.S. Program'' on a multi-agency basis and that this program be submitted to the Office of Management and Budget and the Office of Science and Technology Policy for consideration on a budget-wide basis.

The biennial revision to the U.S. Arctic Research Plan for 2000–2004, as approved by the IARPC, includes a multiagency focused initiative on Arctic Marine Sciences. This is IARPC's update of the 1990 IARPC report ''Arctic Oceans Research: Strategy for an FY 1991 U.S. Program.''

The Commission also notes their recommendation above the IARPC publish an annual report on Bering Sea research.

The IARPC biennial report of agency accomplishments, to be published in the IARPC journal Arctic Research of the United States (Spring/Summer 2000), will highlight Bering Sea research.

MESSAGES FROM THE HOUSE

At 12:29 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 4986. An act to amend the Internal Revenue Code of 1986 to repeal the provisions relating to foreign sales corporations (FSCs) and to exclude extraterritorial income from gross income.

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 327. Concurrent resolution honoring the service and sacrifice during periods of war by members of the United States merchant marine.

At 3:19 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 1654) to authorize appropriations for the National Aeronautics and Space Administration for fiscal years 2000, 2001, and 2002, and for other purposes.

The message also announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 4942. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 2001, and for other purposes.

At 4:31 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4516) making appropriations for the Legislative Branch for the fiscal year ending September 30, 2001, and for other purposes.

At 6:08 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House disagrees to the amendment of the Senate to the bill (H.R. 4733) making appropriations for energy and water development for the fiscal year ending September 30, 2001, and for other purposes, and agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon. That Mr. PACKARD, Mr. ROGERS, Mr. KNOLLENBERG, Mr. FRELINGHUYSEN, Mr. CALLAHAN, Mr. LATHAM, Mr. WICKER, Mr. YOUNG of Florida, Mr. VISCLOSKY, Mr. EDWARDS, Mr. PASTOR, Mr. FORBES, and Mr. OBEY, be the managers of the conference on part of the House.

The message also announced that the House disagrees to the amendment of the Senate to the bill (H.R. 4475) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2001, and for other purposes, and agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon. That Mr. WOLF, Mr. DELAY, Mr. REGULA, Mr. ROGERS, Mr. PACKARD, Mr. CALLAHAN, Mr. TIAHRT, Mr. ADERHOLT, Ms. GRANGER, Mr. YOUNG of Florida, Mr. SABO, Mr. OLVER, Ms. KILPATRICK, Mr. SERRANO, Mr. FORBES, and Mr. OBEY, be the managers of the conference on the part of the House.

ENROLLED BILLS SIGNED

The following enrolled bills, previously signed by the Speaker of the House, were signed today, September 14, 2000, by the President pro tempore (Mr. THURMOND):

S. 1027. An act to reauthorize the participation of the Bureau of Reclamation in the Deschutes Resources Conservancy, and for other purposes.

S. 1117. An act to establish the Corinth Unit of Shiloh National Military Park, in the vicinity of the city of Corinth, Mississippi, and in the State of Tennessee, and for other purposes.

S. 1937. An act to amend the Pacific Northwest Electric Power Planning and Conservation Act to provide for sales of electricity by the Bonneville Power Administration to joint operating entities.

At 6:08 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the Speaker has signed the following enrolled bills:

S. 1374. An act to authorize the development and maintenance of a multi-agency campus project in town of Jackson, Wyoming.

H.R. 1729. An act to designate the Federal facility located at 1301 Emmet Street in Charlottesville, Virginia, as the ''Pamela B. Gwin Hall.''

H.R. 1901. An act to designate the United States border station located in Pharr, Texas, as the ''Kika de la Garza United States Border Station.''

H.R. 1959. An act to designate the Federal building located at 643 East Durango Boulevard in San Antonio, Texas, as the ''Adrian A. Spears Judicial Training Center.''

H.R. 4608. An act to designate the United States courthouse located at 220 West Depot Street in Greeneville, Tennessee, as the ''James H. Quillen United States Courthouse.''

MEASURES REFERRED

The following bill was read the first and second times by unanimous consent, and referred as indicated:

H.R. 4986. An act to amend the Internal Revenue Code of 1986 to repeal the provisions relating to foreign sales corporations (FSCs) and to exclude extraterritorial income from gross income; to the Committee on Finance.

The following concurrent resolution was read, and referred as indicated:

H. Con. Res. 327. Concurrent resolution honoring the service and sacrifice during periods of war by members of the United States merchant marine; to the Committee on the Judiciary.

MEASURES PLACED ON THE CALENDAR

The following bill was read the first and second times by unanimous consent, and placed on the calendar:

H.R. 4942. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 2001, and for other purposes.

The following bill was read the second time, and placed on the calendar:

H.R. 2090. An act to direct the Secretary of Commerce to contract with the National Academy of Sciences to establish the Coordinated Oceanographic Program Advisory Panel to report to the Congress on the feasibility and social value of a coordinate oceanography program.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, September 14, 2000, he had presented to the President of the United States the following enrolled bills:

S. 1027. An act to reauthorize the participation of the Bureau of Reclamation in the Deschutes Resources Conservancy, and for other purposes.

S. 1117. An act to establish the Corinth Unit of Shiloh National Military Park, in the vicinity of the city of Corinth, Mississippi, and in the State of Tennessee, and for other purposes.

S. 1937. An act to amend the Pacific Northwest Electric Power Planning and Conservation Act to provide for sales of electricity by the Bonneville Power Administration to joint operating entities.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. McCAIN, from the Committee on Commerce, Science, and Transportation, with an amendment in the nature of a substitute:

S. 1534: A bill to reauthorize the Coastal Zone Management Act, and for other purposes (Rept. No. 106–412).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute:

H.R. 701: A bill to provide Outer Continental Shelf Impact Assistance to State and

local governments, to amend the Land and Water Conservation Fund Act of 1965, the Urban Park and Recreation Recovery Act of 1978, and the Federal Aid in Wildlife Restoration Act (commonly referred to as the Pittman-Robertson Act) to establish a fund to meet the outdoor conservation and recreation needs of the American people, and for other purposes (Rept. No. 106–413).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. SESSIONS (for himself, Mr. CLELAND, Mr. THURMOND, Mr. MILLER, Mr. DODD, Mr. FRIST, Mr. HATCH, Mr. LOTT, Mr. L. CHAFEE, Mr. MACK, Mr. HELMS, Mr. SPECTER, Mr. SANTORUM, Mr. NICKLES, Mr. STEVENS, Mr. DURBIN, Mr. COCHRAN, Mr. HUTCHINSON, Mr. WELLSTONE, Mr. JEFFORDS, Mr. ABRAHAM, Mr. THOMAS, Mr. SHELBY, Mr. KYL, Mr. ASHCROFT, Mr. HARKIN, Mr. MCCONNELL, Mr. BENNETT, Mr. GRAMS, and Mr. BUNNING):

S. 3045. A bill to improve the quality, timeliness, and credibility of forensic science services for criminal justice purposes; to the Committee on the Judiciary.

By Mr. LOTT (for himself, Mr. SANTORUM, Mr. NICKLES, Mr. STEVENS, Mr. DURBIN, Mr. COCHRAN, Mr. HUTCHINSON, Mr. WELLSTONE, Mr. JEFFORDS, Mr. ABRAHAM, Mr. THOMAS, Mr. SHELBY, Mr. KYL, and Mr. ASHCROFT):

S. 3046. A bill to amend title II of the United States Code, and for other purposes; read the first time.

By Mr. BIDEN:

S. 3047. A bill to amend the Internal Revenue Code of 1986 to expand the Lifetime Learning credit and provide an optional deduction for qualified tuition and related expenses; to the Committee on Finance.

By Mr. FEINGOLD (for himself, Mr. WELLSTONE, and Mrs. BOXER):

S. 3048. A bill to institute a moratorium on the imposition of the death penalty at the Federal level until a Commission on the Federal Death Penalty studies its use and policies ensuring justice, fairness, and due process are implemented; to the Committee on the Judiciary.

By Mr. FITZGERALD (for himself, Mr. EDWARDS, Mr. ASHCROFT, and Mr. DURBIN):

S. 3049. A bill to increase the maximum amount of marketing loan gains and loan deficiency payments that an agricultural producer may receive during the 2000 crop year; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. HATCH (for himself and Mr. DOMENICI):

S. 3050. A bill to amend title XVIII of the Social Security Act to make improvements to the prospective payment system for skilled nursing facility services; to the Committee on Finance.

By Mr. SCHUMER (for himself, Mr. MCCAIN, and Mr. JOHNSON):

S. 3051. A bill to amend the Federal Food, Drug, and Cosmetic Act to provide greater access to affordable pharmaceuticals; to the Committee on Health, Education, Labor, and Pensions.

By Mr. SMITH of Oregon (for himself and Mr. WYDEN):

S. 3052. A bill to designate wilderness areas and a cooperative management and protection area in the vicinity of Steens Mountain in Harney County, Oregon, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. THOMAS:

S. 3053. A bill to prohibit commercial air tour operations over national parks within the geographical area of the greater Yellowstone ecosystem; to the Committee on Energy and Natural Resources.

By Mr. LUGAR (for himself, Mr. HARKIN, Mr. CRAIG, Mr. LEAHY, Mr. MCCONNELL, Mr. KERREY, and Mr. GRASSLEY):

S. 3054. A bill to amend the Richard B. Russell National School Lunch Act to reauthorize the Secretary of Agriculture to carry out pilot projects to increase the number of children participating in the summer food service program for children; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. JOHNSON (for himself and Mr. HUTCHINSON):

S. 3055. A bill to amend title XVIII of the Social Security Act to revise the payments for certain physician pathology services under the medicare program; to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. SESSIONS (for himself, Mr. CLELAND, Mr. THURMOND, Mr. MILLER, Mr. DODD, Mr. FRIST, Mr. HATCH, Mr. LOTT, Mr. L. CHAFEE, Mr. MACK, Mr. HELMS, Mr. SPECTER, Mr. SANTORUM, Mr. NICKLES, Mr. STEVENS, Mr. DURBIN, Mr. COCHRAN, Mr. HUTCHINSON, Mr. WELLSTONE, Mr. JEFFORDS, Mr. ABRAHAM, Mr. THOMAS, Mr. SHELBY, Mr. KYL, Mr. ASHCROFT, Mr. HARKIN, Mr. MCCONNELL, Mr. BUNNING, and Mr. GRAMS):

S. 3045. A bill to improve the quality, timeliness, and credibility of forensic science services for criminal justice purposes; to the Committee on the Judiciary.

PAUL COVERDELL NATIONAL FORENSIC SCIENCES IMPROVEMENT ACT OF 2000

Mr. SESSIONS. Mr. President, on June 9, 1999, the late Senator Paul Coverdell introduced legislation aimed at addressing one of the most pressing problems facing law enforcement today: the critical backlogs in our state crime labs. Senator Coverdell's National Forensic Sciences Improvement Act of 1999 (S. 1196) attracted broad bipartisan support in Congress, as well as the enforcement of national law enforcement groups. Unfortunately, before Senator Coverdell's bill could move through Congress, he passed away.

As a fitting, substantive tribute to Senator Coverdell, I am today introducing the Paul Coverdell National Forensic Sciences Improvement Act of 2000 to eliminate the crisis in forensics labs across the country. This was an issue he cared a great deal about, and I am honored to have the opportunity to carry on his efforts to address this problem.

The crisis in our forensics labs is acute. According to a report issued in February by the Bureau of Justice Statistics, as of December 1997, 69 percent of state crime labs reported DNA backlogs in 6,800 cases and 287,000 convicted offender samples. The backlogs are having a crippling effect on the fair and speedy administration of justice.

For example, the Seattle Times reported on April 23 of this year that police are being forced to pay private labs to do critical forensics work so that their active investigations do not have to wait for tests to be completed. ''As Spokane authorities closed in on a suspected serial killer, they were eager to nail enough evidence to make their case stick. So they skipped over the backlogged Washington State Patrol crime lab and shipped some evidence to a private laboratory, paying a premium for quicker results. [A] chronic backlog at the State Patrol's seven crime labs, which analyze criminal evidence from police throughout Washington state, has grown so acute that Spokane investigators feared their manhunt would be stalled.''

As a former prosecutor, I know how dependent the criminal justice system is on fast, accurate, dependable forensics testing. With backlogs in the labs, district attorneys are forced to wait months and years to pursue cases. This is not simply a matter of expediting convictions of the guilty. Suspects are held in jail for months before trial, waiting for the forensic evidence to be completed. Thus, potentially innocent persons stay in jail, potentially guilty persons stay out of jail, and victims of crime do not receive closure.

As an Alabama newspaper, the Decatur Daily, reported on November 28, 1999, ''[The] backlog of cases is so bad that final autopsy results and other forensic testing sometimes take up to a year to complete. It's a frustrating wait for police, prosecutors, defense attorneys, judges and even suspects. It means delayed justice for the families of crime victims.'' Justice delayed is justice denied for prosecutors, defendants, judges, police, and, most importantly, for victims. This is unacceptable.

Given the tremendous amount of work to be done by crime labs, scientists and technicians must sacrifice accuracy, reliability, or time in order to complete their work. Sacrificing accuracy or reliability would destroy the justice system, so it is time that is sacrificed. But with the tremendous pressures to complete lab work, it is perhaps inevitable that there will be problems other than delays. Everyone from police to detectives to evidence technicians to lab technicians to forensic scientists to prosecutors must be well-trained in the preservation, collection, and preparation of forensic evidence.

The JonBenet Ramsey case is perhaps the most well-known example of a case where forensics work is critical to convicting the perpetrator of a crime. As the Rocky Mountain News reported on February 2, 1997, ''To solve the slaying of JonBenet Ramsey, Boulder police must rely to a great extent on the

results of forensic tests being conducted in crime laboratories. [T]he looming problem for police and prosecutors, according to forensics experts, is whether the evidence is in good condition. Or whether lax procedures . . . resulted in key evidence being hopelessly contaminated.''

We need to help our labs train investigators and police. We need to help our labs reduce the backlog so that the innocent may be exonerated and the guilty convicted. We need to help our labs give closure to victims of crime.

The bill I am introducing today is essentially a reintroduction of Senator Coverdell's National Forensic Sciences Improvement Act of 1999 (S. 1196). The bill expands permitted uses of Byrne grants to include improving the quality, timeliness, and credibility of forensic science services, including DNA, blood and ballistics tests. It requires States to develop a plan outlining the manner in which the grants will be used to improve forensic science services and requires States to use these funds only to improve forensic sciences, and limits administrative expenditures to 10 percent of the grant amount.

This new bill adds a reporting requirement so that the backlog reduction can be documented and tracked. Additionally, the funding is adjusted to begin authorizations in Fiscal Year 2001, rather than FY 2000, as S. 1196 did. Otherwise, this is the exact same bill Senator Coverdell introduced and that I and many of my colleagues supported.

This bill has the support of many of my colleagues from both sides of the aisle, including Senators CLELAND and MILLER from Georgia, Senators LOTT, NICKLES, HATCH, STEVENS, THURMOND, SHELBY, COCHRAN, KYL, WELLSTONE, DODD, GRAMS, DURBIN, FRIST, HELMS, SPECTER, SANTORUM, JEFFORDS, ABRAHAM, L. CHAFEE, MACK, BUNNING, ASHCROFT, HARKIN, and others. I also appreciate the strong support of Representative SANFORD BISHOP of Georgia, the primary sponsor of Senator Coverdell's bill in the House.

I spoke with Attorney General Reno last night, and she told me that she ''supports our efforts to improve forensic science capabilities.'' She also told me that this bill ''is consistent with the Department of Justice's approach to helping State and local law enforcement.''

Moreover, numerous law enforcement organizations, including the American Society of Crime Laboratory Directors, American Academy of Forensic Sciences, Southern Association of Forensic Sciences, the National Association of Medical Examiners, the International Association of Police Chiefs, the Fraternal Order of Police, the National Organization of Black Law Enforcement Executives, Georgia Bureau of Investigation, the National Association of Attorneys General, and the National Association of Counties.

These Members of Congress and these organizations understand, as I do, that crime is not political. Our labs need help, and after 15 years as a prosecutor, I am convinced that there is nothing that the Congress can do to help the criminal justice system more than to pass this bill and fund our crime labs. To properly complete tests for DNA, blood, and ballistic samples, our crime labs need better equipment, training, staffing, and accreditation. This bill will help clear the crippling backlogs in the forensics labs. This, in turn, will help exonerate the innocent, convict the guilty, and restore confidence in our criminal justice system. I hope my colleagues will join me in passing the Paul Coverdell National Forensic Sciences Improvement Act of 2000 in the short time we have remaining in this Session.

Mr. HUTCHINSON. Mr. President, I rise today in support of the Paul Coverdell National Forensic Sciences Improvement Act of 2000. I am proud to be an original cosponsor of this important and necessary legislation and commend my friends, Senator SESSIONS and the late Senator Coverdell, for all of their hard work and leadership they have shown in this matter.

To justify the need for this legislation, I point to the situation that the Arkansas State Crime Lab is experiencing as a direct result of the exponential increase in the production, use, and distribution of methamphetamine. Simply put, with 16,000 test requests this year—resulting in a backlog of over 6,000 cases—the Arkansas State Crime Lab is at the breaking point. Accordingly, it now takes five to six months from the receipt of a sample to complete the analysis necessary for prosecution. I commend and thank Senator GREGG for his assistance in the procurement of funding to hire three additional chemists. However, I recognize that Arkansas is not alone in its great need and that Congress must authorize more federal funding to fight the ever-increasing proliferation in the production, use, and distribution of illicit substances in our nation.

The Act would provide an additional $768 million over the next six years in the form of block grants by the Attorney General to states to improve the quality, timeliness, and credibility of forensic science services to the law enforcement community. It would do this by allowing states the flexibility to use these monies for facilities, personnel, computerization, equipment, supplies, accreditation and certification, education, and training. The Act's merit is further made manifest by the fact that it is supported by such groups as the American Academy of Forensic Sciences, the National Association of Medical Examiners, the American Society of Crime Laboratory Directors, the Southern Association of Forensic Sciences, the International Association of Chiefs of Police, the National Association of Counties, and the National Organization of Black Law Enforcement Executives. Thus, I ask my colleagues to join me in helping Senator SESSIONS in his efforts to enact that this important legislation.

Mr. BIDEN:

S. 3047. A bill to amend the Internal Revenue Code of 1986 to expand the lifetime Learning credit and provide an optional deduction for qualified tuition and related expenses; to the Committee on Finance.

COLLEGE TUITION TAX DEDUCTIONS

Mr. BIDEN. Mr. President, it has become increasingly apparent in today's society that a college education is no longer a luxury. In order for one to succeed in an ever-changing, high-tech world, a college education has become a near necessity.

However, just as a college degree becomes increasingly vital in today's global economy, the costs associated with obtaining this degree continue to soar out of control. At the same time, the annual income of the average American family is not keeping pace with these soaring costs. Since 1980, college costs have been rising at an average of 2 to 3 times the Consumer Price Index. Now, in the most prosperous time in our history, it is simply unacceptable that the key to our children's future success has become a crippling burden for middle-class families.

According to the United States Department of Education, National Center for Education Statistics, the average annual costs associated with attending a public 4-year college during the 1998–1999 school year, including tuition, fees, room, and board, were $8,018. For a private 4-year school these costs rose to an astonishing $19,970. and these are only the average costs, Mr. President. The price tag for just one year at some of the nations most prestigious universities is fast approaching the $35,000 range.

In 1996, and again in 1997, I introduced the ''GET AHEAD'' Act (Growing the Economy for Tomorrow: Assuring Higher Education is Affordable and Dependable). My main goal in introducing this legislation was to help the average American family afford to send their children to college. Although this legislation never came before the full Senate for a vote, I was extremely pleased that a number of the provisions of the GET AHEAD Act—including the student loan interest deduction and the establishment of education savings accounts—were included as part of the 1997 tax bill. Additionally, two other provisions of that bill—the Hope Scholarship and the Lifetime Learning Credit—were based upon the core proposal of my GET AHEAD ACT—a $10,000 tuition deduction.

The $10,000 tuition deduction is a proposal I have been advocating since I first announced my candidacy for the Senate 28 years ago. Today, I am building upon a proposal the President made in his State of the Union address earlier this year and am introducing legislation which would finally fully enact this proposal.

The legislation I am introducing today will provide America's middle class families with up to $2,800 in annual tax relief for the costs associated with a higher education. This plan will give families the option of taking either an expanded Lifetime Learning Credit or a tax education of up to $10,000.

Thanks to the 1997 tax bill, current law allows many American families to claim the Lifetime Learning Credit, currently a tax credit of up to 20 percent on the first $5,000 of higher education expenses—meaning a tax credit of up to $1,000 per family per year. For 2003 and after, this will increase to a credit of up to 20 percent of the first $10,000 of higher education expenses—meaning a credit of up to $2,000 per family per year.

The bill I am introducing today will expand this important tax credit to 28 percent on the first $5,000 of higher education expenses through 2002—amounting to a credit of up to $1,400. For the year 2003 and after, this will increase to a credit of up to 28 percent on the first $10,000 of higher education expenses—amounting to a credit of up to $2,000 per family per year. To give families the flexibility to choose the best approach for their own circumstances, my plan will give families the option of deducting these higher education expenses instead of taking the tax credit.

My legislation will continue to ensure that these important educational tax breaks help support middle class families while increasing the income thresholds to $60,000 per year for individuals and $120,000 for couples.

Mr. President, the dream of every American is to provide for their child a better life than they themselves had. A key component in attaining that dream is ensuring that their children have the education necessary to successfully complete in the expanding global economy. It is my hope that this legislation will help many American families move a step closer in achieving this dream and being able to better afford to send their children to college.

Mr. FEINGOLD (for himself, Mr. WELLSTONE, and Mrs. BOXER):

S. 3048. A bill to institute a moratorium on the imposition of the death penalty at the Federal level until a Commission on the Federal Death Penalty studies its use and policies ensuring justice, fairness, and due process are implemented; to the Committee on the Judiciary.

