

**SENATE—Friday, September 10, 1999**

The Senate met at 9:31 a.m. and was called to order by the Honorable MIKE DEWINE, a Senator from the State of Ohio.

## PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Almighty God, Creator of the world, Ruler over all of life, our Adonai, sovereign Lord of our lives, we join with Jewish Senators in celebrating Rosh Hashanah, "the head of the year," the beginning of the days of awe and repentance, a time of reconciliation with You and with one another.

We thank You that we are united in our need to repent, to return to our real selves for an honest inventory, and then to return to You with a humble and contrite heart. Forgive our sins of omission: the words and deeds You called us to say and do which we neglected, our bland condoning of prejudice and hatred, and our toleration of injustice in our society. Forgive our sins of commission: the times we turned away from You and Your clear and specific guidance, and the times we failed to acknowledge You and rebelled against Your management of our lives.

O gracious God, sound the shofar in our souls, blow the trumpets, and wake our somnolent spirits. Arouse us and call us to spiritual regeneration. Awaken us to our accountability to You for our lives and our leadership of this Nation. We thank You for Your atoning grace and for this opportunity for a new beginning.

And so, Lord, help the Jews and Christians called to serve in this Senate, the Senators' staffs, and the whole Senate support team to celebrate unity under Your sovereignty and to exemplify to our Nation the oneness of a shared commitment to You. In Your holy name. Amen.

## PLEDGE OF ALLEGIANCE

The Honorable MIKE DEWINE, 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.

## APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. THURMOND].

The legislative clerk read the following letter:

U.S. SENATE,  
PRESIDENT PRO TEMPORE,  
Washington, DC, September 10, 1999.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable MIKE DEWINE, a Senator from the State of Ohio, to perform the duties of the Chair.

STROM THURMOND,  
President pro tempore.

Mr. DEWINE thereupon assumed the chair as Acting President pro tempore.

The ACTING PRESIDENT pro tempore. The Chair, in his capacity as a Senator from Ohio, suggests the absence of a quorum.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

## THE INTERIOR APPROPRIATIONS BILL

Ms. LANDRIEU. Mr. President, I come to the floor this morning during morning business to say a few words about a couple of subjects that are very important to me and to the people of my State. As the American public knows, the last couple of days we have been engaged in a tremendous debate about the Interior appropriations bill. It is 1 of the 13 appropriations bills in this Congress we are trying to negotiate and pass as part of our overall budget, and it is a very important and quite contentious piece of legislation. There are many issues about balancing our resources: how they should be harvested, how they should be spent, how they should be invested.

There are about 21 Senators in this body, on the Republican and Democratic side, who have worked very hard on a very comprehensive Conservation and Reinvestment Act which is now pending in the Energy Committee. Next year, as this bill comes out of this committee and becomes part of the national debate, it is my hope and vision we will be debating how to use the resources we have been able to set aside this year for the American public.

In the bill we have crafted, which is S. 25, the Conservation and Reinvestment Act, we have made a statement that there is a better way to spend the money that is coming from offshore oil and gas, a much better way to spend this money than what we have done the last 50 years. For the last 50 years, we have taken almost every dime that has

come from oil and gas, almost every dime, and put it back into the general treasury of this country and operated our Government.

I believe, and I think the American people strongly believe, that a good portion of that money should go back to protect the environment. We are depleting one resource, a great resource that we have in oil and natural gas, we are depleting it at a tremendous rate in the Gulf of Mexico, which is now the place, basically, outside of Alaska, where most of the offshore drilling occurs, and of course a little in the interior States. But the Gulf of Mexico has the bulk of our reserves. States such as Louisiana, Texas, Mississippi, and, to a certain degree, Alabama contribute.

We are happy for the industry. We are learning to manage it in a more environmentally friendly way. We believe they can coexist, the oil industry and other industries and the environment. But all of this money, as you know, has gone into the general fund. We think it is time some of this money be reinvested before the wells run dry. One day there is not going to be any gas left, there is not going to be any oil left, and I, frankly, would like to have something to show for it.

For those of us who have children and grandchildren and nieces and nephews and families, we would like to be able to say we were wise and smart and conservative and careful and good stewards of the great bounty God has given us, and we have decided to set aside permanently—not hit or miss, not willy-nilly but permanently—a portion of this money to create and sustain our National Park System, to create green spaces and places from New Jersey to California, from Washington State to Florida, from one point of this Nation to the other, to expand the public areas, to expand the green space, to protect our habitat, to provide wilderness areas in a way that makes sense for every community. That is what this bill does. It fully funds the land and water conservation fund which was promised by the last five Presidents, both Democratic and Republican, a great promise that sounded terrific and probably got some votes for them in the elections. The problem is, it was never funded consistently.

I quote from a poll recently taken by Frank Lunz. As you know, he is a Republican pollster, but he did an absolutely outstanding job in this survey of the American people: 94 percent of the American people would like to set aside and create a special way of funding these kinds of programs. In fact, it might be of interest for some Members

of this body to know that in a head-up polling, a true trust fund "for land and water and open spaces beats the wildly popular highway and airport trust fund head to head 45 to 37."

We know how much support there is for a highway trust fund. People believe gasoline taxes that are levied should go to provide for highways, mass transit, fast trains, and environmentally friendly transportation vehicles of the future. That is what the American people want, and I agree with them. I voted for that and so did almost everyone in this body. But according to this poll, more people in this country believe there should be a real trust fund, that this promise should be kept, and when a promise is made, it should be kept.

That is what S. 25 does. We are gaining support for it. If it can pass this year, next year when we have this debate on the Interior bill, we will be talking about the wonderful opportunity to allocate \$900 million a year—\$450 million hopefully for the State side of land and water and \$450 million for the Federal side of land and water—what parks to expand, how to