FEDERAL DEATH PENALTY MORATORIUM ACT OF 2000

Mr. FEINGOLD. Mr. President, in recent days, Congress has held hearings and considered legislation on the terrible tragedy involving potentially defective tires manufactured by Bridgestone/Firestone and placed on certain vehicles sold by the Ford Motor Company. It has captured the nation's and the media's attention. And rightly so. I hope we are able to get to the bottom of who knew what, when, why and how.

But while Congress demands accountability from these companies, as well as the Transportation Department, Congress should also demand accountability from the Justice Department. As the Senate Commerce Committee held hearings on the Firestone tire problem the other day, a few blocks down the road the Justice Department released a report that seriously calls into question the fairness of the federal death penalty system. The report documents apparent racial and geographic disparities in the administration of the federal death penalty. In other words, who lives and who dies, and who is charged, tried, convicted and sentenced to death in the federal system appears to relate arbitrarily to the color of one's skin or where one lives. The report can be read as a chilling indictment of our federal criminal justice system.

I introduced legislation earlier this year calling for a national moratorium on executions and the creation of a commission to review the fairness of the administration of the death penalty at the state and federal levels. It is much-needed legislation that will begin to address the growing concerns of the American people with the fairness and accuracy of our nation's death penalty system. I am pleased that that bill, the National Death Penalty Moratorium Act, has the support of some of my colleagues, including Senators LEVIN, WELLSTONE, DURBIN, and BOXER.

But now, with the first federal execution in almost 40 years scheduled to take place in December, I urge my colleagues to take action in the remaining weeks of this session to restore justice and fairness to our federal criminal justice system. I rise today to introduce the Federal Death Penalty Moratorium Act. Like my earlier bill, this bill would suspend executions of federal death row inmates while an independent, blue ribbon commission thoroughly reviews the flaws in the federal death penalty system. The first federal execution in almost 40 years is scheduled to take place after this Congress has adjourned. But before we adjourn, we have an obligation—indeed, a solemn responsibility—to the American people to ensure that the federal criminal justice system is a fair one, particularly when it involves the ultimate punishment, death.

Mr. President, some have argued that the flaws in the administration of the death penalty at the state level do not exist at the federal level. But now, with the release of the Justice Department report earlier this week, our suspicions have been heightened. We now know that the federal death penalty system has attributes of inequity and unfairness.

The Justice Department report makes a number of troubling findings:

Roughly 80 percent of defendants who were charged with death-eligible offenses under Federal law and whose cases were submitted by U.S. Attorneys under the Department's death penalty decision-making procedures were African American, Hispanic American or members of other minority groups;

United States attorneys in 5 of the 94 federal districts—1 each in Virginia, Maryland, Puerto Rico and 2 in New York—submit 40 percent of all cases in which the death penalty is considered;

United States attorneys who have frequently recommended seeking the death penalty are often from states with a high number of executions, including Texas, Virginia and Missouri; and

White defendants are more likely than black defendants to negotiate plea bargains, saving them from the death penalty in federal cases.

What do these findings tell us? I think we can all agree that the report is deeply disturbing. There is a glaring lack of uniformity in the application of the federal death penalty. Whether you live or die appears to relate arbitrarily to the color of your skin or where you live. Why do these disparities exist? How can they be addressed? The Justice Department report doesn't have answers to these and other questions. I am pleased that the Attorney General has requested additional internal reviews. But with all respect to the Attorney General, that's simply not enough. The American people deserve more. Indeed, American ideals of justice demand much more.

With the first federal execution since the Kennedy Administration only three months away, Congress should call for an independent review. Mr. President, if the Attorney General and the President won't act, then it is our solemn responsibility, as members of Congress, to protect the American people and ensure fairness and justice for all Americans. Congress should demand an answer to the troubling questions raised by the Justice Department report. And I believe we have a duty do so. After all, it was Congress that, beginning in 1988, enacted the laws providing for the death penalty for certain federal crimes.

And I might add, the Justice Department has had more than enough time to right the wrong. As some of my colleagues may recall, concerns about racial disparities in the administration of the federal death penalty were hotly debated in 1994 during debate on the Racial Justice Act as the Congress decided whether to expand the federal death penalty. At that time, a House Judiciary Subcommittee report found that 89 percent of defendants against whom the federal government sought the death penalty under the 1988 Drug Kingpin Statute were African American or Hispanic Americans. In response to these concerns, the Attorney General centralized the process for U.S. attorneys requesting the Attorney General's authorization to seek the death penalty.

The Attorney General's centralized review process has now been in operation for nearly 6 years. But we have not seen anything approaching rough consistency, let alone uniformity in the federal death penalty system. We are continuing to see egregious disparities. One of the greatest needs for additional data and analysis involves the

question of how line prosecutors and U.S. attorneys are making decisions to take cases at the federal level and charge defendants with death-eligible offenses. But Congress and the American people should not wait for another report that fails to ask and answer this and other tough questions. Indeed, an agency that tries to review itself can't always be expected to be fully forthcoming or fully equipped to identify its own failings. That's why an independent, blue ribbon commission is the only appropriate response to the Justice Department report.

And time is of the essence. It's not too late for Congress to act. We should demand full accountability. In fact, the American people are demanding accountability and fairness. In a poll released today by The Justice Project, 64 percent of registered voters support a suspension of executions while fairness questions are addressed, based on information that in several instances, criminals sentenced to be executed have been released based on new evidence or DNA testing. And this is not just a partisan issue, or shouldn't be. The poll, conducted by Democratic and Republican polling firms, found that 73 percent of Independents and 50 percent of Republicans, including 65 percent of non-conservative Republicans, support a suspension of executions. The American people get it. Something is terribly amiss in our administration of the ultimate punishment, death. And this is just as true at the federal level.

So, as we approach the close of this 106th Congress, I urge my colleagues to support a moratorium on federal executions while we study the glaring flaws in the federal death penalty system through an independent, blue ribbon commission. It is disturbing enough that the ultimate punishment may be meted out unfairly at the state level. But it should be even more troubling for my colleagues when the federal government, which should be leading the states on matters of equality, justice and fairness, has a system that is unjust. We are at a defining moment in the history of our nation's administration of the death penalty. The time to do something is now.

Mr. FITZGERALD (for himself, Mr. EDWARDS, Mr. ASHCROFT, and Mr. DURBIN):

S. 3049. A bill to increase the maximum amount of marketing loan gains and loan deficiency payments that an agricultural producer may receive during the 2000 crop year; to the Committee on Agriculture, Nutrition, and Forestry.

INCREASING THE AUTHORIZED AMOUNT OF MARKETING LOAN GAINS AND LOAN DEFICIENCY PAYMENTS

Mr. FITZGERALD. Mr. President, I rise today to introduce legislation to double the limit on loan deficiency payments (LDP) and marketing loan gains.

The hard work and ingenuity of America's farmers have made U.S. agriculture the pride of the nation. But farmers today face serious challenges. Record low commodity prices continue to besiege family throughout our great nation. For the past 3 years, American farmers have faced the lowest prices in recent memory. Prices have plummeted for almost every agricultural commodity—corn, soybeans, wheat and the list goes on. The bottom line is that many farmers throughout this Nation are having trouble making ends meet.

Appropriately, Congress has responded with economic assistance to offset these hard times. However, while last year's assistance package included a much needed provision to expand limits on marketing loan gains and loan deficiency payments, this year's assistance package did not include such a provision.

As we move into harvest time, prices have trended downward, and many now realize that loan deficiency payments per bushel may be quite large for many agricultural commodities. With the combination of high yields and high per bushel marketing gains, many farmers now realize that they could easily bump up against these payment limitations. Recognizing this impending problem, farm groups, including the American Farm Bureau Federation, have asked that these payment limitations be eased, but not removed.

According to industry experts, a 700-acre corn farmer will exceed the $75,000 cap. For farmers who exceed this cap, their only recourse is to forego the much-needed income or use the bureaucracy-ridden commodity certificates program. Estimates project that the additional drying, shrinkage and storage costs that a accompany the commodity certificate program will cost farmers an additional $33.46 per acre of grain. Farmers can ill-afford this lost income during these hard economic times.

Today, I am introducing legislation to solve this dilemma. The bill simply doubles the LDP limit from $75,000 to $150,000 for this crop year. This legislation is consistent with a provision that was included in last year's farm economic assistance package.

Surprisingly, this provision may actually provide cost-savings to the federal government through staff time reduction. Anecdotally, Illinois Farm Service Agency employees report that it takes about two hours of staff time to complete a loan forfeiture using the commodity certificate process, while the loan deficiency payment process requires only 15 minutes.

When the 1996 farm bill was written, no one could have foreseen our current situation of extremely low prices, and the $75,000 limit seemed appropriate. However, with the Asian market crash, unusually good weather, and exceptional crop yields, commodity prices have been driven to unforeseen lows, making a re-evaluation of the LDP cap appropriate and timely. This bill is good public policy and enjoys bipartisan support. I appreciate my colleagues—Senators EDWARDS, ASHCROFT, and DURBIN—who join me as sponsors of this legislation, and I encourage other Senators to co-sponsor this sorely-needed change in farm policy.

Agriculture is critical to the economy of America, and is the Nation's largest employer. For farmers to prosper, our Nation must have economic policies that promote investment and growth in agricultural communities and agricultural States like my home State of Illinois. A healthy agricultural economy has ripple effects through many industries and is critical for the economic prosperity of both Illinois and America.

By Mr. HATCH (for himself and Mr. DOMENICI):

S. 3050. A bill to amend title XVIII of the Social Security Act to make improvements to the prospective payment system for skilled nursing facility services; to the Committee on Finance.

THE SKILLED NURSING FACILITY CARE ACT OF 2000

Mr. HATCH. Mr. President, I am pleased to join my colleague, Senator DOMENICI, in introducing today legislation to increase Medicare reimbursements for skilled nursing facilities, SNFs, which care for Medicare beneficiaries.

As my colleagues recall, last year the Congress passed a measure to restore nearly $2.7 billion for the care of nursing home patients. This action provided much needed relief to an industry that was facing extraordinary financial difficulties as a result of the spending reductions provided under the Balanced Budget Act of 1997 (BBA) as well as its implementation by the Health Care Financing Administration (HCFA).

Unfortunately, the problem is not fixed, and more needs to be done. That is why Senator DOMENICI and I are introducing the ''Skilled Nursing Facility Care Act of 2000'' to ensure that patient care will not be compromised and so that seniors can rest assured that they will have access to this important Medicare benefit.

As I have talked to my constituents in Utah about nursing home care, it is clear to me as I am sure it is to everyone that no one ever expects—or certainly wants—to be in a nursing home. Yet, it is an important Medicare benefit for many seniors who have been hospitalized and are, in fact, the sickest residents in a nursing home.

In Utah, there are currently 93 nursing homes serving nearly 5,800 residents. I understand that seven of these 93 facilities, which are operated by Vencor, have filed for Chapter 11 protection. These seven facilities care for approximately 800 residents. Clearly, we need to be concerned about the prospect of these nursing homes going out of business, and the consequences that such action would have on all residents—no matter who pays the bill.

The ''Skilled Nursing Facility Care Act of 2000'' has been developed to address this problem. Medicare beneficiaries who need care in nursing

homes are those who have been hospitalized and then need comparable medical attention in the nursing home setting. In other words, they have had a stroke, cancer, complex surgery, serious infection or other serious health problem. These seniors are often the sickest and most frail.

Medicare's skilled nursing benefit provides life enhancing care following a hospitalization to nearly two million of these seniors annually. Unless Congress and the Health Care Financing Administration take the necessary steps to ensure proper payments, elderly patients will be at risk, especially in rural, underserved and economically disadvantaged areas.

Moreover, in an economy of near full employment, nursing homes face the added difficulty of recruiting and retaining high quality nursing staff. The ability to retain high quality skilled nursing staff ensures access to lifesaving medical services for our nation's most vulnerable seniors.

Flaws in the new Medicare payment system have clearly underestimated the actual cost of caring for medically complex patients. Subsequent adjustments have led to critical under- funding. Patient care is being adversely affected. Unfortunately, HCFA maintains that it needs statutory authority to fix the problem. The provisions in the Hatch/Domenici bill are designed to address this issue.

Our legislation provides that authority. In addition, the bill requires HCFA to examine actual data and actual Medicare skilled nursing facility cost increases. Studies have indicated that the initial HCFA adjustment has been understated by approximately 13.5 percent. Pursuant to the Hatch/Domenici bill, HCFA would be required to make the necessary adjustments in the SNF market basket index to better account for annual cost increases in providing skilled nursing care to medically complex patients.

Since HCFA's review and adjustments as provided under our bill will not be immediate, our legislation would also increase the inflation adjustment by four percent for fiscal year 2001 and fiscal year 2002, respectively. This immediate funding increase is necessary to ensure continuity of quality patient care in the interim. It will provide some assurance that quality skilled nursing facility services for our nation's seniors will continue, while HCFA examines actual cost data and develops a more accurate market basket index.

Skilled nursing facilities are being underpaid and most of the payment is for nurses' aides and therapists. According to a study conducted by Buck Consultants that surveyed managerial, supervisory, and staff positions in nursing homes, actual wages for these valued employees increased, on average, 21.9 percent between 1995 and 1998.

Buck Consultants examined data gathered from a voluntary nursing home survey by looking at salary increases for 37 types of clinical, administrative, and support positions. The difference between HCFA's 8.2 percent inflation adjustment and these salary increases over the same period of time equal 13.7 percent. Again, it is clear that skilled nursing facilities are not receiving adequate payment from the Medicare program. With such funding shortfalls, skilled employees cannot be hired and patient care will be impacted.

Mr. President, it is my hope that the ''Skilled Nursing Facility Care Act of 2000'' will provide immediate relief to skilled nursing facilities and the seniors they serve, while attempting to address a fundamental payment shortcoming for the long-term. We cannot forget our commitment to our nation's elderly.

Senator DOMENICI and I are working with the Chairman of the Finance Committee, Senator ROTH, who is also concerned about the impact that the BBA Medicare reimbursement levels are having on skilled nursing facilities and who is currently developing a package of Medicare restorations for health care providers. Over the next several weeks, we will work with him and with members of the Finance Committee in an effort to restore funding for SNFs and for other health care providers who are facing similar reimbursement reductions.

Once again, I want to thank the distinguished Chairman of the Budget Committee, Senator DOMENICI, and his staff for working with me in developing this important bill and preserving Medicare's commitment to our nation's elderly.

Mr. DOMENICI. Mr. President, I rise today to join Senator HATCH in introducing the ''Skilled Nursing Facility Care Act of 2000.''

We can all take a certain amount of pride in the bipartisan Balanced Budget Act of 1997. However, it should come as no surprise that legislation as complex as the Balanced Budget Act (BBA), as well as its implementation by the Health Care Financing Administration, has produced some unintended consequences that must be corrected.

Heeding this advice, Congress made a down payment last year on the continued health of the skilled nursing facility benefit by passing the Balanced Budget Refinement Act of 1999. While I believe this was a very good first step, I am convinced the bill we are introducing today is urgently needed to assure our senior citizens continue to have access to quality nursing home care through the Medicare program.

The transition to the Prospective Payment System (PPS) for Skilled Nursing Facilities (SNFs) contained in the BBA is seriously threatening access to needed care for seniors all across the country. For instance, almost 11 percent of nursing facilities in the United States are in bankruptcy. In my home State of New Mexico the number is nothing short of alarming, nearly 50 percent of the nursing facilities are in bankruptcy.

I simply do not know how we can stand by in the face of this crisis and watch our seniors continue to lose access to nursing home care. My belief is only buttressed in light of the fact that as the baby boomers grow older we will be needing more nursing homes, not less.

We must have a strong system of nursing home care not only now but, in the future. With time having already run out on many nursing home operators and quickly running out on others, I believe Congress must act immediately.

In New Mexico, there are currently 81 nursing homes serving almost 7,000 patients, and as the bankruptcies have proven, the current Medicare payment system, as implemented by HCFA, simply does not provide enough funds to cover the costs being incurred by these facilities to care for our senior citizens.

For rural States like New Mexico, corrective action is critically important. Many communities in my State are served by a single facility that is the only provider for many miles. If such a facility were to close, patients in that home would be forced to move to facilities much farther away from their families. Moreover, nursing homes in smaller, rural communities often operate on a razor thin bottom line and for them, the reductions in Medicare reimbursements have been especially devastating.

The legislation we are introducing today would go a long way to build upon the steps we took last year with the Balanced Budget Refinement Act in restoring stability in the nursing home industry. The Hatch-Domenici Care Act of 2000 would increase reimbursement rates through two provisions.

First, for a 2-year period, the bill eliminates the one percentage point reduction in the annual inflation update for all skilled nursing facility reimbursement rates and raises that same update by four percent. I believe this provision is a matter of simple fairness because we are merely attempting to accurately keep reimbursements in line with the actual cost of providing care.

Second, the bill directs the Secretary of Health and Human Services to reexamine the annual inflation update, the so-called market basket index, using actual data to determine the necessary level of update. As a result of the reexamination, the Secretary may adjust the inflation update accordingly.

I look forward to again working with Senator HATCH to pass this critical legislation.

By Mr. SCHUMER (for himself, Mr. MCCAIN, and Mr. JOHNSON):

S. 3051. A bill to amend the Federal Food, Drug, and Cosmetic Act to provide greater access to affordable pharmaceuticals; to the Committee on Health, Education, Labor, and Pensions.

GREATER ACCESS TO AFFORDABLE PHARMACEUTICALS ACT

Mr. McCAIN. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 3051

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Greater Access to Affordable Pharmaceuticals Act'' or the ''GAAP Act of 2000''.

SEC. 2. NEW DRUG APPLICATIONS.

(a) LIMITATIONS ON THE USE OF PATENTS TO PREVENT APPROVAL OF ABBREVIATED NEW DRUG APPLICATIONS.—Section 505(b)(2) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355(b)(2)) is amended—

(1) in subparagraph (A)—

(A) in the matter preceding clause (i), by striking ''the drug for which such investigations were conducted or which claims a use for such drug for which the applicant is seeking approval under this subsection'' and inserting ''an active ingredient of the drug for which such investigations were conducted, alone or in combination with another active ingredient or which claims the first approved use for such drug for which the applicant is seeking approval under this subsection''; and

(B) in clause (iv), by striking ''; and'' and inserting a period;

(2) in the matter preceding subparagraph (A), by striking ''shall also include—'' and all that follows through ''a certification'' and inserting ''shall also include a certification'';

(3) by striking subparagraph (B); and

(4) by redesignating clauses (i) through (iv) as subparagraphs (A) through (D), respectively, and aligning the margins of the subparagraphs with the margins of subparagraph (A) of section 505(c)(1) of that Act (21 U.S.C. 355(c)(1)).

(b) ABBREVIATED NEW DRUG APPLICATIONS.—Section 505(j)(2)(A) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355(j)(2)(A)) is amended—

(1) in clause (vi), by striking the semicolon and inserting ''; and''; and

(2) in clause (vii)—

(A) in the matter preceding subclause (I), by striking ''the listed drug referred to in clause (i) or which claims a use for such listed drug for which the applicant is seeking approval under this subsection'' and inserting ''an active ingredient of the listed drug referred to in clause (i), alone or in combination with another active ingredient or which claims the first approved use for such drug for which the applicant is seeking approval under this subsection'';

(B) in subclause (IV), by striking ''; and'' and inserting a period; and

(C) by striking clause (viii).

(c) EFFECTIVE DATE.—The amendments made by this section shall only be effective with respect to a listed drug for which no certification pursuant to section 505(j)(2)(A)(vii)(IV) of the Federal Food, Drug, Cosmetic Act was made prior to the date of enactment of this Act.

SEC. 3. CITIZEN PETITION REVIEW.

Section 505(j)(5) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355(j)(5)) is amended—

(1) by redesignating subparagraphs (C) and (D) as subparagraphs (D) and (E), respectively; and

(2) by inserting after subparagraph (B) the following:

''(C) Notwithstanding any other provision of law, the submission of a citizen's petition filed pursuant to section 10.30 of title 21, Code of Federal Regulations, with respect to an application submitted under paragraph (2)(A), shall not cause the Secretary to delay review and approval of such application, unless such petition demonstrates through substantial scientific proof that approval of such application would pose a threat to public health and safety.''.

SEC. 4. BIOEQUIVALENCE TESTING METHODS.

Section 505(j)(8)(B) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355(j)(8)(B)) is amended—

(1) in clause (i), by striking ''or'' at the end;

(2) in clause (ii), by striking the period and inserting ''; or''; and

(3) by adding at the end the following:

''(iii) the effects of the drug and the listed drug do not show a significant difference based on tests (other than tests that assess rate and extent of absorption), including comparative pharmacodynamic studies, limited confirmation studies, or in vitro methods, that demonstrate that no significant differences in therapeutic effects of active or inactive ingredients are expected.''.

SEC. 5. ACCELERATED GENERIC DRUG COMPETITION.

(a) IN GENERAL.—Section 505(j)(5) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355(j)(5)) is amended—

(1) in subparagraph (B)(iv), by striking subclause (II) and inserting the following:

''(II) the date of a final decision of a court in an action described in clause (ii) from which no appeal can or has been taken, or the date of a settlement order or consent decree signed by a Federal judge, that enters a final judgement, and includes a finding that the relevant patents that are the subject of the certification involved are invalid or not infringed, whichever is earlier,'';

(2) by redesignating subparagraphs (C) and (D) as subparagraphs (D) and (E), respectively; and

(3) by inserting after subparagraph (B), the following:

''(C) The one-hundred and eighty day period described in subparagraph (B)(iv) shall become available to the next applicant submitting an application containing a certification described in paragraph (2)(A)(vii)(IV) if the previous applicant fails to commence commercial marketing of its drug product once its application is made effective, withdraws its application, or amends the certification from a certification under subclause (IV) to a certification under subclause (III) of such paragraph, either voluntarily or as a result of a settlement or defeat in patent litigation.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall only be effective with respect to an application filed under section 505(j) of the Federal Food, Drug, Cosmetic Act for a listed drug for which no certification pursuant to 505(j)(2)(A)(vii)(IV) of such Act was made prior to the date of enactment of this Act.

SEC. 6. SENSE OF CONGRESS.

It is the sense of Congress that measures should be taken to effectuate the purpose of the Drug Price Competition and Patent Term Restoration Act of 1984 (referred to in this section as the ''Hatch-Waxman Act'') to make generic drugs more available and accessible, and thereby reduce health care costs, including measures that require manufacturers of a drug for which an application is approved under section 505(c) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 255(c)) desiring to extend a patent of such drug to utilize the patent extension procedure provided under the Hatch-Waxman Act.

SEC. 7. CONFORMING AMENDMENTS.

(a) APPLICATIONS.—Section 505 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355) is amended—

(1) in subsection (b)(3), in subparagraphs (A) and (C), by striking ''paragraph (2)(A)(iv)'' and inserting ''paragraph (2)'';

(2) in subsection (c)(3)—

(A) in subparagraph (A), by striking ''clause (i) or (ii) of subsection (b)(2)(A)'' and inserting ''subparagraph (A) or (B) of subsection (b)(2)'';

(B) in subparagraph (B), by striking ''clause (iii) of subsection (b)(2)(A)'' and all that follows through the period and inserting ''subparagraph (C) of subsection (b)(2), the approval may be made effective on the date certified under subparagraph (C).'';

(C) in subparagraph (C), by striking ''clause (iv) of subsection (b)(2)(A)'' and inserting ''subparagraph (D) of subsection (b)(2)''; and

(D) in subparagraph (D)(ii), by striking ''clause (iv) of subsection (b)(2)(A)'' and inserting ''subparagraph (D) of subsection (b)(2)''; and

(3) in subsection (j), in paragraph (2)(A), in the matter following clause (vii)(IV), by striking ''clauses (i) through (viii)'' and inserting ''clauses (i) through (vii)''.

(b) PEDIATRIC STUDIES OF DRUGS.—Section 505A of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355a) is amended—

(1) in subsection (a)(2)—

(A) in clause (i) of subparagraph (A), by striking ''(b)(2)(A)(ii)'' and inserting ''(b)(2)'';

(B) in clause (ii) of subparagraph (A), by striking ''(b)(2)(A)(iii)'' and inserting ''(b)(2)''; and

(C) in subparagraph (B), by striking ''subsection (b)(2)(A)(iv)'' and inserting ''subsection (b)(2)''; and

(2) in subsection (c)(2)—

(A) in clause (i) of subparagraph (A), by striking ''(b)(2)(A)(ii)'' and inserting ''(b)(2)'';

(B) in clause (ii) of subparagraph (A), by striking ''(b)(2)(A)(iii)'' and inserting ''(b)(2)''; and

(C) in subparagraph (B), by striking ''subsection (b)(2)(A)(iv)'' and inserting ''subsection (b)(2)''.

(c) DEFINITION.—Section 201 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321) is amended by adding at the end the following:

''(kk) For purposes of the references to court decisions in clauses (i) and (iii) of section 505(c)(3)(C) and clauses (iii)(I), (iii)(III) of section 505(j)(5)(B), the term 'the court' means the court that enters final judgment from which no appeal (not including a writ of certiorari) can or has been taken.''.

By Mr. SMITH of Oregon (for himself and Mr. WYDEN):

S. 3052. A bill to designate wilderness areas and a cooperative management and protection area in the vicinity of Steens Mountain in Harney County, Oregon, and for other purposes; to the Committee on Energy and Natural Resources.

STEENS MOUNTAIN WILDERNESS ACT OF 2000

Mr. WYDEN. Mr. President, today I join my friend from Oregon, Senator SMITH, in the introduction of the Steens Mountain Wilderness Act of 2000. Located in southeastern Oregon, Steens Mountain is, in the words of Oregon environmentalist, Andy Kerr, ''an ecological island in the sky.'' Rising a mile above the desert floor, Steens Mountain actually creates its own weather patterns. Though we from Oregon are blessed to have it located

within our state boundary, it is truly a National natural treasure.

Some have wondered why any legislative action at all is needed to protect the Steens. They say the Steens has been there a long time and is doing just fine. Why not just leave it alone?

There are three reasons why inaction at this time is an unacceptable choice.

First, there are many landowners today in the Steens with a commitment to protect this ecological treasure. There is no assurance that this will always be the case.

Second, our federal land agencies are now committed to protecting the natural ecology of the Steens. There is no assurance that this will always be the case.

Third, the Steens includes many wilderness study areas. We now have the opportunity to begin resolving the status of these lands that have been in limbo for twenty years. There is no assurance that Oregon's future elected officials, working with all concerned parties, will ever again have such a unique opportunity to address this contentious issue.

The fact of the matter is that protecting the ecological health of the Steens isn't going to happen by osmosis. It has taken the hard work of the Oregon Congressional delegation, Governor Kitzhaber, Secretary Babbitt and numerous staff and private citizens of Oregon to get this legislation where it is today. It will take a bit more hard work to get a Senate-passed bill.

It is my task, as a United States Senator, to move this legislation forward through the committee hearing and Senate floor processes. In that context, this bill will most likely have to be fine-tuned to accommodate additional concerns. I look forward to working with all my colleagues to see that this bill is passed before the lights go down on the 106th Congress. But one major aspect of this bill can never change: the protections for the ecological treasure that is the Steens will be put in place while we also preserve the important historical ranching culture that thrives there.

There have been issues raised about the valuation of the land exchanges that make the adoption of over 170,000 acres of wilderness possible in this bill. Let me make it perfectly clear that this bill should stand or fall on whether there is significant public value at the end of the day. I believe the Senate will find that the expenditures authorized by this legislation purchase the sum of a greater public value than can be accounted for by its individual parts. I will continue to work to assure that this legislation achieves the greatest environmental good possible.

By Mr. THOMAS:

S. 3053. A bill to prohibit commercial air tour operations over national parks within the geographical area of the greater Yellowstone ecosystem; to the Committee on Energy and Natural Resources.

THE YELLOWSTONE AND TETON SCENIC OVERFLIGHT EXCLUSION ACT OF 2000

Mr. THOMAS. Mr. President, I rise today to introduce legislation to protect two crown jewels of the National Park Service, Yellowstone and Grand Teton National Parks.

Specifically, the ''Yellowstone and Teton Scenic Overflight Exclusion Act of 2000'' would prohibit all scenic flights—both fixed wing and helicopter—over these two parks. A recent proposal for scenic helicopter tours near Grand Teton Park has many in this area of Wyoming concerned about the tranquility of Yellowstone and Teton parks. In fact, the proposal has evoked strong opposition by citizens in the area and over 4,500 people have signed a petition in support of banning these tours.

We need to protect the resources and values of these parks in the interest of all who visit and enjoy these national treasures—today and for future generations. Every visitor should have the opportunity to enjoy the tranquil sounds of nature unimpaired in these parks.

I don't take the idea of legislation lightly. I am aware that the recently passed National Parks Air Tour management Act provides a process that attempts to address scenic overflight operations. But this area of the country is unique and therefore requires quick and decisive action. For example, the proposed commercial air tour operations originate from the Jackson Hole Airport, the only airport in the continental United States that is entirely within a national park. Consequently, every time a commercial air tour operation takes off or lands, it is flying through Grand Teton National Park. Further, commercial air tour operations by their nature fly passengers purposefully over the parks, at low altitudes, at frequent intervals and often to the very locations and attractions favored by ground-based visitors. These threats to the enjoyment of these two parks require banning commercial air tour operations in the area.

It is my hope that this legislation can be enacted quickly to ensure the preservation of natural quiet and provide the assurance that visitors can enjoy the sounds of nature at Grand Teton and Yellowstone national parks.

By Mr. LUGAR (for himself, Mr. HARKIN, Mr. CRAIG, Mr. LEAHY, Mr. MCCONNELL, Mr. KERREY, and Mr. GRASSLEY):

S. 3054. A bill to amend the Richard B. Russell National School Lunch Act to reauthorize the Secretary of Agriculture to carry out pilot projects to increase the number of children participating in the summer food service program for children; to the Committee on Agriculture, Nutrition, and Forestry.

SUMMER MEALS FOR POOR CHILDREN

Mr. LUGAR. Mr. President, I rise today to introduce legislation to improve the summer food service program, which provides summer meals to poor children.

On an average school day in 1999, nearly 27 million children received lunches supported by the national school lunch program. Of that total, over 15 million of these children were poor. Over 7 million children participated in the school breakfast program and more than 6 million of these children were poor. These statistics clearly show that the American people are generous and compassionate regarding the nutritional status of our children, especially poor children who may not have access to enough food at home.

However, most of these poor children lose access to school lunches and breakfasts once the school year is over. The Federal Government does have programs to provide summer meals, but only about 22 percent of the poor children who get a school lunch also get a summer meal. Common sense tells us that children's hunger does not go on vacation at the end of the school year.

Basically, children can receive federally subsidized summer meals in 2 ways: through the summer food service program; or, if they are in summer school or year-round school, through the regular national school lunch and school breakfast programs.

Summer school and year-round school students can get the regular school lunch and breakfast programs. Just as in the regular school year, students can receive free, reduced price or full price meals, depending upon their families' income. In July 1999, 1.1 million children received free or reduced price meals this way.

The summer food service program was created to provide summer meals for children who are not in summer school or year-round school. The establishment of a summer food service program site depends upon a local entity agreeing to operate a site. At the local level, the summer food service program (SFSP) is run by approved sponsors, including school districts, local government agencies, camps, private nonprofit organizations or post-secondary schools sponsoring NCAA National Youth Sports Programs. Sponsors provide free meals to a group of children at a central site, such as a school or a community center or at satellite sites, such as playgrounds. Sponsors receive payments from USDA, through their State agencies, for the documented food costs of the meals they serve and for their documented operating costs.

The program is targeted toward serving poor children. States approve SFSP meal sites as open, enrolled, or camp sites. Open sites operate in low-income area where at least half of the children come from families with incomes at or below 185 percent of the Federal poverty level, making them eligible for free and reduced-price meals. Meals and snacks are served free to any child at the open site.

Enrolled sites provide free meals to all children enrolled in an activity program at the site if at least half of them are eligible for free and reduced-price

meals. Camps may also participate in SFSP. They receive payments only for the meals served to children who are eligible for free and reduced-price school meals.

At most sites, children receive either one or two reimbursable meals or a meal and a snack each day. Camps and sites that primarily serve migrant children may be approved to serve up to three meals to each child, each day.

Participation in the SFSP and the summer portion of the school lunch program varies widely by State. Comparing the number of low-income children in summer programs to the number who get free and reduced price meals during the regular school year gives a reasonable measure of how well the summer meal needs of low-income children are being met. According to the most recent data supplied by USDA, only about 22 percent of those children who received a regular school lunch also received a summer meal. Again according to USDA, participation ranges from over 53 percent in the District of Columbia to under 3 percent in Alaska. My home state of Indiana serves under 10 percent of these children.

In August, I visited the successful summer feeding program implemented this year by the New Albany-Floyd County Consolidated School Corporation in Indiana. I discussed with community leaders ideas to encourage more participation in the program throughout my home state.

Mr. President, hunger does not take a summer vacation. We need to examine new means of encouraging local entities to agree to offer the summer food service program in poor areas. In talking with program experts, a recurring problem they mentioned regarding the decision to enter the program was the amount of paperwork necessary to gain USDA approval.

That is why we propose today legislation to provide a targeted method of increasing participation in those states with very low participation. This method will be tested for a few years to see if it is effective and, thus, should be extended to all states.

Under current SFSP law, sponsors get a food cost reimbursement and an administrative reimbursement of the amounts that they document, up to a maximum amount. Based on the most recent data available, SFSP sponsors document costs sufficient to receive the maximum reimbursement over 90 percent of the time. Some institutions (e.g., schools, parks departments) may not offer the SFSP because they do not want to put up with the administrative burden of documenting all their costs in a manner acceptable to USDA. Under the regular school lunch program, schools do not have to document their costs, but instead automatically receive their meal reimbursements. The extra paperwork burden of documenting all their costs may discourage sponsors from offering summer meals. Public sponsors, such as schools and parks departments, have to meet public accounting standards that make it unlikely that money meant for child nutrition could be siphoned off and used for unlawful purposes.

My bill would establish a pilot project to reduce the paperwork required of schools and other public institutions (like parks departments) to run a summer food service program, and thus, hopefully, encourage more sponsors to join the program and offer summer meals. The bill would allow, in low participation states, public sponsors to automatically receive the maximum reimbursement for both food costs and administrative costs. In this way, the SFSP would be identical to the school lunch program.

Low participation states would be defined as those states where the number of children receiving summer meals (compared to the number receiving free or reduced price lunches during the school year) was less than half the national average participation in the summer meals programs (compared to the number receiving free or reduced price lunches during the school year). This pilot program would run for 3 years, FY 01 to FY 03.

USDA would be required to study whether reducing the paperwork burden increased participation in the program. USDA would also be required to study whether meal quality or program integrity was affected by removing the requirement for sponsors to document their spending. Results of the study will be available for the 2003 child nutrition reauthorization.

I urge my colleagues to support this legislation.

By Mr. JOHNSON (for himself and Mr. HUTCHINSON):

S. 3055. A bill to amend title XVIII of the Social Security Act to revise the payments for certain physician pathology services under the medicare program; to the Committee on Finance.

PHYSICIAN PATHOLOGY SERVICES FAIR PAYMENT ACT OF 2000

Mr. JOHNSON. Mr. President, I rise on behalf of myself and my colleague, Senator HUTCHINSON, to introduce the ''Physician Pathology Services Fair Payment Act of 2000.'' This important legislation allows independent laboratories to continue to receive direct payments from Medicare for the technical component of pathology services provided to hospital inpatients and outpatients. This bill encompasses both the inpatient and outpatient technical components in a comprehensive manner than will allow Congress to address both of these pressing issues in a single legislative vehicle.

As you know, many hospitals, particularly small and rural hospitals, make arrangements with independent laboratories to provide physician pathology services for their patients. They do so because these hospitals typically lack the patient volume or funds to sustain an in-house pathology department. Yet, if the hospitals are to continue to provide surgery services in the local community, Medicare requires them to provide, directly or under arrangements, certain physician pathology services. Without these arrangements, patients may have to travel far from home to have surgery performed.

Recently, HCFA delayed implementation of new inpatient and outpatient technical component (TC) reimbursement rules until January 1, 2001. However, many providers esepectially those in rural or medically underserved areas, remain concerned that the new rules will impose burdensome costs and administrative requirements on hospitals and independent laboratories that have operated in good faith under the prior policy. For hospitals and independent laboratories that have operated in good faith under the prior policy. For hospitals and independent laboratories with existing arrangements, changing the way Medicarepays for the TC physician pathology services provided to hospitals is likely to strain already scarce resources by creating new costs that cannot be easily absorbed. For the first time, independent laboratories will have to generate two bills—one for the technical components to the hospital and onother to Medicare for the professional components. Since each laboratory may serve five, ten or more hospitals, these separate billings will be costly and complicated.

The ''Physician Pathology Services Fair Payment Act of 2000'' is essential to the many communities in my home state of South Dakota, and across the country, who rely on the continued presence of pathology services to retain a high-quality health care delivery system that is both responsive and accessible to each and every individual requiring these services. Pathologists provide an extremely powerful and valuable resource to these communities and the ''Physician Pathology Services Fair Payment Act of 2000'' will ensure that these health care professionals continue to positively impact the lives of not only South Dakotans but the lieves of millions of Americans who utilize these services without perhaps even knowing the critical role that they play in our health care delivery system.

Mr. President, I ank unanimous consent that the complete text of the bill be printed in the RECORD.

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

S. 3055

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Physician Pathology Services Fair Payment Act of 2000''.

SEC. 2. TREATMENT OF CERTAIN PHYSICIAN PATHOLOGY SERVICES UNDER MEDICARE.

(a) IN GENERAL.—Notwithstanding any other provision of law, when an independent laboratory, under a grandfathered arrangement with a hospital, furnishes the technical

component of a physician pathology service with respect to—

(1) an inpatient fee-for-service medicare beneficiary, such component shall be treated as a service for which payment shall be made to the laboratory under section 1848 of the Social Security Act (42 U.S.C. 1395w–4) and not as an inpatient hospital service for which payment is made to the hospital under section 1886(d) of such Act (42 U.S.C. 1395ww(d)); and

(2) an outpatient fee-for-service medicare beneficiary, such component shall be treated as a service for which payment shall be made to the laboratory under section 1848 of such Act (42 U.S.C. 1395w–4) and not as a hospital outpatient service for which payment is made to the hospital under the prospective payment system under section 1834(t) of such Act (42 U.S.C. 1395l(d)).

(b) DEFINITIONS.—For purposes of this section:

(1) GRANDFATHERED ARRANGEMENT.—The term ''grandfathered arrangement'' means an arrangement between an independent laboratory and a hospital—

(A) that was in effect as of July 22, 1999, even if such arrangement is subsequently renewed; and

(B) under which the laboratory furnishes the technical component of physician pathology services with respect to patients of the hospital and submits a claim for payment for such component to a medicare carrier (and not to the hospital).

(2) INPATIENT FEE-FOR-SERVICE MEDICARE BENEFICIARY.—The term ''inpatient fee-for-service medicare beneficiary'' means an individual who—

(A) is an inpatient of the hospital involved;

(B) is entitled to benefits under part A of title XVIII of the Social Security Act (42 U.S.C. 1395c et seq.); and

(C) is not enrolled in—

(i) a Medicare+Choice plan under part C of such Act (42 U.S.C. 1395w–21 et seq.);

(ii) a plan offered by an eligible organization under section 1876 of such Act (42 U.S.C. 1395mm); or

(iii) a medicare managed care demonstration project.

(3) OUTPATIENT FEE-FOR-SERVICE MEDICARE BENEFICIARY.—The term ''outpatient fee-for-service medicare beneficiary'' means an individual who—

(A) is an outpatient of the hospital involved;

(B) is enrolled under part B of title XVIII of the Social Security Act (42 U.S.C. 1395j et seq.); and

(C) is not enrolled in—

(i) a plan or project described in paragraph (2)(C); or

(ii) a health care prepayment plan under section 1833(a)(1)(A) of such Act (42 U.S.C. 1395l(a)(1)(A)).

(4) MEDICARE CARRIER.—The term ''medicare carrier'' means an organization with a contract under section 1842 of the Social Security Act (42 U.S.C. 1395u).

(c) EFFECTIVE DATE.—This section shall apply to services furnished on or after July 22, 1999.

ADDITIONAL COSPONSORS

S. 922

At the request of Mr. ABRAHAM, the names of the Senator from West Virginia (Mr. ROCKEFELLER), the Senator from Illinois (Mr. DURBIN), the Senator from California (Mrs. BOXER), the Senator from Maryland (Ms. MIKULSKI), and the Senator from California (Mrs. FEINSTEIN) were added as cosponsors of S. 922, a bill to prohibit the use of the ''Made in the USA'' label on products of the Commonwealth of the Northern Mariana Islands and to deny such products duty-free and quota-free treatment.

S. 1155

At the request of Mr. ROBERTS, the name of the Senator from Utah (Mr. HATCH) was added as a cosponsor of S. 1155, a bill to amend the Federal Food, Drug, and Cosmetic Act to provide for uniform food safety warning notification requirements, and for other purposes.

S. 1277

At the request of Mr. GRASSLEY, the names of the Senator from Nevada (Mr. BRYAN) and the Senator from Tennessee (Mr. FRIST) were added as cosponsors of S. 1277, a bill to amend title XIX of the Social Security Act to establish a new prospective payment system for Federally-qualified health centers and rural health clinics.

S. 1369

At the request of Mr. L. CHAFEE, his name was added as a cosponsor of S. 1369, a bill to enhance the benefits of the national electric system by encouraging and supporting State programs for renewable energy sources, universal electric service, affordable electric service, and energy conservation and efficiency, and for other purposes.

S. 1536

At the request of Mr. DEWINE, the names of the Senator from Tennessee (Mr. FRIST), the Senator from Montana (Mr. BURNS), and the Senator from Pennsylvania (Mr. SANTORUM) were added as cosponsors of S. 1536, a bill to amend the Older Americans Act of 1965 to extend authorizations of appropriations for programs under the Act, to modernize programs and services for older individuals, and for other purposes.

S. 1810

At the request of Mrs. MURRAY, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. 1810, a bill to amend title 38, United States Code, to clarify and improve veterans' claims and appellate procedures.

S. 1874

At the request of Mr. GRAHAM, the names of the Senator from Kentucky (Mr. BUNNING) and the Senator from Colorado (Mr. CAMPBELL) were added as cosponsors of S. 1874, a bill to improve academic and social outcomes for youth and reduce both juvenile crime and the risk that youth will become victims of crime by providing productive activities conducted by law enforcement personnel during non-school hours.

S. 1902

At the request of Mrs. FEINSTEIN, the name of the Senator from Massachusetts (Mr. KENNEDY) was added as a cosponsor of S. 1902, a bill to require disclosure under the Freedom of Information Act regarding certain persons and records of the Japanese Imperial Army in a manner that does not impair any investigation or prosecution conducted by the Department of Justice or certain intelligence matters, and for other purposes.

S. 1938

At the request of Mr. CRAIG, the name of the Senator from Washington (Mr. GORTON) was added as a cosponsor of S. 1938, a bill to provide for the return of fair and reasonable fees to the Federal Government for the use and occupancy of National Forest System land under the recreation residence program, and for other purposes.

S. 1957

At the request of Mr. SCHUMER, the names of the Senator from Illinois (Mr. DURBIN) and the Senator from West Virginia (Mr. ROCKEFELLER) were added as cosponsors of S. 1957, a bill to provide for the payment of compensation to the families of the Federal employees who were killed in the crash of a United States Air Force CT–43A aircraft on April 3, 1996, near Dubrovnik, Croatia, carrying Secretary of Commerce Ronald H. Brown and 34 others.

S. 2018

At the request of Mrs. HUTCHISON, the names of the Senator from Tennessee (Mr. FRIST) and the Senator from Utah (Mr. HATCH) were added as cosponsors of S. 2018, a bill to amend title XVIII of the Social Security Act to revise the update factor used in making payments to PPS hospitals under the medicare program.

S. 2225

At the request of Mr. GRASSLEY, the name of the Senator from Montana (Mr. BURNS) was added as a cosponsor of S. 2225, a bill to amend the Internal Revenue Code of 1986 to allow individuals a deduction for qualified long-term care insurance premiums, use of such insurance under cafeteria plans and flexible spending arrangements, and a credit for individuals with long-term care needs.

S. 2274

At the request of Mr. GRASSLEY, the name of the Senator from Georgia (Mr. MILLER) was added as a cosponsor of S. 2274, a bill to amend title XIX of the Social Security Act to provide families and disabled children with the opportunity to purchase coverage under the medicaid program for such children.

S. 2394

At the request of Mr. MOYNIHAN, the name of the Senator from Missouri (Mr. ASHCROFT) was added as a cosponsor of S. 2394, a bill to amend title XVIII of the Social Security Act to stabilize indirect graduate medical education payments.

S. 2434

At the request of Mr. L. CHAFEE, the names of the Senator from Georgia (Mr. CLELAND) and the Senator from Texas (Mr. GRAMM) were added as cosponsors of S. 2434, a bill to provide that amounts allotted to a State under section 2401 of the Social Security Act for each of fiscal years 1998 and 1999

shall remain available through fiscal year 2002.

S. 2443

At the request of Mr. DURBIN, the name of the Senator from New Jersey (Mr. TORRICELLI) was added as a cosponsor of S. 2443, a bill to increase immunization funding and provide for immunization infrastructure and delivery activities.

S. 2640

At the request of Mrs. BOXER, the name of the Senator from Montana (Mr. BURNS) was added as a cosponsor of S. 2640, a bill to amend title 38, United States Code, to permit Department of Veterans Affairs pharmacies to dispense medications to veterans for prescriptions written by private practitioners, and for other purposes.

S. 2688

At the request of Mr. INOUYE, the names of the Senator from Nevada (Mr. BRYAN) and the Senator from South Dakota (Mr. DASCHLE) were added as cosponsors of S. 2688, a bill to amend the Native American Languages Act to provide for the support of Native American Language Survival Schools, and for other purposes.

S. 2733

At the request of Mr. KERRY, the name of the Senator from New Jersey (Mr. TORRICELLI) was added as a cosponsor of S. 2733, a bill to provide for the preservation of assisted housing for low income elderly persons, disabled persons, and other families.

S. 2747

At the request of Mr. L. CHAFEE, the name of the Senator from New Jersey (Mr. TORRICELLI) was added as a cosponsor of S. 2747, a bill to expand the Federal tax refund intercept program to cover children who are not minors.

S. 2781

At the request of Mr. LEAHY, the name of the Senator from Arkansas (Mrs. LINCOLN) was added as a cosponsor of S. 2781, a bill to amend the Internal Revenue Code of 1986 to provide that a deduction equal to fair market value shall be allowed for charitable contributions of literary, musical, artistic, or scholarly compositions created by the donor.

S. 2841

At the request of Mr. ROBB, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 2841, a bill to ensure that the business of the Federal Government is conducted in the public interest and in a manner that provides for public accountability, efficient delivery of services, reasonable cost savings, and prevention of unwarranted Government expenses, and for other purposes.

S. 2858

At the request of Mr. GRAMS, the name of the Senator from Minnesota (Mr. WELLSTONE) was added as a cosponsor of S. 2858, a bill to amend title XVIII of the Social Security Act to ensure adequate payment rates for ambulance services, to apply a prudent layperson standard to the determination of medical necessity for emergency ambulance services, and to recognize the additional costs of providing ambulance services in rural areas.

S. 2879

At the request of Ms. COLLINS, the name of the Senator from New York (Mr. SCHUMER) was added as a cosponsor of S. 2879, a bill to amend the Public Health Service Act to establish programs and activities to address diabetes in children and youth, and for other purposes.

S. 2938

At the request of Mr. BROWNBACK, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. 2938, a bill to prohibit United States assistance to the Palestinian Authority if a Palestinian state is declared unilaterally, and for other purposes.

S. 2976

At the request of Mrs. FEINSTEIN, the name of the Senator from Rhode Island (Mr. L. CHAFEE) was added as a cosponsor of S. 2976, a bill to amend title XXI of the Social Security Act to allow States to provide health benefits coverage for parents of children eligible for child health assistance under the State children's health insurance program.

S. 2987

At the request of Mr. ROBERTS, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. 2987, a bill to amend title XVIII of the Social Security Act to promote access to health care services in rural areas, and for other purposes.

S. 2997

At the request of Mr. KERRY, the name of the Senator from New York (Mr. SCHUMER) was added as a cosponsor of S. 2997, a bill to establish a National Housing Trust Fund in the Treasury of the United States to provide for the development of decent, safe, and affordable housing for low-income families.

S. 3003

At the request of Mr. ASHCROFT, the name of the Senator from Kansas (Mr. BROWNBACK) was added as a cosponsor of S. 3003, a bill to preserve access to outpatient cancer therapy services under the medicare program by requiring the Health Care Financing Administration to follow appropriate procedures and utilize a formal nationwide analysis by the Comptroller General of the United States in making any changes to the rates of reimbursement for such services.

S. 3007

At the request of Mrs. FEINSTEIN, the names of the Senator from Nevada (Mr. REID), the Senator from Illinois (Mr. DURBIN), and the Senator from Montana (Mr. BAUCUS) were added as cosponsors of S. 3007, a bill to provide for measures in response to a unilateral declaration of the existence of a Palestinian state.

S. 3020

At the request of Mr. GRAMS, the name of the Senator from Wyoming (Mr. THOMAS) was added as a cosponsor of S. 3020, a bill to require the Federal Communications Commission to revise its regulations authorizing the operation of new, low-power FM radio stations.

S. CON. RES. 130

At the request of Mr. ABRAHAM, the names of the Senator from Alaska (Mr. STEVENS) and the Senator from Rhode Island (Mr. L. CHAFEE) were added as cosponsors of S. Con. Res. 130, concurrent resolution establishing a special task force to recommend an appropriate recognition for the slave laborers who worked on the construction of the United States Capitol.

S. RES. 330

At the request of Mr. INHOFE, the names of the Senator from Massachusetts (Mr. KERRY), the Senator from Nebraska (Mr. KERREY), the Senator from Washington (Mrs. MURRAY), and the Senator from Oklahoma (Mr. NICKLES) were added as cosponsors of S. Res. 330, a resolution designating the week beginning September 24, 2000, as ''National Amputee Awareness Week.''

S. RES. 342

At the request of Mr. THURMOND, the names of the Senator from Idaho (Mr. CRAIG), the Senator from Ohio (Mr. DEWINE), the Senator from Tennessee (Mr. FRIST), the Senator from Vermont (Mr. JEFFORDS), the Senator from Louisiana (Ms. LANDRIEU), the Senator from Oklahoma (Mr. NICKLES), the Senator from New York (Mr. SCHUMER), the Senator from Alabama (Mr. SESSIONS), the Senator from Oregon (Mr. SMITH), the Senator from Pennsylvania (Mr. SPECTER), the Senator from Arkansas (Mr. HUTCHINSON), the Senator from Kentucky (Mr. BUNNING), the Senator from New Jersey (Mr. LAUTENBERG), the Senator from Idaho (Mr. CRAPO), the Senator from Pennsylvania (Mr. SANTORUM), the Senator from Colorado (Mr. CAMPBELL), the Senator from Delaware (Mr. BIDEN), the Senator from Massachusetts (Mr. KERRY), the Senator from Texas (Mrs. HUTCHISON), and the Senator from Mississippi (Mr. LOTT) were added as cosponsors of S. Res. 342, a resolution designating the week beginning September 17, 2000, as ''National Historically Black Colleges and Universities Week.''

S. RES. 353

At the request of Mr. HATCH, his name was added as a cosponsor of S. Res. 353, a resolution designating October 20, 2000, as ''National Mammography Day.''

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 an oversight hearing has been scheduled before the Committee on Energy and Natural Resources.

The hearing will take place on Wednesday, September 20, 2000 at 10:00

a.m. (immediately following the scheduled markup) in room SD–366 of the Dirksen Senate Office Building in Washington, DC.

The purpose of this hearing is to receive testimony on the current outlook for supply of heating and transportation fuels this winter.

For further information, please call Dan Kish at (202) 224–8276 or Jo Meuse (202) 224–4756.

SUBCOMMITTEE ON FORESTS AND PUBLIC LAND MANAGEMENT

Mr. CRAIG. Mr. President, I would like to announce for the public that a hearing has been scheduled before the Subcommittee on Forests and Public Land Management of the Committee on Energy and Natural Resources.

The hearing will take place on Saturday, September 23, 2000 at 10:00 a.m. at City Hall, 200 Main St., Salmon, Idaho.

The purpose of this hearing is to conduct oversight on the Summer 2000 wildfires.

Those who wish to submit written statements should write to the Committee on Energy and Natural Resources, U.S. Senate, Washington, D.C. 20510. For further information, please call Mark Rey at (202) 224–6170.

SUBCOMMITTEE ON FORESTS AND PUBLIC LAND MANAGEMENT

Mr. CRAIG. Mr. President, I would like to announce for the public that a hearing has been scheduled before the Subcommittee on Forests and Public Land Management of the Committee on Energy and Natural Resources.

The hearing will take place on Friday, September 22, 2000 at 2:00 p.m. at Montana State University, Billings, in the Petro Theater, 1500 N. 30th St., Billings, Montana.

The purpose of this hearing is to conduct oversight on the Summer 2000 wildfires.

Those who wish to submit written statements should write to the Committee on Energy and Natural Resources, U.S. Senate, Washington, D.C. 20510. For further information, please call Mark Rey at (202) 224–6170.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON COMMERCE, SCIENCE AND TRANSPORTATION

Mr. BROWNBACK. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet on Thursday, September 14, 2000, at 9:30 a.m. on air traffic control.

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

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BROWNBACK. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Thursday, September 14 at 9:30 a.m. to conduct an oversight hearing. The committee will receive testimony on the transportation of Alaska North Slope natural gas to market and to investigate the cost, environmental aspects and energy security implications to Alaska and the rest of the nation for alternative routes and projects.

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

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. BROWNBACK. Mr. President, I ask unanimous consent that the Committee on Environment and Public Works be authorized to meet during the session of the Senate on Thursday, September 14, at 9:30 a.m. to conduct an informational hearing on the nomination of Major General Robert B. Flowers, nominated by the President to be Chief of Engineers, the Department of the Army.

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

COMMITTEE ON INDIAN AFFAIRS

Mr. BROWNBACK. Mr. President, I ask unanimous consent that the Committee on Indian Affairs be authorized to mark up the following bills in a business meeting to be held directly following the hearing on S. 2899, a bill to express the policy of the United States regarding the United States' relationship with Native Hawaiians, on September 14, 2000, at 3:30 p.m. in room 485 Senate Russell Office Building: S. 1840, the California Indian Land Transfer Act, and S. 2665, a bill to establish a streamlined process to enable the Navajo Nation to lease trust lands without having to obtain the approval of the Secretary of the Interior of individual leases, except leases for exploration, development, or extraction of any mineral resources. These two bills for mark-up are in addition to the others previously announced which were: S. 2920, a bill to amend the Indian Gaming Regulatory Act, S. 2688, a bill to amend the Native American Languages Act, and S. 2899, a bill to express the policy of the United States regarding the United States' relationship with Native Hawaiians.

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

COMMITTEE ON SMALL BUSINESS

Mr. BROWNBACK. Mr. President, I ask unanimous consent that the Committee on Small Business be authorized to meet during the session of the Senate on Thursday, September 14, 2000, beginning at 1:00 p.m. in room 628 of the Dirksen Senate Office Building to hold a hearing entitled ''Slotting Fees: Are Family Farmers Fighting to Stay on the Farm and in the Grocery Store?''

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

SUBCOMMITTEE ON FISHERIES, WILDLIFE, AND WATER

Mr. BROWNBACK. Mr. President, I ask unanimous consent that the Subcommittee on Fisheries, Wildlife, and Water be authorized to meet during the session of the Senate on Thursday, September 14, 2000, at 1:00 p.m. to conduct a hearing to receive testimony on the Draft Biological Opinions by the National Marine Fisheries Service and U.S. Fish and Wildlife Service on the operation of the Federal Columbia River Power System and the Federal Caucus draft Basinwide Salmon Recovery Strategy.

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

SUBCOMMITTEE ON INTERNATIONAL OPERATIONS

Mr. BROWNBACK. Mr. President, I ask unanimous consent that the Subcommittee on International Operations of the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, September 14, 2000, at 9:00 a.m. to hold a hearing.

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

SUBCOMMITTEE ON INTERNATIONAL SECURITY, PROLIFERATION, AND FEDERAL SERVICES

Mr. THOMPSON. Mr. President, I ask unanimous consent that the Governmental Affairs Subcommittee on International Security, Proliferation, and Federal Services be authorized to meet during the session of the Senate on Thursday, September 14, 2000, at 11:00 a.m. for a hearing on ''The State of Foreign Language Capabilities in the Federal Government—Part I''.

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

SUBCOMMITTEE ON NATIONAL PARKS, HISTORIC PRESERVATION AND RECREATION

Mr. BROWNBACK. Mr. President, I ask unanimous consent that the Subcommittee on National Parks, Historic Preservation and Recreation of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Thursday, September 14, at 2:30 p.m. to conduct a hearing. The subcommittee will receive testimony on S. 2749, a bill to establish the California Trail Interpretive Center in Elko, Nevada, to facilitate the interpretation of the history of development and use of trails in the settling of the western portion of the United States; S. 2885, a bill to establish the Jamestown 400th Commemoration Commission, and for other purposes; S. 2950, a bill to authorize the Secretary of the Interior to establish the Sand Creek Massacre National Historic Site in the State of Colorado; S. 2959, a bill to amend the Dayton Aviation Heritage Preservation Act of 1992, and for other purposes; and S. 3000, a bill to authorize the exchange of land between the Secretary of the Interior and the Director of the Central Intelligence Agency at the George Washington Memorial Parkway in McLean, Virginia, and for other purposes.

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

PRIVILEGES OF THE FLOOR

Mr. GRAHAM. Mr. President, I ask unanimous consent that my communications director, Kimberly James, be accorded floor privileges for the remainder of my remarks.

Mr. REID. Mr. President, I ask unanimous consent that Russ Holland, a fellow in my office, be granted floor privileges during the consideration of H.R. 4444.

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

SECURE RURAL SCHOOLS AND COMMUNITY SELF-DETERMINATION ACT OF 2000

On September 13, 2000, the Senate amended and passed S. 1608, as follows:

S. 1608

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Secure Rural Schools and Community Self-Determination Act of 2000''.

(b) Table of Contents.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Findings and purpose.
Sec. 3. Definitions.
Sec. 4. Conforming amendment.

TITLE I—SECURE PAYMENTS FOR STATES AND COUNTIES CONTAINING FEDERAL LANDS

Sec. 101. Determination of full payment amount for eligible States and counties.
Sec. 102. Payments to States from National Forest Service lands for use by counties to benefit public education and transportation.
Sec. 103. Payments to counties from Bureau of Land Management lands for use to benefit public safety, law enforcement, education, and other public purposes.

TITLE II—SPECIAL PROJECTS ON FEDERAL LANDS

Sec. 201. Definitions.
Sec. 202. General limitation on use of project funds.
Sec. 203. Submission of project proposals.
Sec. 204. Evaluation and approval of projects by Secretary concerned.
Sec. 205. Resource advisory committees.
Sec. 206. Use of project funds.
Sec. 207. Availability of project funds.
Sec. 208. Allocation of proceeds.
Sec. 209. Termination of authority.

TITLE III—COUNTY PROJECTS

Sec. 301. Definitions.
Sec. 302. Use of county funds.
Sec. 303. Termination of authority.

TITLE IV—MISCELLANEOUS PROVISIONS

Sec. 401. Authorization of appropriations.
Sec. 402. Treatment of funds and revenues.
Sec. 403. Regulations.
Sec. 404. Conforming amendments.

TITLE V—THE MINERAL REVENUE PAYMENTS CLARIFICATION ACT OF 2000

Sec. 501. Short title.
Sec. 502. Findings.
Sec. 503. Amendment of the Mineral Leasing Act.

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds the following:

(1) The National Forest System, which is managed by the United States Forest Service, was established in 1907 and has grown to include approximately 192,000,000 acres of Federal lands.

(2) The public domain lands known as revested Oregon and California Railroad grant lands and the reconveyed Coos Bay Wagon Road grant lands, which are managed predominantly by the Bureau of Land Management were returned to Federal ownership in 1916 and 1919 and now comprise approximately 2,600,000 acres of Federal lands.

(3) Congress recognized that, by its decision to secure these lands in Federal ownership, the counties in which these lands are situated would be deprived of revenues they would otherwise receive if the lands were held in private ownership.

(4) These same counties have expended public funds year after year to provide services, such as education, road construction and maintenance, search and rescue, law enforcement, waste removal, and fire protection, that directly benefit these Federal lands and people who use these lands.

(5) To accord a measure of compensation to the affected counties for the critical services they provide to both county residents and visitors to these Federal lands, Congress determined that the Federal Government should share with these counties a portion of the revenues the United States receives from these Federal lands.

(6) Congress enacted in 1908 and subsequently amended a law that requires that 25 percent of the revenues derived from National Forest System lands be paid to States for use by the counties in which the lands are situated for the benefit of public schools and roads.

(7) Congress enacted in 1937 and subsequently amended a law that requires that 75 percent of the revenues derived from the revested and reconveyed grant lands be paid to the counties in which those lands are situated to be used as are other county funds, of which 50 percent is to be used as other county funds.

(8) For several decades primarily due to the growth of the Federal timber sale program, counties dependent on and supportive of these Federal lands received and relied on increasing shares of these revenues to provide funding for schools and road maintenance.

(9) In recent years, the principal source of these revenues, Federal timber sales, has been sharply curtailed and, as the volume of timber sold annually from most of the Federal lands has decreased precipitously, so too have the revenues shared with the affected counties.

(10) This decline in shared revenues has affected educational funding and road maintenance for many counties.

(11) In the Omnibus Budget Reconciliation Act of 1993, Congress recognized this trend and ameliorated its adverse consequences by providing an alternative annual safety net payment to 72 counties in Oregon, Washington, and northern California in which Federal timber sales had been restricted or prohibited by administrative and judicial decisions to protect the northern spotted owl.

(12) The authority for these particular safety net payments is expiring and no comparable authority has been granted for alternative payments to counties elsewhere in the United States that have suffered similar losses in shared revenues from the Federal lands and in the funding for schools and roads those revenues provide.

(13) There is a need to stabilize education and road maintenance funding through predicable payments to the affected counties, job creation in those counties, and other opportunities associated with restoration, maintenance, and stewardship of Federal lands.

(14) Both the Forest Service and the Bureau of Land Management face significant backlogs in infrastructure maintenance and ecosystem restoration that are difficult to address through annual appropriations.

(15) There is a need to build new, and strengthen existing, relationships and to improve management of public lands and waters.

(b) PURPOSES.—The purposes of this Act are—

(1) to stabilize and make permanent payments to counties to provide funding for schools and roads;

(2) to make additional investments in, and create additional employment opportunities through, projects that improve the maintenance of existing infrastructure, implement stewardship objectives that enhance forest ecosystems, and restore and improve land health and water quality. Such projects shall enjoy broad-based support with objectives that may include, but are not limited to—

(A) road, trail, and infrastructure maintenance or obliteration;

(B) soil productivity improvement;

(C) improvements in forest ecosystem health;

(D) watershed restoration and maintenance;

(E) restoration, maintenance and improvement of wildlife and fish habitat;

(F) control of noxious and exotic weeds; and

(G) reestablishment of native species; and

(3) to improve cooperative relationships among the people that use and care for Federal lands and the agencies that manage these lands.

SEC. 3. DEFINITIONS.

In this Act:

(1) FEDERAL LANDS.—The term ''Federal lands'' means—

(A) lands within the National Forest System, as defined in section 11(a) of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1609(a)) exclusive of the National Grasslands and land utilization projects designated as National Grasslands administered pursuant to the Act of July 22, 1937 (7 U.S.C. 1010–1012); and

(B) such portions of the revested Oregon and California Railroad and reconveyed Coos Bay Wagon Road grant lands as are or may hereafter come under the jurisdiction of the Department of the Interior, which have heretofore or may hereafter be classified as timberlands, and power-site lands valuable for timber, that shall be managed, except as provided in section 1181c of title 43, United States Code, for permanent forest production.

(2) ELIGIBILITY PERIOD.—The term ''eligibility period'' means fiscal year 1986 through fiscal year 1999.

(3) ELIGIBLE COUNTY.—The term ''eligible county'' means a county that received 50-percent payments for one or more fiscal years of the eligibility period or a county that received a portion of an eligible State's 25-percent payments for one or more fiscal years of the eligibility period. The term includes a county established after the date of the enactment of this Act so long as the county includes all or a portion of a county described in the preceding sentence.

(4) ELIGIBLE STATE.—The term ''eligible State'' means a State that received 25-percent payments for one or more fiscal years of the eligibility period.

(5) FULL PAYMENT AMOUNT.—The term ''full payment amount'' means the amount calculated for each eligible State and eligible county under section 101.

(6) 25-PERCENT PAYMENTS.—The term ''25-percent payments'' means the payments to States required by the sixth paragraph under the heading of ''FOREST SERVICE'' in the Act of May 23, 1908 as amended (16 U.S.C. 500).

(7) 50-PERCENT PAYMENTS.—The term ''50-percent payments'' means the payments that are the sum of the 50-percent share otherwise paid to a county pursuant to title II of the

Act of August 28, 1937 (chapter 876; 50 Stat. 875; 43 U.S.C. 1181f), and the payment made to a county pursuant to the Act of May 24, 1939 (chapter 144; 53 Stat. 753; 43 U.S.C. 1181f–1 et seq.).

(8) SAFETY NET PAYMENTS.—The term ''safety net payments'' means the special payment amounts paid to States and counties required by section 13982 or 13983 of the Omnibus Budget Reconciliation Act of 1993 (Public Law 103–66; 16 U.S.C. 500 note; 43 U.S.C. 1181f note).

SEC. 4. CONFORMING AMENDMENT.

Section 6903(a)(1)(C) of title 31, United States Code, is amended by adding after ''(16 U.S.C. 500)'' the following: ''or the Secure Rural Schools and Community Self-Determination Act of 2000''.

TITLE I—SECURE PAYMENTS FOR STATES AND COUNTIES CONTAINING FEDERAL LANDS

SEC. 101. DETERMINATION OF FULL PAYMENT AMOUNT FOR ELIGIBLE STATES AND COUNTIES.

(a) CALCULATION REQUIRED.—

(1) ELIGIBLE STATES.—For fiscal years 2001 through 2006, the Secretary of the Treasury shall calculate for each eligible State that received a 25-percent payment during the eligibility period an amount equal to the average of the three highest 25-percent payments and safety net payments made to that eligible State for the fiscal years of the eligibility period.

(2) BUREAU OF LAND MANAGEMENT (BLM) COUNTIES.—For fiscal years 2001 through 2006, the Secretary of the Treasury shall calculate for each eligible county that received a 50-percent payment during the eligibility period an amount equal to the average of the three highest 50-percent payments and safety net payments made to that eligible county for the fiscal years of the eligibility period.

(b) ANNUAL ADJUSTMENT.—For each fiscal year in which payments are required to be made to eligible States and eligible counties under this title, the Secretary of the Treasury shall adjust the full payment amount for the previous fiscal year for each eligible State and eligible county to reflect 50 percent of the changes in the consumer price index for rural areas (as published in the Bureau of Labor Statistics) that occur after publication of that index for fiscal year 2000.

SEC. 102. PAYMENTS TO STATES FROM NATIONAL FOREST SYSTEM LANDS FOR USE BY COUNTIES TO BENEFIT PUBLIC EDUCATION AND TRANSPORTATION.

(a) PAYMENT AMOUNTS.—The Secretary of the Treasury shall pay an eligible State the sum of the amounts elected under subsection (b) by each eligible county for either—

(1) the 25-percent payment under the Act of May 23, 1908, as amended (16 U.S.C. 500), or

(2) the full payment amount in place of the 25-percent payment.

(b) ELECTION TO RECEIVE PAYMENT AMOUNT.—(1) The election to receive either the full payment amount or the 25-percent payment shall be made at the discretion of each affected county and transmitted to the Secretary by the Governor of a State.

(2) A county election to receive the 25-percent payment shall be effective for two fiscal years.

(3) When a county elects to receive the full payment amount, such election shall be effective for all the subsequent fiscal years through fiscal year 2006.

(4) The payment to an eligible State under this subsection for a fiscal year shall be derived from any revenues, fees, penalties, or miscellaneous receipts, exclusive of deposits to any relevant trust fund, or special accounts, received by the Federal Government from activities by the Forest Service on the Federal lands described in section 3(1)(A) and to the extent of any shortfall, out of any funds in the Treasury not otherwise appropriated.

(c) DISTRIBUTION AND EXPENDITURE OF PAYMENTS.—

(1) DISTRIBUTION METHOD.—A State that receives a payment under subsection (b) shall distribute the payment among all eligible counties in the State in accordance with the Act of May 23, 1908, as amended.

(2) EXPENDITURE PURPOSES.—Subject to subsection (d), payments received by a State under subsection (b) and distributed to eligible counties shall be expended as required by section 500 of title 16, United States Code.

(d) EXPENDITURE RULES FOR ELIGIBLE COUNTIES.—

(1) IN GENERAL.—If an eligible county elects to receive its share of the full payment amount—

(A) not less than 80 percent but not more than 85 percent of the funds shall be expended in the same manner in which the 25-percent payments are required to be expended; and

(B) at the election of an eligible county, the balance of the funds not expended pursuant to subparagraph (A) shall—

(i) be reserved for projects in accordance with title II;

(ii) be spent in accordance with title III; or

(iii) be returned to the General Treasury in accordance with section 402(b).

(2) DISTRIBUTION OF FUNDS.—(A) Funds reserved by an eligible county under paragraph (1)(B)(i) shall be deposited in a special account in the Treasury of the United States and shall be available for expenditure by the Secretary of Agriculture, without further appropriation, and shall remain available until expended in accordance with title II.

(B) Funds reserved by an eligible county under paragraph (1)(B)(ii) shall be available for expenditure by the county and shall remain available, until expended, in accordance with title III.

(3) ELECTION.—

(A) IN GENERAL.—An eligible county shall notify the Secretary of Agriculture of its election under this subsection not later than September 30 of each fiscal year. If the eligible county fails to make an election by that date, the county is deemed to have elected to expend 85 percent of the funds to be received under subsection (b) in the same manner in which the 25-percent payments are required to be expended, and shall remit the balance to the Treasury of the United States in accordance with section 402(b).

(B) COUNTIES WITH MINOR DISTRIBUTIONS.—Notwithstanding any adjustment made pursuant to section 101 (b) in the case of each eligible county to which less than $100,000 is distributed for any fiscal year pursuant to subsection (b), the eligible county may elect to expend all such funds in accordance with subsection (c)(2).

SEC. 103. PAYMENTS TO COUNTIES FROM BUREAU OF LAND MANAGEMENT LANDS FOR USE TO BENEFIT PUBLIC SAFETY, LAW ENFORCEMENT, EDUCATION, AND OTHER PUBLIC PURPOSES.

(a) PAYMENT.—The Secretary of the Treasury shall pay an eligible county either—

(1) the 50-percent payment under the Act of August 28, 1937, as amended (43 U.S.C. 1181f) or the Act of May 24, 1939 (43 U.S.C. 1181f–1) as appropriate, or

(2) the full payment amount in place of the 50-percent payment.

(b) ELECTION TO RECEIVE PAYMENT AMOUNT.—(1) The election to receive the full payment amount shall be made at the discretion of the county. Once the election is made, it shall be effective for the fiscal year in which the election is made and all subsequent fiscal years through fiscal year 2006.

(2) The payment to an eligible county under this subsection for a fiscal year shall be derived from any revenues, fees, penalties, or miscellaneous receipts, exclusive of deposits to any relevant trust fund, or permanent operating funds, received by the Federal Government from activities by the Bureau of Land Management on the Federal lands described in section 3(1)(B) and to the extent of any shortfall, out of any funds in the Treasury not otherwise appropriated.

(c) EXPENDITURE RULES FOR ELIGIBLE COUNTIES.—

(1) IN GENERAL.—Of the funds to be paid to an eligible county pursuant to subsection (b)—

(A) not less than 80 percent but not more than 85 percent of the funds distributed to the eligible county shall be expended in the same manner in which the 50-percent payments are required to be expended; and

(B) at the election of an eligible county, the balance of the funds not expended pursuant to subparagraph (A) shall—

(i) be reserved for projects in accordance with title II;

(ii) be spent in accordance with title III; or

(iii) be returned to the General Treasury in accordance with section 402(b).

(2) DISTRIBUTION OF FUNDS.—(A) Funds reserved by an eligible county under paragraph (1)(B)(i) shall be deposited in a special account in the Treasury of the United States and shall be available for expenditure by the Secretary of the Interior, without further appropriation, and shall remain available until expended in accordance with title II.

(B) Funds reserved by an eligible county under paragraph (1)(B)(ii) shall be available for expenditure by the county and shall remain available, until expended, in accordance with title III.

(3) ELECTION.—An eligible county shall notify the Secretary of the Interior of its election under this subsection not later than September 30 of each fiscal year under subsection (b). If the eligible county fails to make an election by that date, the county is deemed to have elected to expend 85 percent of the funds received under subsection (b) in the same manner in which the 50-percent payments are required to be expended and shall remit the balance to the Treasury of the United States in accordance with section 402(b).

TITLE II—SPECIAL PROJECTS ON FEDERAL LANDS

SEC. 201. DEFINITIONS.

In this title:

(1) PARTICIPATING COUNTY.—The term ''participating county'' means an eligible county that—

(A) receives Federal funds pursuant to section 102(b)(1) or 103(b)(1); and

(B) elects under section 102(d)(1)(B)(i) or 103(c)(1)(B)(i) to expend a portion of those funds in accordance with this title.

(2) PROJECT FUNDS.—The term ''project funds'' means all funds an eligible county elects under sections 102(d)(1)(B)(i) and 103(c)(1)(B)(i) to reserve for expenditure in accordance with this title.

(3) RESOURCE ADVISORY COMMITTEE.—The term ''resource advisory committee'' means an advisory committee established by the Secretary concerned under section 205, or determined by the Secretary concerned to meet the requirements of section 205.

(4) RESOURCE MANAGEMENT PLAN.—The term ''resource management plan'' means a land use plan prepared by the Bureau of Land Management for units of the Federal lands described in section 3(1)(B) pursuant to section 202 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1712) or a land and resource management plan prepared by the Forest Service for units of the National Forest System pursuant to section 6

of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1604).

(5) SECRETARY CONCERNED.—The term ''Secretary concerned'' means the Secretary of the Interior or his designee with respect to the Federal lands described in section 3(1)(B) and the Secretary of Agriculture or his designee with respect to the Federal lands described in section 3(1)(A).

SEC. 202. GENERAL LIMITATION ON USE OF PROJECT FUNDS.

Project funds shall be expended solely on projects that meet the requirements of this title. Project funds may be used by the Secretary concerned for the purpose of entering into and implementing cooperative agreements with willing Federal agencies, State and local governments, private and nonprofit entities, and landowners for protection, restoration and enhancement of fish and wildlife habitat, and other resource objectives consistent with the purposes of this title on Federal land and on non-Federal land where projects would benefit these resources on Federal land.

SEC. 203. SUBMISSION OF PROJECT PROPOSALS.

(a) SUBMISSION OF PROJECT PROPOSALS TO SECRETARY CONCERNED.—

(1) PROJECTS FUNDED USING PROJECT FUNDS.—Not later than September 30 for fiscal year 2001, and each September 30 thereafter for each succeeding fiscal year through fiscal year 2006, each resource advisory committee shall submit to the Secretary concerned a description of any projects that the resource advisory committee proposes the Secretary undertake using any project funds reserved.

(2) PROJECTS FUNDED USING OTHER FUNDS.—A resource advisory committee may submit to the Secretary concerned a description of any projects that the committee proposes the Secretary undertake using funds from State or local governments, or from the private sector, other than project funds and funds appropriated and otherwise available to do similar work.

(3) JOINT PROJECTS.—Participating counties or other persons may propose to pool project funds or other funds, described in paragraph (2), and jointly propose a project or group of projects to a resource advisory committee established under section 205.

(b) REQUIRED DESCRIPTION OF PROJECTS.—In submitting proposed projects to the Secretary concerned under subsection (a), a resource advisory committee shall include in the description of each proposed project the following information:

(1) The purpose of the project and a description of how the project will meet the purposes of this Act.

(2) The anticipated duration of the project.

(3) The anticipated cost of the project.

(4) The proposed source of funding for the project, whether project funds or other funds.

(5) Expected outcomes, including how the project will meet or exceed desired ecological conditions, maintenance objectives, or stewardship objectives, as well as an estimation of the amount of any timber, forage, and other commodities and other economic activity, including jobs generated, if any, anticipated as part of the project.

(6) A detailed monitoring plan, including funding needs and sources, that tracks and identifies the positive or negative impacts of the project, implementation, and provides for validation monitoring. The monitoring plan shall include an assessment of the following: Whether or not the project met or exceeded desired ecological conditions; created local employment or training opportunities, including summer youth jobs programs such as the Youth Conservation Corps where appropriate; and whether the project improved the use of, or added value to, any products removed from lands consistent with the purposes of this Act.

(7) An assessment that the project is to be in the public interest.

(c) AUTHORIZED PROJECTS.—Projects proposed under subsection (a) shall be consistent with section 2(b).

SEC. 204. EVALUATION AND APPROVAL OF PROJECTS BY SECRETARY CONCERNED.

(a) CONDITIONS FOR APPROVAL OF PROPOSED PROJECT.—The Secretary concerned may make a decision to approve a project submitted by a resource advisory committee under section 203 only if the proposed project satisfies each of the following conditions:

(1) The project complies with all applicable Federal laws and regulations.

(2) The project is consistent with the applicable resource management plan and with any watershed or subsequent plan developed pursuant to the resource management plan and approved by the Secretary concerned.

(3) The project has been approved by the resource advisory committee in accordance with section 205, including the procedures issued under subsection (e) of such section.

(4) A project description has been submitted by the resource advisory committee to the Secretary concerned in accordance with section 203.

(5) The project will improve the maintenance of existing infrastructure, implement stewardship objectives that enhance forest ecosystems, and restore and improve land health and water quality.

(b) ENVIRONMENTAL REVIEWS.—

(1) PAYMENT OF REVIEW COSTS.—

(A) REQUEST FOR PAYMENT BY COUNTY.—The Secretary concerned may request the resource advisory committee submitting a proposed project to agree to the use of project funds to pay for any environmental review, consultation, or compliance with applicable environmental laws required in connection with the project. When such a payment is requested and the resource advisory committee agrees to the expenditure of funds for this purpose, the Secretary concerned shall conduct environmental review, consultation, or other compliance responsibilities in accordance with Federal law and regulations.

(B) EFFECT OF REFUSAL TO PAY.—If a resource advisory committee does not agree to the expenditure of funds under subparagraph (A), the project shall be deemed withdrawn from further consideration by the Secretary concerned pursuant to this title. Such a withdrawal shall be deemed to be a rejection of the project for purposes of section 207(c).

(c) DECISIONS OF SECRETARY CONCERNED.—

(1) REJECTION OF PROJECTS.—A decision by the Secretary concerned to reject a proposed project shall be at the Secretary's sole discretion. Notwithstanding any other provision of law, a decision by the Secretary concerned to reject a proposed project shall not be subject to administrative appeal or judicial review. Within 30 days after making the rejection decision, the Secretary concerned shall notify in writing the resource advisory committee that submitted the proposed project of the rejection and the reasons for rejection.

(2) NOTICE OF PROJECT APPROVAL.—The Secretary concerned shall publish in the Federal Register notice of each project approved under subsection (a) if such notice would be required had the project originated with the Secretary.

(d) SOURCE AND CONDUCT OF PROJECT.—Once the Secretary concerned accepts a project for review under section 203, it shall be deemed a Federal action for all purposes.

(e) IMPLEMENTATION OF APPROVED PROJECTS.—

(1) COOPERATION.—Notwithstanding chapter 63 of title 31, United States Code, using project funds the Secretary concerned may enter into contracts, grants, and cooperative agreements with States and local governments, private and nonprofit entities, and landowners and other persons to assist the Secretary in carrying out an approved project.

(2) BEST VALUE CONTRACTING.—For any project involving a contract authorized by paragraph (1) the Secretary concerned may elect a source for performance of the contract on a best value basis. The Secretary concerned shall determine best value based on such factors as:

(A) The technical demands and complexity of the work to be done.

(B) The ecological objectives of the project and the sensitivity of the resources being treated.

(C) The past experience by the contractor with the type of work being done, using the type of equipment proposed for the project, and meeting or exceeding desired ecological conditions.

(D) The commitment of the contractor to hiring highly qualified workers and local residents.

(3) MERCHANTABLE MATERIALS SALES CONTRACTING PILOT PROJECTS.

(A) ESTABLISHMENT.—The Secretary concerned shall establish a pilot program regarding the sale of merchantable material under this title. Such a program shall ensure that, on an annual basis, no less than 75 percent of all projects involving merchantable material shall be implemented using separate contracts for—

(i) the harvesting or collection of merchantable material; and

(ii) the sale of such material.

(B) DURATION AND EXTENT.—(i) The Secretary concerned shall ensure that, on an annual basis beginning in fiscal year 2001, no less than 75 percent of projects involving merchantable material shall be included in the pilot program.

(ii) Not later than September 30, 2003, the General Accounting Office (GAO) shall submit a report to the Senate Energy and Natural Resources Committee, the House of Representatives Agriculture Committee and the House of Representatives Resources Committee assessing the pilot program.

(iii) If the GAO determines that the pilot program is ineffective at that time, then the Secretary concerned shall ensure that, on an annual basis beginning in fiscal year 2004, no less than 50 percent of projects involving merchantable material shall be implemented using separate contracts.

(f) REQUIREMENTS FOR PROJECT FUNDS.—The Secretary shall ensure that at least 50 percent of all project funds be used for projects that are primarily dedicated to the following purposes—

(1) road maintenance, decommissioning or obliteration; and

(2) restoration of streams and watersheds.

SEC. 205. RESOURCE ADVISORY COMMITTEES.

(a) ESTABLISHMENT AND PURPOSE OF RESOURCE ADVISORY COMMITTEES.—

(1) ESTABLISHMENT.—The Secretary concerned shall establish and maintain resource advisory committees to perform the duties in subsection (b), except as provided in paragraph (4).

(2) PURPOSE.—The purpose of a resource advisory committee shall be to improve collaborative relationships and to provide advice and recommendations to the land management agencies consistent with the purposes of this Act.

(3) ACCESS TO RESOURCE ADVISORY COMMITTEES.—To ensure that each unit of Federal land has access to a resource advisory committee, and that there is sufficient interest in participation on a committee to ensure

that membership can be balanced in terms of the points of view represented and the functions to be performed, the Secretary concerned may, establish resource advisory committees for part of, or one or more, units of Federal lands.

(4) EXISTING ADVISORY COMMITTEES.—Existing advisory committees meeting the requirements of this section may be deemed by the Secretary concerned, as a resource advisory committee for the purposes of this title. The Secretary of the Interior may deem a resource advisory committee meeting the requirements of part 1780, subpart 1784 of title 43, Code of Federal Regulations, as a resource advisory committee for the purposes of this title.

(b) DUTIES.—A resource advisory committee shall—

(1) review projects proposed under this title and under title III by participating counties and other persons;

(2) propose projects and funding to the Secretary concerned under section 203 and to the participating county under title III;

(3) provide early and continuous coordination with appropriate land management agency officials in recommending projects consistent with purposes of this Act under this title and title III; and

(4) provide frequent opportunities for citizens, organizations, tribes, land management agencies, and other interested parties to participate openly and meaningfully, beginning at the early stages of the project development process under this title and title III.

(c) APPOINTMENT BY THE SECRETARY.—

(1) APPOINTMENT AND TERM.—The Secretary concerned, shall appoint the members of resource advisory committees for a term of 3 years beginning on the date of appointment. The Secretary concerned may reappoint members to subsequent 3-year terms.

(2) BASIC REQUIREMENTS.—The Secretary concerned shall ensure that each resource advisory committee established meets the requirements of subsection (d).

(3) INITIAL APPOINTMENT.—The Secretary concerned shall make initial appointments to the resource advisory committees not later than 180 days after the date of the enactment of this Act.

(4) VACANCIES.—The Secretary concerned shall make appointments to fill vacancies on any resource advisory committee as soon as practicable after the vacancy has occurred.

(5) COMPENSATION.—Members of the resource advisory committees shall not receive any compensation.

(d) COMPOSITION OF ADVISORY COMMITTEE.—

(1) NUMBER.—Each resource advisory committee shall be comprised of 15 members.

(2) COMMUNITY INTERESTS REPRESENTED.—Committee members shall be representative of the interests of the following three categories:

(A) 5 persons who—

(i) represent organized labor;

(ii) represent developed outdoor recreation, off highway vehicle users, or commercial recreation activities;

(iii) represent energy and mineral development interests;

(iv) represent the commercial timber industry; or

(v) hold Federal grazing permits, or other land use permits within the area for which the committee is organized.

(B) 5 persons representing—

(i) nationally recognized environmental organizations;

(ii) regionally or locally recognized environmental organizations;

(iii) dispersed recreational activities;

(iv) archeological and historical interests; or

(v) nationally or regionally recognized wild horse and burro interest groups.

(C) 5 persons who—

(i) hold State elected office or their designee;

(ii) hold county or local elected office;

(iii) represent American Indian tribes within or adjacent to the area for which the committee is organized;

(iv) are school officials or teachers; or

(v) represent the affected public at large.

(3) BALANCED REPRESENTATION.—In appointing committee members from the three categories in paragraph (2), the Secretary concerned shall provide for balanced and broad representation from within each category.

(4) GEOGRAPHIC DISTRIBUTION.—The members of a resource advisory committee shall reside within the State in which the committee has geographic jurisdiction.

(5) CHAIRPERSON.—A majority on each resource advisory committee shall select the chairperson of the committee.

(e) APPROVAL PROCEDURES.—(1) Subject to paragraph (2), each resource advisory committee shall establish procedures for proposing projects to the Secretary concerned under this title and the participating county under title III. A quorum must be present to constitute an official meeting of the committee.

(2) A project may be proposed by a resource advisory committee to the Secretary concerned under section 203(a), or to the participating county under section 302, if it has been approved by a majority of members of the committee from each of the three categories in subsection (d)(2).

(f) OTHER COMMITTEE AUTHORITIES AND REQUIREMENTS.—

(1) STAFF ASSISTANCE.—A resource advisory committee may submit to the Secretary concerned a request for periodic staff assistance from Federal employees under the jurisdiction of the Secretary.

(2) MEETINGS.—All meetings of a resource advisory committee shall be announced at least one week in advance in a local newspaper of record and shall be open to the public.

(3) RECORDS.—A resource advisory committee shall maintain records of the meetings of the committee and make the records available for public inspection.

SEC. 206. USE OF PROJECT FUNDS.

(a) AGREEMENT REGARDING SCHEDULE AND COST OF PROJECT.—

(1) AGREEMENT BETWEEN PARTIES.—The Secretary concerned may carry out a project submitted by a resource advisory committee under section 203(a) using project funds or other funds described in section 203(a)(2), if, as soon as practicable after the issuance of a decision document for the project and the exhaustion of all administrative appeals and judicial review of the project decision, the Secretary concerned and the resource advisory committee enter into an agreement addressing, at a minimum, the following:

(A) The schedule for completing the project.

(B) The total cost of the project, including the level of agency overhead to be assessed against the project.

(C) For a multiyear project, the estimated cost of the project for each of the fiscal years in which it will be carried out.

(D) The remedies for failure of the Secretary concerned to comply with the terms of the agreement consistent with current Federal law.

(2) LIMITED USE OF FEDERAL FUNDS.—The Secretary concerned may decide, at the Secretary's sole discretion, to cover the costs of a portion of an approved project using Federal funds appropriated or otherwise available to the Secretary for the same purposes as the project.

(b) TRANSFER OF PROJECT FUNDS.—

(1) INITIAL TRANSFER REQUIRED.—As soon as practicable after the agreement is reached under subsection (a) with regard to a project to be funded in whole or in part using project funds, or other funds described in section 203(a)(2), the Secretary concerned shall transfer to the applicable unit of National Forest System lands or BLM District an amount of project funds equal to—

(A) in the case of a project to be completed in a single fiscal year, the total amount specified in the agreement to be paid using project funds, or other funds described in section 203(a)(2); or

(B) in the case of a multiyear project, the amount specified in the agreement to be paid using project funds, or other funds described in section 203(a)(2) for the first fiscal year.

(2) CONDITION ON PROJECT COMMENCEMENT.—The unit of National Forest System lands or BLM District concerned, shall not commence a project until the project funds, or other funds described in section 203(a)(2) required to be transferred under paragraph (1) for the project, have been made available by the Secretary concerned.

(3) SUBSEQUENT TRANSFERS FOR MULTIYEAR PROJECTS.—For the second and subsequent fiscal years of a multiyear project to be funded in whole or in part using project funds, the unit of National Forest System lands or BLM District concerned shall use the amount of project funds required to continue the project in that fiscal year according to the agreement entered into under subsection (a). The Secretary concerned shall suspend work on the project if the project funds required by the agreement in the second and subsequent fiscal years are not available.

SEC. 207. AVAILABILITY OF PROJECT FUNDS.

(a) SUBMISSION OF PROPOSED PROJECTS TO OBLIGATE FUNDS.—By September 30 of each fiscal year through fiscal year 2006, a resource advisory committee shall submit to the Secretary concerned pursuant to section 203(a)(1) a sufficient number of project proposals that, if approved, would result in the obligation of at least the full amount of the project funds reserved by the participating county in the preceding fiscal year.

(b) USE OR TRANSFER OF UNOBLIGATED FUNDS.—Subject to section 209, if a resource advisory committee fails to comply with subsection (a) for a fiscal year, any project funds reserved by the participating county in the preceding fiscal year and remaining unobligated shall be available for use as part of the project submissions in the next fiscal year.

(c) EFFECT OF REJECTION OF PROJECTS.—Subject to section 209, any project funds reserved by a participating county in the preceding fiscal year that are unobligated at the end of a fiscal year because the Secretary concerned has rejected one or more proposed projects shall be available for use as part of the project submissions in the next fiscal year.

(d) EFFECT OF COURT ORDERS.—If an approved project under this Act is enjoined or prohibited by a Federal court, the Secretary concerned shall use unobligated project funds related to that project in the participating county or counties that reserved the funds. The returned funds shall be available for the county to expend in the same manner as the funds reserved by the county under section 102(d)(1)(B) or 103(c)(1)(B), whichever applies to the funds involved.

SEC. 208. ALLOCATION OF PROCEEDS.

The proceeds from any joint project under section 203(a)(3) using both Federal and non-Federal funds shall be equitably divided between the Treasury of the United States and

the non-Federal funding source in direct proportion to the contribution of funds to the overall cost of the project.

SEC. 209. TERMINATION OF AUTHORITY.

The authority to initiate projects under this title shall terminate on September 30, 2006. Any project funds not obligated by September 30, 2007, shall be deposited in the Treasury of the United States.

TITLE III—COUNTY PROJECTS

SEC. 301. DEFINITIONS.

In this title:

(1) PARTICIPATING COUNTY.—The term ''participating county'' means an eligible county that—

(A) receives Federal funds pursuant to section 102(b)(1) or 103(b)(1); and

(B) elects under section 102(d)(1)(B)(ii) or 103(c)(1)(B)(ii) to expend a portion of those funds in accordance with this title.

(2) COUNTY FUNDS.—The term ''county funds'' means all funds an eligible county elects under sections 102(d)(1)(B)(ii) and 103(c)(1)(B)(ii) to reserve for expenditure in accordance with this title.

SEC. 302. USE OF COUNTY FUNDS.

(a) LIMITATION OF COUNTY FUND USE.—County funds shall be expended solely on projects that meet the requirements of this title and section 205 of this Act; except that: The projects shall be approved by the participating county rather than the Secretary concerned.

(b) AUTHORIZED USES.—

(1) SEARCH, RESCUE, AND EMERGENCY SERVICES.—An eligible county or applicable sheriff's department may use these funds as reimbursement for search and rescue and other emergency services, including fire fighting, performed on Federal lands and paid for by the county.

(2) COMMUNITY SERVICE WORK CAMPS.—An eligible county may use these funds as reimbursement for all or part of the costs incurred by the county to pay the salaries and benefits of county employees who supervise adults or juveniles performing mandatory community service on Federal lands.

(3) EASEMENT PURCHASES.—An eligible county may use these funds to acquire—

(A) easements, on a willing seller basis, to provide for nonmotorized access to public lands for hunting, fishing, and other recreational purposes;

(B) conservation easements; or

(C) both.

(4) FOREST RELATED EDUCATIONAL OPPORTUNITIES.—A county may use these funds to establish and conduct forest-related after school programs.

(5) FIRE PREVENTION AND COUNTY PLANNING.—A county may use these funds for—

(A) efforts to educate homeowners in fire-sensitive ecosystems about the consequences of wildfires and techniques in home siting, home construction, and home landscaping that can increase the protection of people and property from wildfires; and

(B) planning efforts to reduce or mitigate the impact of development on adjacent Federal lands and to increase the protection of people and property from wildfires.

(6) COMMUNITY FORESTRY.—A county may use these funds towards non-Federal cost-share provisions of section 9 of the Cooperative Forestry Assistance Act (Public Law 95–313).

SEC. 303. TERMINATION OF AUTHORITY.

The authority to initiate projects under this title shall terminate on September 30, 2006. Any county funds not obligated by September 30, 2007 shall be available to be expended by the county for the uses identified in section 302(b).

TITLE IV—MISCELLANEOUS PROVISIONS

SEC. 401. AUTHORIZATION OF APPROPRIATIONS.

There are hereby authorized to be appropriated such sums as may be necessary to carry out this Act for fiscal years 2001 through 2006.

SEC. 402. TREATMENT OF FUNDS AND REVENUES.

(a) Funds appropriated pursuant to the authorization of appropriations in section 401 and funds made available to a Secretary concerned under section 206 shall be in addition to any other annual appropriations for the Forest Service and the Bureau of Land Management.

(b) All revenues generated from projects pursuant to title II, any funds remitted by counties pursuant to section 102(d)(1)(B) or section 103(c)(1)(B), and any interest accrued from such funds shall be deposited in the Treasury of the United States.

SEC. 403. REGULATIONS.

The Secretaries concerned may jointly issue regulations to carry out the purposes of this Act.

SEC. 404. CONFORMING AMENDMENTS.

Sections 13982 and 13983 of the Omnibus Budget Reconciliation Act of 1993 (Public Law 103–66; 16 U.S.C. 500 note; 43 U.S.C. 1181f note) are repealed.

TITLE V—THE MINERAL REVENUE PAYMENTS CLARIFICATION ACT OF 2000

SEC. 501. SHORT TITLE.

This title may be cited as the ''Mineral Revenue Payments Clarification Act of 2000''.

SEC. 502. FINDINGS.

The Congress finds the following:

(1) Subtitle C of title X of the Omnibus Budget Reconciliation Act of 1993 (Public Law 103–66) changed the sharing of onshore mineral revenues and revenues from geothermal steam from a 50:50 split between the Federal Government and the States to a complicated formula that entailed deducting from the State share of leasing revenues ''50 percent of the portion of the enacted appropriations of the Department of the Interior and any other agency during the preceding fiscal year allocable to the administration of all laws providing for the leasing of any onshore lands or interest in land owned by the United States for the production of the same types of minerals leasable under this Act or of geothermal steam, and to enforcement of such laws . . .''.

(2) There is no legislative record to suggest a sound public policy rationale for deducting prior-year administrative expenses from the sharing of current-year receipts, indicating that this change was made primarily for budget scoring reasons.

(3) The system put in place by this change in law has proved difficult to administer and has given rise to disputes between the Federal Government and the States as to the nature of allocable expenses. Federal accounting systems have proven to be poorly suited to breaking down administrative costs in the manner required by the law. Different Federal agencies implementing this law have used varying methodologies to identify allocable costs, resulting in an inequitable distribution of costs during fiscal years 1994 through 1996. In November 1997, the Inspector General of the Department of the Interior found that ''the congressionally approved method for cost sharing deductions effective in fiscal year 1997 may not accurately compute the deductions''.

(4) Given the lack of a substantive rationale for the 1993 change in law and the complexity and administrative burden involved, a return to the sharing formula prior to the enactment of the Omnibus Budget Reconciliation Act of 1993 is justified.

SEC. 503. AMENDMENT OF THE MINERAL LEASING ACT.

Section 35(b) of the Mineral Leasing Act (30 U.S.C. sec. 191(b)) is amended to read as follows: ''(b) In determining the amount of payments to the States under this section, the amount of such payments shall not be reduced by any administrative or other costs incurred by the United States.''.

Mr. DORGAN. Mr. President, I ask unanimous consent to speak in morning business for as much time as I consume.

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

PRESCRIPTION DRUG BENEFIT

Mr. DORGAN. Mr. President, my colleague from Nevada, Senator REID, and I were discussing some dialog that had taken place on the floor of the Senate earlier today, and we wanted to visit a bit about the issue of a prescription drug benefit for the Medicare program.

We are in session in this 106th Congress perhaps only another 4 or 5 weeks at the outset, and much is left to be done prior to the adjournment of this Congress.

One of the issues that most people think is very important to the American people is for this Congress to add a prescription drug benefit to the Medicare program. Almost everyone in this country now understands that the price of prescription drugs is moving up very quickly. Last year, the price of prescription drugs increased very rapidly. In fact, the cost of prescription drugs last year alone, because of increased utilization, price inflation and other things, increased 16 percent.

The senior citizens in this country are 12 percent of our country's population but consume one-third of all the prescription drugs in America. Senior citizens are at a point in their lives where they have reached declining and diminished income years and they are least able, in many cases, to be able to afford to pay increasing prescription drug prices.

There are a range of issues with prescription drugs. I talked about some of these in this Chamber before. There are wild price variations. The same drug in the same bottle made by the same company is being sold in Canada for a tenth of the price that it is sold to a consumer in the United States.

The other day I held up two pill bottles of medicine on the floor of the Senate—exact same medicine, made by the same company, put in the same bottle, shipped to two different pharmacies, one in the U.S. and one in Canada. One was priced three times higher than the other. Guess which. The U.S. consumer was asked to pay three times more than the Canadian consumer for the same prescription drug. That is one issue.

There is a second issue changing or altering the Medicare program to add a prescription drug benefit to the Medicare program. There is no question that if the Medicare program were being written today instead of the

early 1960s it would include a benefit for prescription drugs. Many of the lifesaving prescription drugs that are now available were not available then.

We clearly should add a prescription drug benefit to the Medicare program. We have proposed, the President has proposed, and the Vice President has proposed a plan that would provide an optional and an affordable prescription drug benefit available to senior citizens to try to help them cover the cost of their needed prescription drugs.

Earlier today we had Members of the Senate talk about this being a big Government scheme. It is no more a scheme than the Medicare program. The Medicare program is not a scheme at all. It is something this Congress did over the objections of those who always object to anything that is new. We have a few in this Chamber. It has been done for two centuries. No matter what it is, they say: We object.

The Medicare program was developed in the early 1960s at a time when one-half of the senior citizens in America had no health care coverage at all. We proposed a Medicare program. Now 99 percent of the senior citizens have health care coverage.

Do you know of any insurance companies that are going around America saying: You know what we would like to do is provide unlimited health care insurance to people who have reached the retirement years? We think it is going to be a good business proposition to find those who are in their 60s, 70s, and 80s and provide health insurance because we think that is really going to be profitable. It is not the case.

That is why 40 years ago half the senior citizens couldn't afford to buy health insurance. That is why there was a need for the Medicare program. We not only have a Medicare program, and one that works, but we now need to improve it by offering a prescription drug benefit. When we do, the same tired, hollow voices of the past emerge in this Chamber to say: You know what they are proposing is some sort of Government scheme.

It is not a scheme. It is not a scheme at all. It is an attempt to strengthen a program that every senior citizen in this country knows is valuable to them and their neighbors. That is what this is.

Most Members of the Senate understand that we ought to do this. Some who understand it ought to be done, don't want to do it through the Medicare program and are proposing we provide some stimulus for the private insurance companies to offer some sort of prescription drug benefit. But the private insurance companies come to our office and say: We won't be able to offer this benefit; we would be required to charge senior citizens $1,100 for $1,000 worth of benefit for prescription drugs. They say: We are not going to offer it; it doesn't add up; we won't do it. That is what the U.S. executives say.

I am happy to bring out a chart, as I did the other day, to quote the head of the Health Insurance Association and others who say it won't work—I am talking about the plan proposed by the majority party—it doesn't work at all. But to have them come to the floor of the Senate calling our desire to add an optional prescription drug benefit to the Medicare program some sort of Government scheme doesn't wash. We are trying to do something that we think is thoughtful, we think is necessary, and we think most senior citizens will take advantage of on an optional basis because they understand the price of prescription drugs continues its relentless increase year after year after year.

We have people who have never supported the Medicare program. They don't talk about it, but they have never supported it, never liked it. It is the same people who don't like to add a prescription drug benefit to the program. They say: Gee, we have financial problems with Medicare.

Do you know what our problems are with Medicare and Social Security? Our problems are success. People are living longer. In the year 1900, people in this country were expected to live to be 48 years of age; a century later, people are expected to live to almost 78 years of age. In one century, we have increased the life expectancy nearly 30 years. That is success.

Does that put some strains on the Medicare program and Social Security program because people are living longer? Yes. But of course that strain is born of success. This isn't something to be concerned about; it is something to be proud of. People are living longer and better lives, and part of that is because of the Medicare program. We ought to improve that program by adding the prescription drug benefit to that program now, in this Congress, in the remaining 4 weeks.

I am happy to yield to my colleague from the State of Nevada.

Mr. REID. I say to my friend from North Dakota that I, along with my constituents from the State of Nevada, appreciate the Senator being able to articulate the problems with the cost of prescription drugs. The Senator has been on this floor with visual aids showing how much a drug costs, the cost of a prescription being filled in Canada and the cost in America. There is a 300- to 400-percent difference in some of those medications. These are lifesaving drugs, drugs that make lives more comfortable. It makes people's live bearable.

No one in the Congress has done a better job of suggesting and showing the American people how unfair it is that the United States—the inventor, the manufacturer, the developer of these prescription drugs—why in the world do we, the country that developed the drugs, why do the people from Nevada and North Dakota and every place in between, why do we pay more than the people in Canada, Mexico, and other places in the world?

We don't have an answer to that, do we?

Mr. DORGAN. I say to my colleague from Nevada, we do not have an answer, except I presume it is probably fairly simple: It is about profits. The companies that manufacture prescription drugs have a manufacturing plant, and they produce those drugs in the plant, and they put them in a bottle and put a piece of cotton on top, and they seal it up, and they ship it off. They will ship a bottle to Grand Forks, ND; they will ship a bottle to Reno, NV; and they will ship a bottle to Pittsburgh, PA. Then they will ship a bottle to Winnipeg, Canada, and into Brussels or Paris, and they price it.

They say the U.S. consumers will pay the highest prices of anybody in the world for the same pill in the same bottle; we will charge the American consumer triple, in some cases 10 times, what we charge others. Why? Because they can. Why? Because they want to.

The pharmaceutical industry has profits the Wall Street Journal says are the ''envy of the world.'' I want them to succeed. I appreciate the work in developing new drugs. But a lot of work in the development of new drugs is publicly funded by us, through the National Institutes of Health and other scientific research.

I want them to be successful. I don't, however, want a pricing policy that says to the U.S. consumer, you pay the highest prices for drugs of anybody in the world. It is not fair. And too many of our consumers—especially senior citizens—have reached that stage in life where, with a diminished income, they cannot afford it.

One of the results of the unfairness of all of this and one of the results of not having a prescription drug benefit in the Medicare program is this: Three women who suffer from breast cancer are all seeing the same doctor and the doctor prescribes tamoxifen. Two of the women say: I can't possibly afford it; I have no money. The third, who can, says: I will purchase my dose of tamoxifen, and we will divide it into three, and we will each take a third of a dose.

Or the woman, a senior citizen in Dickinson, the doctor testified before a hearing, suffered breast cancer, had a mastectomy. The doctor said: Here's the prescription drug you must take in order to reduce your chances of a recurrence of breast cancer. The woman said: Doctor, I can't possibly do that; I can't possibly afford that prescription drug. I will just take my chances with the recurrence of breast cancer.

The point is that senior citizens across this country understand, because their doctor has told them the drugs they need to try to deal with their disease and try to improve their lives, all too often they cannot afford it.

In hearing after hearing I have held, I have heard from senior citizens who say: My druggist is in my grocery store. The pharmacy is in the back of the store. When I go to the grocery store, I must go to the back of the

store first because that is where I buy my prescription drug. Only then do I know how much I have left for food.

In State after State, I heard that message. It is not unusual.

That is why this is such an important issue, both with respect to international pricing and the unfairness of asking the American consumer to pay the highest prices in the world for these prescription drugs, but also in terms of whether we add a prescription drug benefit to the Medicare program.

We have proposed that. What has happened is we have people dragging their feet here in the Congress. While they don't want to be against it, they understand we should do it; neither do they really want to do it in the Medicare program, because they have never believed that was a very good program and it was a program pretty much resisted by those would resist everything, as I said.

Mr. REID. Will the Senator yield?

Mr. DORGAN. I yield.

Mr. REID. I carry in my wallet, and I have pulled it out on occasion—it is pretty worn and tattered—some quotes just confirming what my friend from North Dakota said about how people on the majority feel about Medicare.

Let me read some direct quotes: ''I was there fighting the fight, 1 of 12, voting against Medicare because we knew it wouldn't work in 1965.'' Senator Robert Dole. He, as one of the leaders of the Republican Party, opposed it in 1965. I am sure he still opposes it.

We don't have to look at Senator Dole, even though I think he is one of the patriarchs of the Republican Party. Let's look at one of the present leaders, DICK ARMEY: ''Medicare has no place in a free world. Social Security is a rotten trick, and I think we are going to have to bite the bullet on Social Security and phase it out over time.'' This is the House majority leader, DICK ARMEY.

What my friend from North Dakota has said is right: The majority has never felt good about Medicare.

As my friend has said, in 1965 when Medicare came into being, there really wasn't a need for prescription drugs because prescription drugs were in their infancy and it didn't matter the vast majority of the time whether someone was going to live or die, be comfortable or not.

Now, how can we, the only superpower in the world, a nation that is leading the world in research and medical products, how can we have a Medicare program, a program for health care for senior citizens, that does not include the prescription drug benefit? We can't do that.

I also say to my friend, the reason we are here is this morning a Senator came over and gave this presentation and said what my friend from North Dakota said: Sure, we want to do something about Medicare, but I have gotten letters from my constituents saying ''I'm against the big government plan.''

This is exactly what we hear on the radio advertisements and the television advertisements that are paid for by the health care industry. They want the American people to think that the program the Democrats are propounding is a big government plan. There could be nothing further from the truth.

What does this have to do with big government? A woman by the name of Gail Rattigan, from Henderson, NV writes:

> I am a registered nurse who recently cared for an 82-year-old woman who tried to commit suicide because she couldn't afford the medications her doctor told her were necessary to prevent a stroke. It would be much more cost effective for the Government to pay for medications that prevent more serious illnesses and expensive hospitalizations. These include but are not limited to blood pressure medications, anti-stroke anticoagulants, and cholesterol medications. The government's current policy of paying for medications only in the hospital is backward. Get into health promotion and disease promotion and save money.

This is a registered nurse from Henderson, NV.

I want everyone on the majority side to know they are not going to be able to come over and make these statements as if there is no opposition to it. What my friend from Tennessee says is wrong. He states he has gotten all of these letters saying: I am against the big government plan.

That is because of the radio and TV advertisements from the powerful health insurance industry. But the real people are like the 82-year-old woman who wanted to commit suicide because she couldn't get medication.

Also, I want to spread across this record that my friend from Tennessee, who came and said, ''We need the Republican plan,'' makes the statement that he wants to involve Senator BREAUX in this.

The majority can't have it both ways. They either support the Bush plan, the plan of the person running for the President of the United States on the Republican ticket, or they don't support the nominee. It appears what my friend from Tennessee is doing is trying to have it both ways because the Senator from Louisiana does not support Governor Bush's plan.

The majority realizes that their medicare plan simply can not work because of their nominee's $1.6 trillion tax cut proposal. Senator BREAUX pointed this out quite clearly today.

My point is, I say to my friend from North Dakota, people who come here and make statements on the floor need to have substantiation. I say the Senator from Louisiana does not support the Bush Medicare plan.

I also say the majority has introduced a proposal—so we understand it, but it is a Medicare prescription drug benefit in name only. A New York Times writer states:

> . . . all indications are that this plan is a non-starter. Insurance companies themselves are very skeptical; there haven't been many cases in which an industry's own lobbyists tell Congress that they don't want a subsidy, but this is one of them.

I take just another minute or two of my friend's time.

> The GOP plan subsidizes insurance companies, not Medicare beneficiaries. Health insurance companies continue to say the Republican plan is unworkable.

The majority tries to give this to the insurance industry, but the insurance industry doesn't want it because it won't work.

Charles Kahn, President of the Health Insurance Association of America, has stated:

> . . . we continue to believe the concept of the so-called drug-only private insurance simply would not work in practice.
>
> I don't know of an insurance company that would offer a drug-only policy like that or even consider it.

Mr. President, I say to my friend from North Dakota, we know there needs to be something done about the high cost of prescription drugs.

No. 2, we know there has to be something done with Medicare to help senior citizens of this country be able to afford prescription drugs. That is all we are saying. And we want everyone to know the program put forth by the minority is a program that helps senior citizens. It is not something that is means tested, but a program that helps all senior citizens, not people who make less than $12,000 a year. It is a program that is essential. It is essential because people, as we speak, such as Gail Rattigan, who is a registered nurse, who wrote to me, write that people are considering suicide. If they are to take one pill a day, they are splitting them in two; they are asking if they can get half a prescription filled because they simply can't afford it. We need to change that.

Mr. DORGAN. Mr. President, some weeks ago I was attending a meeting in North Dakota dealing with farm issues. An elderly woman came to the meeting. She sat quietly, said nothing. At the end of the meeting, after everyone else had pretty much left, we had shaken hands with a number of them, she came over to me. She was very quiet. She grabbed my arm and she said:

> I just want to talk to you for a moment about prescription drug prices.

I am guessing she was in her mid to late seventies. She said she had serious health problems and she just couldn't afford to buy the prescription drugs her doctor said she needed.

As she began talking about this, her eyes began brimming with tears and then tears began running down her cheeks and her chin began to quiver and this woman began to cry about this issue, saying:

> I just can't afford to buy the prescription drugs my doctor says I need.

This repeats itself all over this country. If it is no longer a question of whether we ought to do this—and perhaps that is the case because we hear almost everyone saying we ought to do this—then the question remaining is: How do we do it?

We say we have a program that works. The Medicare program works. It has worked for nearly four decades. We know nearly 99 percent of America's senior citizens are covered by that Medicare program. And we say let's provide an optional prescription drug benefit that senior citizens, with a small copayment, can access.

Others say let's not do that. That is big government. Medicare is big government, they say. They say what we want to do is have the private insurance companies somehow write policies that would provide prescription drug coverage.

Is that big insurance? If one is big government, are they saying we don't want big government, we want big insurance to do this?

But if it is big insurance—and it is—let's hear what the insurance folks have to say about it. My colleague just mentioned it. Here is a chart.

Mr. Charles Kahn, President of the Health Insurance Association of America, says:

> We continue to believe the concept of the so-called drug-only private insurance simply would not work in practice.

It simply would not work in practice.

I have had two CEOs of health insurance companies come to my office and say to me: Senator, those who are proposing a prescription drug benefit by private insurance company policy, I want to tell you as a President of a company, it will not work. We will not offer such a policy. And if we did, we would have to charge $1,100 for a policy that pays $1,000 worth of benefits.

That is Charles Kahn, again, from the Health Insurance Association of America.

Private drug-insurance policies are doomed from the start. The idea sounds good, but it cannot succeed in the real world.

> I don't know of an insurance company that would offer a drug-only policy like that or even consider it.

That is from the insurance industry itself. Let me just for a moment ask this question.

If the insurance industry would have been able to offer a policy for prescription drugs that was affordable and practical and usable, would they not already have done so? Ask yourself: If in 1960 it would have been profitable for health insurance companies to say, Our marketing strategy is to try to find the oldest Americans, those who are nearest the time when they will have a maximum call for needs in the health care industry, to find those people and see if we can insure them—if that were the case, would there have been a need for the Medicare program? No, there would not have.

Of course, that is not the case. In the private sector, these companies are after profits. How do you find profits in health insurance? Find some young, strapping man or woman who is 20 years old, healthy as a horse, is not going to get sick for 40 years, and sell them a health insurance policy and not have them see a doctor in 40 years, and all the premium is profit. Good for them, good for the company, and good for the healthy person.

But they do not make money by seeking out someone who is 70 years old and probably 5 or 10 years away from the serious illness that is going to have a claim on that health insurance policy, and that is why, in 1960, senior citizens could not afford to buy health insurance. Half of American senior citizens did not have it. The Federal Government said, we have to do something about it. Even when there were those who were pulling the rope uphill, trying to do the positive things, we had people here with their foot stuck in the ground saying: No, we will not go; no, it will not work; it is big government; no, it is a scheme.

We have such people on every single issue in this Chamber. There is a story about the old codger, 85 years old, who was interviewed by a radio announcer. The radio announcer said to him: You must have seen a lot of changes in your life, old timer. The guy said: Yep, and I've been against every one.

We know people like that. There are a lot of them in politics. I can tell you about people who are against everything new. Then, of course, we do it because it is important to do it; it makes life in this country better.

About 10 years later, guess what. They said: Yes, I started that; I was for that. Of course, they were not.

This is not about Republicans or Democrats at this moment. There is no Republican way or Democratic way to get sick; you just get sick. There is no Democratic or Republican way to put together a program like that.

My point is there are some, Governor Bush and others, who have a proposition with respect to prescription drugs that will not work because those on whom they rely to offer a policy say they cannot offer it; it will not work; it cannot be done.

If that is the case, and if they believe, as we do, that we ought to put a prescription drug plan in the Medicare program, then I say join us and help us and work with us over the next 4 weeks and get this done.

The question is not whether, it is how, and the answer to the how is here. You cannot do it the way you say you want to do it. You cannot pretend to the American people you have a plan that will work when the industry you say will do it says it is unworkable.

I did not come here to cast aspersions on anybody or any group. This is one of those issues of perhaps three or four at the end of this 106th Congress that we owe to the American people to do, and the only way we are going to get this done is if those who say they favor a prescription drug benefit in the Medicare program will stop coming to the floor and calling the Medicare program some giant Government scheme. Those who do that understand they are calling a program that has worked for 40 years, that has made life better for a lot of folks in this country, a scheme.

Let's work together. Let's decide we will embrace those things we know will work and help people. That is why I am pleased the Senator from Nevada has joined me today.

I will not go on at length, but the other issue—and at some point I want to visit with the Senator from Nevada about the other issue—is a Patients' Bill of Rights. We held a hearing in his State on that issue. Sometime I want to talk on the floor of the Senate about that hearing. That is another health issue we ought to do in this 4-week period. We owe it to the American people to do it. It is so important.

Mr. REID. Will the Senator yield?

Mr. DORGAN. I will be happy to yield.

Mr. REID. We do need to talk about that hearing in Las Vegas. There is not anyone who could watch that and listen to that and not shed a tear.

I want to take off on something my friend from North Dakota said. During that hearing—those sick people and the mother who lost her son—there was not a question about whether or not they were Democrat or Republican. There was not a single word about that. Democrats get sick, and Republicans get sick. That is why I underscore what the Senator from North Dakota has stated today: That we need to come up with a plan that will work. We know the private insurance plan will not work. We do not have to have politicians tell us. The people the majority is trying to help tell us it will not work.

Mr. DORGAN. Mr. President, the Senator is right. I end by saying this is not about politics; it is about solutions to real problems. We understand this is a problem. Prescription drug prices are too high. They are going up too rapidly. Senior citizens cannot afford them.

We have a serious problem in this country in this area. We understand we have a responsibility to do something about it. What? There are two choices. One does not work, and one we know will. This is not rocket science. We know what works. All we need to do is get enough votes in this Congress to decide we will do what works to put a prescription drug benefit in the Medicare program which is available to senior citizens across this country. Six or eight weeks from now, it can be done. We will have it in the Medicare program, and there will be a lot of senior citizens advantaged because of it.

We will have more to say about this, but because others wanted to come to the floor today and talk about schemes and other things, I thought it was important—and the Senator from Nevada did as well—to provide the perspective about what this issue is.

A lot of people speak with a lot of authority. Some are not always right but never in doubt. Some old codger said to me one day: There are a lot of smart people in Washington and some ain't so smart; it's hard to tell the difference.

He is right about that. The currency in Congress is a good idea to address a

real problem that needs addressing. We have a real problem that needs addressing now, and a good idea to address this problem of prescription drugs is to put in the Medicare program an optional program which is affordable, with a small copay that will give senior citizens who need it an opportunity to get the prescription drugs they need to improve their lives.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Ohio.

PERMANENT NORMAL TRADE RELATIONS WITH CHINA

Mr. VOINOVICH. Mr. President, I rise today to express my support for H.R. 4444, legislation that will extend permanent normal trade relations status to China.

In the past few days, the Senate has held a number of votes on amendments that address issues about which I care deeply. We have debated amendments that deal with such issues as ensuring religious freedom in China; organ harvesting; Tibet; and Senator THOMPSON's amendment dealing with Chinese nuclear proliferation—an issue that needs definite action.

However, I have reluctantly voted against including these, and other amendments, to H.R. 4444. I am committed to passing PNTR, and I believe we must pass a clean bill and present it to the President for his signature as soon as possible. It is long overdue.

Fortunately, as we approach a final vote on PNTR, the Senate is poised to pass a clean bill, which, in my view, will help continue the growth of our economy, and help bring us closer to realizing many of the reforms in China that my colleagues wish to see implemented.

For the past several years, the United States has enjoyed one of its longest periods of economic expansion in our history. International trade has been a vital component of this remarkable economic boom. In fact, the growth in U.S. exports over the last ten years has been responsible for about one-third of our total economic growth. That means jobs for Americans and of particular concern to this Senator, jobs for Ohioans.

As my colleagues know, America's trade barriers are among the lowest in the world, and as a result, American workers face stiff competition from overseas. Nevertheless, it is this competition that has made American workers the best and the most productive anywhere, and the U.S. economy the strongest and most vibrant in the world.

In my state of Ohio, tearing down trade barriers has helped us become the 8th largest exporter in the United States, and part of Ohio's export-related success can be linked to passage of NAFTA.

Thanks to NAFTA, historic trade barriers that once kept American goods and services out of Canadian and Mexican markets either have been eliminated or are being phased out. The positive economic effects have been astounding, including a growth in U.S. exports to Canada of 54 percent and a growth of U.S. exports to Mexico of 90 percent since 1993—the year before NAFTA took effect.

My State of Ohio has outperformed the nation during that time period in the growth of exports to America's two NAFTA trading partners. Ohio exports to Canada have grown 64 percent and Ohio exports to Mexico have grown 101 percent. In the last several years, Mexico has moved from our seventh largest trading partner to fourth.

Since 1994—the same year NAFTA went into effect—nearly 600,000 net new jobs were created in Ohio. Although NAFTA did not create all of these jobs, the boom in export growth triggered by NAFTA, as well as the overwhelming success of the ''New Economy'' have contributed significantly to this job growth.

As in many States in America, unemployment in Ohio today is at a 25 year low; and some areas of the State are even facing worker shortages—in fact, too many. The claims that ''countless numbers of workers'' would lose their jobs due to NAFTA and become ''unemployable'' have rung hollow.

According to the most recent data from the United States Department of Labor, the number of workers who have been certified by the DOL as eligible for NAFTA trade adjustment assistance benefits between January 1, 1994, and September 28, 1999, is 6,074.

However, not all workers who have been certified for NAFTA trade adjustment assistance have actually collected benefits. Additional data from the Department of Labor suggests that only 20 to 30 percent of all certified workers have collected benefits. This means that most workers have moved on to other employment. It also means that NAFTA works.

Building on the success of NAFTA, we have an opportunity to watch lightning strike twice.

In November of last year, the U.S. signed an historic bilateral trade agreement with China, a crucial first step in China's effort to gain entry into the World Trade Organization. This agreement—a product of 13 years of negotiation—contains unprecedented, unilateral trade concessions on the part of China, including significant reductions in tariffs and other barriers to trade.

In return, China would receive no increased access to U.S. markets, no cuts in U.S. tariffs and no special removal of U.S. import protections. This is because our market is already open to Chinese exports, and by signing the bilateral agreement, China has agreed to open its market unilaterally to the United States in exchange for U.S. support for Chinese membership in the World Trade Organization.

If implemented, this agreement would present unprecedented opportunities for American farmers, workers and businesses. In fact, according to the Institute for International Economics, China's entry into the WTO would result in an immediate increase in U.S. exports of $3.1 billion.

An analysis produced by Goldman Sachs, which took into account investment flows, estimates that China's entry into the WTO could translate into $13 billion in additional U.S. exports by the year 2005.

As good as this may sound, the United States risks losing the substantial economic benefits of this agreement unless permanent normal trade relations status is extended to China. Currently, China's PNTR status is annually reviewed by the President and is conditioned on the fulfillment of specific freedom-of-emigration requirements established in 1974 by the Jackson-Vanik law.

However, WTO rules require all members to grant PNTR status to all fellow members without condition. If the U.S. fails to extend PNTR status to China, then both this trade agreement and WTO rules may not apply to our trade with China.

I understand that many Americans oppose PNTR for China because of China's record on a number of important issues, including trade fairness, human rights, labor standards, the environment, and China's emergence as a regional and global military power. I share those concerns, but I believe that rather than unilaterally locking the United States out of the Chinese market, the best way to address these issues is by opening China up.

For years, American businesses have been repeatedly frustrated in their attempts to penetrate the Chinese market and get through numerous trade barriers used by China to protect its uncompetitive state-owned enterprises. In signing the November agreement, China has agreed to remove and significantly reduce these trade barriers. This would open up one of the world's fastest growing and potentially largest markets to American goods and services in a wide range of sectors, from agriculture to automobiles and banking to telecommunications. It would eventually allow U.S. exporters to freely distribute their products to any part of China without interference from government middlemen.

This agreement also maintains and strengthens safeguards against unfair Chinese imports. It preserves a tougher standard in identifying illegal dumping. What's more, with this agreement, we will have better protections from import surges than under current U.S. law. Most importantly, this agreement sets the stage for China to join the WTO and, hence, become subject to both its trade rules and its binding punishments for breaking these rules.

The United States has worked for more than a decade to secure freer access to the Chinese market. If the U.S. does not capitalize on this agreement

by giving China PNTR status, America's competitors in Europe and Asia most certainly will.

Like most Americans, I am deeply concerned about human rights, labor and environmental conditions in China. Some opponents argue that granting PNTR status would somehow remove pressure on China to improve its poor record on these issues. I don't agree.

It is important to remember that China already has the privilege of full access to the U.S. market. Let's get that clear. They already have the privilege of full access to the U.S. market. While Congress has repeatedly criticized China's record on these issues, it has never once revoked China's trade status in an annual review.

Furthermore, granting China PNTR status would not prevent Congress or the administration from continuing to speak out on any and all issues of concern that have been raised, nor would it preclude sanctioning China in the future.

In addition, I regard the expansion of our economic relationship as a far more effective method of influencing change in Chinese behavior than the status quo. If China joins the WTO, the United States will have an unprecedented opportunity to not only export more of our goods and services to China, but also our culture and values. This increased interaction will allow the United States to expose the Chinese people to Western standards of political freedom, human rights, business practices and environmental protection.

No one can predict with any degree of certainty the path China will ultimately choose for itself. But I firmly believe that opening China economically to the rest of the world can only help efforts to open up its political system and improve the lives of its people.

Some argue that China has become a major military rival to America and that increased trade would finance China's military buildup, thereby enhancing China's threat to our national security. I think this logic as inherently wrong.

History has shown that economic integration diminishes military tension and the threat of war, even among historical enemies. The European Union, which brought together two longtime adversaries, France and Germany, is a prime example of this phenomenon.

Nations that trade together share a common interest in remaining at peace and preserving the mutual benefits of free trade. Conversely, rejecting opportunities for economic cooperation would only play into the hands of the old hard-line elements in China who are already hostile to both free trade and the United States.

As the final vote on PNTR approaches, the question that this body must consider is not whether China deserves to enjoy the benefits of WTO membership.

At this point, that is not a decision the U.S. can make wholly on our own, because China will be able to join the WTO if it has the support of its other major trading partners. Nor does the Senate need to determine whether China needs to improve its record on human rights, labor standards and the environment. It is already clear that these issues need to be addressed.

What the Senate needs to do is to decide whether our Nation will be able to benefit from a hard-fought agreement that unilaterally opens China's markets to American products, and whether the United States should use this trade relationship to advance democratic reform, build a trusting relationship, and address grievances without hostility. In my view, granting China permanent normal trade relations status is the first step in that process.

I thank the Chair and yield the floor.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SESSIONS. Mr. President, I express my admiration for the Senator from Ohio. He effectively states his case on matters of great importance to his State and the Nation. He always does that effectively. I greatly admire his views and thought processes.

PAUL COVERDELL NATIONAL FORENSIC SCIENCES IMPROVEMENT ACT OF 2000

Mr. SESSIONS. Mr. President, not too long ago our former colleague, Paul Coverdell, introduced the National Forensic Sciences Improvement Act. It was a bill to further Federal support to State forensic laboratories, those places where DNA evidence is evaluated, where drug evidence is evaluated, where fingerprints, ballistics, and all the other scientific data from carpet fibers, and so forth, are evaluated, and then reported out to the prosecutors around the country so cases can be prosecuted on sound science.

Today we have a crisis in our criminal justice system. We clearly have a bottleneck, of major proportions, in the laboratory arena. There is simply an exploding amount of work. More and more tests are available. People are demanding more and more tests on each case that comes down the pike. We are way behind.

In my view, as a person who spent 15 years of my life prosecuting criminal cases, swift, fair justice is critical for any effective criminal justice system. We need not to see our cases delayed. We need to create a circumstance in which they can be tried as promptly as possible, considering all justice relevant to the cases.

I ran for attorney general of Alabama in 1994. I talked in every speech I made, virtually, on the need to improve case processing. The very idea of a robber or a rapist being arrested and released on bail and tried 2 years later is beyond the pale. It cannot be acceptable. It cannot be the rule in America.

Yet I am told by Dr. Downs of the forensic laboratory in the State of Alabama that they now have delays of as much as 20 months on scientific evidence. We know Virginia last year, before making remarkable improvements, had almost a year—and other States. Another police officer today told us his State was at least a year in getting routine reports done. This is a kind of bottleneck, a stopgap procedure that undermines the ability of the police and prosecutors to do their jobs.

I was pleased and honored to be able to pick up the Paul Coverdell forensic bill and to reintroduce it as the Paul Coverdell National Forensic Improvement Act of 2000. We have had marvelous bipartisan support on this legislation. Senator MAX CLELAND from Georgia, Paul's colleague, was an original cosponsor of it. He was at our press conference this morning. Senator ZELL MILLER, former Governor of Georgia, who has replaced Paul in the Senate, was also at the press conference today, along with ARLEN SPECTER, a former prosecutor, PAUL WELLSTONE, DICK DURBIN, and others who participated in this announcement.

We need to move this bill. It will be one of the most important acts we can do as a Senate to improve justice in America. It is the kind of thing this Nation ought to do. It ought to be helping States, providing them the latest equipment for their laboratories, the latest techniques on how to evaluate hair fiber or carpet fiber or ballistics or DNA. It ought to be helping them do that and ought not to be taking over their law enforcement processes by taking over their police departments, telling them what kind of cases to prosecute, what kind of sentences to impose and that sort of thing.

A good Federal Government is trying to assist the local States. One of the best ways we could ever do that is to support improvements in the forensic laboratories. I believe strongly that this is a good bill in that regard.

The numbers of cases are stunning. I will share a few of the numbers and statistics that I have. According to the Bureau of Justice Statistics of the Department of Justice, as of December of 1997—it has gotten worse since—69 percent of State crime labs reported DNA backlogs of 6,800 cases and 287,000 offender samples were pending. That is human DNA we are talking about. That is not available in every case, but that is not all they have backlogs on. Every time cocaine is seized and a prosecutor wants to try a cocaine case, the defense lawyer is not going to agree to go to trial. He will not agree to plead guilty until he has a report back from the laboratory saying the powder is, in fact, cocaine. It is almost considered malpractice by many defense lawyers to plead guilty until the chemist's report is back.

This is slowing up cases all over America. The labs have lots of problems in how they are falling behind. I think we need to look at it.

One article reports:

As Spokane, Washington authorities closed in on a suspected serial killer they were

eager to nail enough evidence to make their case stick. So they skipped over the backlogged Washington State Patrol crime lab and shipped some of the evidence to a private laboratory, paying a premium for quicker results. * * * [A] chronic backlog at the State Patrol's seven crime labs, which analyze criminal evidence from police throughout Washington state, has grown so acute that Spokane investigators have feared their manhunt would be stalled.

Suspects have been held in jail for months before trial, waiting for forensic evidence to be completed. Thus potentially innocent persons stay in jail, potentially guilty persons stay out of jail, and victims get no closure while waiting on laboratory reports to be completed.

A newspaper in Alabama, the Decatur Daily, said:

[The] backlog of cases is so bad that final autopsy results and other forensic testing sometimes take up to a year to complete.

Now they are saying it takes even longer than that in Alabama.

It's a frustrating wait for police, prosecutors, defense attorneys, judges and even suspects. It means delayed justice for families of crime victims.

Another article:

To solve the slaying of Jon Benet Ramsey, Boulder police must rely to a great extent on the results of forensic tests being conducted in crime laboratories. [T]he looming problem for police and prosecutors, according to forensic experts, is whether the evidence is in good condition. Or whether lax procedures * * * resulted in key evidence being hopelessly contaminated.

We need to improve our ability to deal with these issues. This legislation would provide $768 million over 6 years directly to our 50 State crime labs to allow them to improve what they are doing.

At the press conference today, we were joined by a nonpolitician and a nonlaw enforcement officer, but perhaps without doubt the person in this country and in the world who has done more than any other to explain what goes on in forensic labs. We had Patricia Cornwell, a best-selling author of so many forensic laboratory cases—a best selling author, perhaps the best selling author in America. She worked for a number of years in a laboratory, actually measuring and describing, as they wrote down the description of the knife cuts and bullet wounds in bodies. She worked in data processing.

She has traveled around this country, and she has visited laboratories all over the country. She said at our press conference they are in a deplorable state. She said the backlog around the country is unprecedented. She lives in Richmond, VA. She personally has put $1.5 million of her own money, matched by the State of Virginia, Governor Gilmore, to create a laboratory in Virginia that meets the standard she believes is required. It is a remarkable thing that she would do that, be that deeply involved.

She is involved and chairman of the board of the foundation that helped create that. She told us how police, defense attorneys, prosecutors, are asking for DNA evidence on cigarettes, on hat bands. They want hair DNA done, hundreds and hundreds of new uses, a Kleenex, perhaps, take the DNA off of that, in addition to the normal objects from which you might expect DNA to be taken. Her view was—and she is quite passionate about this; she has put her own money in it; she understands it deeply—that nothing more could be done to help improve justice in America than to help our laboratories around the country.

We have people on death row who are being charged with capital crimes. We have people who have been charged with rape who are out awaiting trial because they haven't gotten the DNA tests back on semen specimens or blood specimens, and they may well be committing other rapes and other robberies while they are out, if they are guilty. Also, there is evidence to prove they are not guilty if that is the case.

I believe we had a good day today. I believe this Senate and this Congress will listen to the facts about the need for improvement of our forensic laboratories which will respond to the crush of cases that are piling up all over the country and will recognize the leadership that our magnificent and wonderful colleague, Paul Coverdell, gave to this effort and will be proud to vote for the bill named for him, the Paul Coverdell National Forensic Sciences Improvement Act of 2000, and that we can, on a bipartisan basis, move this bill and strike a major blow for justice in America.

I talked with the Attorney General of the United States, Janet Reno, yesterday. She told me this was very consistent with her views. She supports our efforts to improve forensic science capabilities, and she said it is consistent with the Department of Justice's approach to helping State and local law enforcement. I believe the Department of Justice will be supporting this legislation, and we intend to work with everybody who is interested to improve it. At this point, the legislation speaks for itself. It is receiving broad bipartisan support, and I believe we can move it on to passage this year. Nothing we could do would help fight crime more and produce a better quality of justice in our courts over America than passage of this bill.

Mr. President, I ask unanimous consent that Senators HARKIN, MCCONNELL, BUNNING, and GRAMS be added as original cosponsors of S. 3045, which I introduced earlier today.

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

Mr. SESSIONS. I also want to express my appreciation for legal counsel on the Judiciary Committee, Sean Costello, who is with me today, and my chief counsel, Ed Haden, for their support and the extraordinary work they have done in helping to prepare this bill for filing.

SELLING VIOLENT VIDEO GAMES TO CHILDREN

Mr. SESSIONS. Mr. President, I see my colleague from Kansas, Senator BROWNBACK, is here. I had the pleasure recently to be at a press conference with him, which he arranged. He had written a letter to a number of businesses, which I joined. Senator TIM HUTCHINSON and JOE LIEBERMAN also signed that letter. We asked them to consider whether or not they ought to continue to sell video games rated ''M,'' for mature audiences, to young people without some control. In fact, Sears and Montgomery Ward said they would not sell them anymore. They didn't want them in their stores. Wasn't that a good response? Kmart and Wal-Mart said they are not going to sell to minors without an adult or parent present. We believe that was a good corporate response.

I appreciate the leadership of the Senator from Kansas and his hearing, subsequent to that press conference, with a lot of the manufacturers of this product. I understand, from what I have seen, he was particularly skillful in raising the issues and holding these producers of this product to account and challenging businesses and corporate leadership to be more responsible because we now have a conclusive statement from the American Medical Association and half a dozen other groups that this kind of violent entertainment and video games have the capability of harming young people and leading them on to violence. That is bad for them and our country.

I thank the Senator from Kansas.

The PRESIDING OFFICER. The Senator from Kansas is recognized.

MARKETING VIOLENT ENTERTAINMENT PRODUCTS TO CHILDREN

Mr. BROWNBACK. Mr. President, I thank my colleague from Alabama, Senator SESSIONS, for his role in this matter. As a former attorney general, he brought up some excellent points about what these do when you put a child and a video game in a first person shooter role and you reward them for mass killings. You give them points. Particularly at the end, some of these games give a reward which is a particularly grisly killing scene. He pointed out that when you train children in this type of situation, this is harmful to them psychologically, and it is something to which we should be limiting their access.

He also brought a lot of personal insight from his background as an attorney general, and that was really helpful. I hope we are going to be able to draw more attention to parents in the country about these products because it has a harmful effect.

Some of our military actually buy the same products and train our military personnel on the video games. They use it as a simulator. They do it as a way of trying to get people to

react and also to get them up on what is called their ''kill ratio.'' In World Wars I and II, we had problems with soldiers who would not shoot to kill because it was not a natural reaction. They would tend to shoot around. So they had to figure out how to get that ratio up in the military. The problem is when you do that with a child in an unsupervised game—the same game being used by military personnel as a simulator of combat conditions—that can be very harmful.

We found out yesterday at the hearing that it is not only rated for a mature audience, it is not supposed to be used by a child. The industry itself rates it ''mature,'' but they market it to the child. They are target marketing it to children, according to a Federal Trade Commission study.

I will speak about the Federal Trade Commission report that was aired in the Commerce Committee yesterday on marketing of violent entertainment products to our children. I want to talk about what that report brought forward, what we saw at the hearing yesterday, and some conclusion and things I think we can move forward on in dealing with this problem.

At the outset, I recognize the work of one of my staff members, Cherie Harder, who has done outstanding work in the time she has been with me in the Senate in raising the visibility of this issue.

It has been said that every good idea goes through three stages: First, it is ridiculed; second, it is bitterly opposed; last, it is accepted as obvious.

Over the past 2 years, I have chaired three hearings in the Commerce Committee on the effectiveness of labels and ratings, the impact of violent entertainment products on children. The first hearing on whether violent products are being marketed to our children happened about a month after the Columbine killings took place in Colorado. When we started out in these hearings, these ideas I put forward were ridiculed, bitterly opposed shortly afterwards; but now, in reviewing the FTC report, the fact that harmful, violent entertainment is being marketed to kids is now being accepted as clear and obvious.

We have come a long way. This is an important Federal Trade Commission report. When I introduced the legislation last year to authorize the FTC report, which was cosponsored by several of my colleagues, I did so because of overwhelming anecdotal evidence that violent adult-rated entertainment was being marketed to children by the entertainment industry. It has been said that much of modern research is corroboration of the obvious by obscure methods. This study corroborates what many of us have long suspected, and it does so unambiguously and conclusively. It shows, as Chairman Pitofsky of the FTC noted, that the marketing is ''pervasive and aggressive.''

It shows that entertainment companies are literally making a killing off of marketing violence to kids. The problem is not one industry. It can be found in virtually every form of entertainment—music, movies, video games. Together they take up the majority of a child's leisure hours. The message they get and the images they see often glamorize brutality and trivialize cruelty.

Take, for example, popular music. The FTC report notes that 100 percent of sticker music—that is music that has been rated by the industry rating board itself as not appropriate for the audience under the age of 18. The survey by the FTC was of the entertainment industry target-marketing to kids. This is both troubling and fairly predictable—troubling in that the lyrics you see that we previously discussed are target-marketed to young kids—mostly young boys—whose characters, attitudes, assumptions, and values are still being formed and vulnerable to being warped, and predictable in that there are few fans for such music who are over the age of 20.

Movies are equally blatantly marketed to kids, and they are appalling in their content. Movies have great power because stories have great power; they can move us; they can change our minds, our hearts, and even our hopes.

The movie industry wields enormous influence. When used responsibly, their work can edify, uplift, and inspire us. But all too often that power is used to exploit.

I have seen some movies that are basically 2-hour long commercials for the misuse of guns.

The movie industry has the gall to target-market teen slasher movies to child audiences and then insist that the R ratings somehow protect the movie industry. From reading the FTC report, it seems clear that the ratings protect the industry from the consumers rather than the consumers from the industry.

Take video games. When kids play violent video games, they do not merely witness slaughter; they engage in virtual murder. Indeed, the point of what are called the first-person shooter games—that is virtually all of the M-rated games, sticker games that the industry itself says are inappropriate for an under-age-18 audience—the object is to kill as many characters as possible. The higher the body count, the higher your score. Often bonus points are given for finishing off your enemy in a particularly grisly way. Common sense should tell us positively that reinforcing sadistic behavior is a bad idea, and that in itself cannot be good for children.

We cannot expect that the hours spent in school will mold and instruct the child's mind but that hours spent immersed in violent entertainment will not. We cannot expect that if we raise our children on violence, they are going to somehow love peace. This is not only common sense, it is a public health concern.

In late July, I convened a Public Health Summit on Entertainment Violence. At the summit, we released a joint statement signed by some of the most prominent associations in the public health community. These are some of them: The American Medical Association; the American Academy of Pediatricians; the American Psychological Association; the Academy of Family Physicians; the American Psychiatric Association, and the Academy of Child and Adolescent Psychologists. All of them signed the same document. I will only read a portion of that document to you. This portion of it reads this way:

''Well over 1,000 studies point overwhelmingly to a causal connection''—not correlation, causal connection—''between media violence and aggressive behavior in some children. The conclusion of the public health community based on over 30 years of research is that viewing entertainment violence can lead to increases in aggressive attitudes, values, and behavior, particularly in children.''

There is no longer a question as to whether disclosing children to violent entertainment is a public health risk. It is just as surely as tobacco or alcohol.

The question is, What are we going to do about it? What does it take for the entertainment industry and its licensees and retailers to stop exposing children to poison?

There is an additional element that this generally excellent FTC study fails to cover. That is the cross-marketing of violence to kids.

There is ample proof that the entertainment industry not only directly targets children with advertising and other forms of promotion but also markets to them via toys and products that the entertainment industry itself rates as inappropriate for children.

Walk into any toy store in America and you will find dolls, action figures, hand-held games, Halloween costumes based on characters in R-rated movies, musicians noted for their violent lyrics, and M-rated video games. Maybe I am particularly sensitive to this because I have five children. But I know this is accurate.

There is an equally egregious aspect of marketing violence to children and cross-marketing of violent products to kids—one that has not yet adequately been investigated. We need to do so. I look forward to working with the FTC to ensure that this is done as well.

Another media step we need to take is to ensure that these industries enter into a code of conduct.

Consumers and parents need to know what their standards are for these industries; how high they aim; or how low they will go.

I have introduced legislation—S. 2127—that would provide a very limited antitrust exemption that would enable but not require entertainment companies to enter into a voluntary code of conduct—have them set a floor, a base below which they won't go to get products out to children.

We had a very telling exchange yesterday in committee. We had two executives from the movie industry and two from the video game industry. I asked them several times, Is there any word, is there any image so grisly, so bad, is there any example so horrible that you wouldn't put it in music or into a video game? Is there anything, any word, any image? We have some music that is very hateful toward women and harmful. Is there anything that you wouldn't include, that you could say here today you wouldn't put in music or in a video game? They wouldn't state anything that they wouldn't put in—nothing at all.

We need them to set an industry code of conduct where they would set the standard below which they wouldn't go because many of them are saying if you don't do it, somebody else will. They will chase it. These billion-dollar industries think they don't have to go this low. But why not engage them in setting a voluntary code of conduct? They need to do so, and we need to pass this legislation to allow them to do it.

There are other steps we should consider, but a rush to legislate is not one of them. Frankly, imposing 6-month deadlines on an industry that is actively fleecing money is unlikely to bring about lasting reform such as that suggested by the Vice President. We need to encourage responsibility and self-regulation. We need a greater cooperation from the corporations regarding their view of what they can do to help our children morally, physically, and emotionally—for the well-being of our children rather than harming them. This FTC report is an important step in that direction because although it concentrates on the tip of the iceberg, it does shed light on the magnitude of the problem that we have with the entertainment industry. It shows kids are being exploited for profit and exposes a cultural externality in this market.

Ultimately, we asked the entertainment executives to come in front of the Commerce Committee yesterday—and in 2 weeks the movie industry—to work with us and to appeal to their sense of corporate responsibility and citizenship. Our appeal is this: Please just do the right thing. Stop marketing violence to our kids. If you believe a product is inappropriate for somebody under the age of 18, then don't target-market to that child that same product that you yourselves rate inappropriate for a child under the age of 18. Just stop it. Just do not do it.

If the industry persists, the FTC has stated that they are going to do an investigation into whether or not some members of the industry who are doing this are liable to charges of false and deceptive advertising of these products.

As I mentioned, a code of conduct would be an appropriate step forward for the industry to take.

Yesterday, we discussed the music industry making widely acceptable and available to parents the lyrics that are in the music because, right now, those are not readily accessible or available to parents. But ultimately, we all protect the first amendment, and nobody is for censorship. I state that again. Nobody is for censorship. But we need to appeal to this industry to just do the right thing and stop target-marketing their products to our children. It is just wrong, and they need to stop it.

MEASURE PLACED ON THE CALENDAR—H.R. 2090

Mr. BROWNBACK. Mr. President, I understand there is a bill at the desk due for a second reading.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 2090) to direct the Secretary of Commerce to contract with the National Academy of Sciences to establish the Coordinated Oceanographic Program Advisory Panel to report to the Congress on the feasibility and social value of a coordinated oceanography program.

Mr. BROWNBACK. I object to further proceeding on this bill at this time.

The PRESIDING OFFICER. Under the rule, the bill will be placed on the calendar.

MEASURE READ FOR THE FIRST TIME—S. 3046

Mr. BROWNBACK. Mr. President, I understand S. 3046 has been introduced by the majority leader and it is at the desk, and I now ask for its first reading.

The PRESIDING OFFICER. The clerk will read the bill for the first time.

The assistant legislative clerk read as follows:

A bill (S. 3046) to amend title 11 of the United States Code, and for other purposes.

Mr. BROWNBACK. 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 the second time on the next legislative day.

ORDERS FOR FRIDAY, SEPTEMBER 15, 2000, MONDAY, SEPTEMBER 18, 2000, AND TUESDAY, SEPTEMBER 19, 2000

Mr. BROWNBACK. I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 10:00 a.m. on Friday, September 15. I further ask consent that on Friday, Monday, and Tuesday, immediately following the prayer, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and on Friday the Senate then resume consideration of H.R. 4444, the China PNTR bill, as under the previous order.

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

Mr. BROWNBACK. Mr. President, I further ask consent that the Senate convene on Monday at 12 noon, with the time until 2 p.m. designated for morning business, with Senators speaking for up to 10 minutes each, with the following exceptions: Senator THOMAS or his designee, 1 to 2 o'clock; Senator GRAHAM of Florida, or his designee, 12 to 1 p.m.

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

Mr. BROWNBACK. On Tuesday, September 19, I ask that the Senate convene at 9:30 a.m., as under the previous order, and the Senate stand in recess from the hours of 12:30 p.m. until 2:15 p.m. for the weekly policy conferences to meet and, upon reconvening, there be a vote on final passage of H.R. 4444, and that paragraph 4 of rule XII be waived.

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

PROGRAM

Mr. BROWNBACK. For the information of all Senators, at 10 a.m. tomorrow the Senate will resume consideration of H.R. 4444, the China trade bill. Those Senators who would like to make statements as in morning business may also come to the floor at any time during tomorrow's session.

On Monday, the Senate will be in a period of morning business from 12 noon until 2 p.m. and then resume consideration of the China PNTR legislation. Also on Monday, the Senate may begin consideration of the water resources bill if an agreement can be reached.

On Tuesday, under previous order, the two leaders will have from 9:30 a.m. until 12:30 p.m. for closing remarks on the PNTR bill. Following the weekly party conferences at 2:15 p.m., a vote will occur on final passage of the PNTR bill. Senators can expect the first vote of next week on Tuesday.

ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mr. BROWNBACK. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 7:24 p.m., adjourned until Friday, September 15, 2000, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate September 14, 2000:

DEPARTMENT OF COMMERCE

ELWOOD HOLSTEIN, JR., OF NEW JERSEY, TO BE ASSISTANT SECRETARY OF COMMERCE FOR OCEANS AND ATMOSPHERE, VICE TERRY D. GARCIA, RESIGNED.

OVERSEAS PRIVATE INVESTMENT CORPORATION

MELVIN E. CLARK, JR., OF THE DISTRICT OF COLUMBIA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE OVERSEAS PRIVATE INVESTMENT CORPORATION FOR A TERM EXPIRING DECEMBER 17, 2002. (REAPPOINTMENT)

FEDERAL RETIREMENT THRIFT INVESTMENT BOARD

SHERYL R. MARSHALL, OF MASSACHUSETTS, TO BE A MEMBER OF THE FEDERAL RETIREMENT THRIFT INVESTMENT BOARD FOR A TERM EXPIRING OCTOBER 11, 2002. (REAPPOINTMENT)

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

NINA M. ARCHABAL, OF MINNESOTA, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE HUMANITIES FOR A TERM EXPIRING JANUARY 26, 2006, VICE NICHOLAS KANELLOS, TERM EXPIRED.

BETTY G. BENGTSON, OF WASHINGTON, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE HUMANITIES FOR A TERM EXPIRING JANUARY 26, 2006, VICE RAMON A. GUTIERREZ, TERM EXPIRED.

RON CHEW, OF WASHINGTON, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE HUMANITIES FOR A TERM EXPIRING JANUARY 26, 2006, VICE ROBERT I. ROTBERG, TERM EXPIRED.

HENRY GLASSIE, OF INDIANA, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE HUMANITIES FOR A TERM EXPIRING JANUARY 26, 2006, VICE MARTHA CONGLETON HOWELL, TERM EXPIRED.

MARY D. HUBBARD, OF ALABAMA, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE HUMANITIES FOR A TERM EXPIRING JANUARY 26, 2004, VICE THEODORE S. HAMEROW, TERM EXPIRED.

NAOMI SHIHAB NYE, OF TEXAS, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE HUMANITIES FOR A TERM EXPIRING JANUARY 26, 2006, VICE BEV LINDSEY, TERM EXPIRED.

VICKI L. RUIZ, OF ARIZONA, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE HUMANITIES FOR A TERM EXPIRING JANUARY 26, 2006, VICE HAROLD K. SKRAMSTAD, TERM EXPIRED.

CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

TONI G. FAY, OF NEW JERSEY, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE CORPORATION FOR NATIONAL AND COMMUNITY SERVICE FOR A TERM EXPIRING OCTOBER 6, 2001, VICE JOHN ROTHER, TERM EXPIRED.

BARRY GOLDWATER SCHOLARSHIP AND EXCELLENCE EDUCATION FOUNDATION

MICHAEL PRESCOTT GOLDWATER, OF ARIZONA, TO BE A MEMBER OF THE BOARD OF TRUSTEES OF THE BARRY GOLDWATER SCHOLARSHIP AND EXCELLENCE IN EDUCATION FOUNDATION FOR A TERM EXPIRING OCTOBER 13, 2005, VICE WILLIAM W. QUINN, RESIGNED.

HANS MARK, OF TEXAS, TO BE A MEMBER OF THE BOARD OF TRUSTEES OF THE BARRY GOLDWATER SCHOLARSHIP AND EXCELLENCE IN EDUCATION FOUNDATION FOR THE REMAINDER OF THE TERM EXPIRING APRIL 17, 2002. (REAPPOINTMENT)

LYNDA HARE SCRIBANTE, OF COLORADO, TO BE A MEMBER OF THE BOARD OF TRUSTEES OF THE BARRY GOLDWATER SCHOLARSHIP AND EXCELLENCE IN EDUCATION FOUNDATION FOR A TERM EXPIRING OCTOBER 13, 2005. (REAPPOINTMENT)

FEDERAL RETIREMENT THRIFT INVESTMENT BOARD

THOMAS A. FINK, OF ALASKA, TO BE A MEMBER OF THE FEDERAL RETIREMENT THRIFT INVESTMENT BOARD FOR A TERM EXPIRING OCTOBER 11, 2003. (REAPPOINTMENT)

THE JUDICIARY

STEPHEN B. LIEBERMAN, OF PENNSYLVANIA, TO BE UNITED STATES DISTRICT JUDGE FOR THE EASTERN DISTRICT OF PENNSYLVANIA VICE EDWARD N. CAHN, RETIRED.

IN THE COAST GUARD

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE UNITED STATES COAST GUARD TO THE GRADE INDICATED UNDER TITLE 14, U.S.C., SECTION 271:

To be rear admiral

READ ADM. (LH) ROBERT C. OLSEN JR., 0000
READ ADM. (LH) ROBERT D. SIROIS, 0000
READ ADM. (LH) PATRICK M. STILLMAN, 0000

IN THE NAVY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be vice admiral

REAR ADM. TONEY M. BUCCHI, 0000

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be vice admiral

REAR ADM. TIMOTHY J. KEATING, 0000

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be vice admiral

REAR ADM. MARTIN J. MAYER, 0000

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be vice admiral

VICE ADM. DENNIS V. MCGINN, 0000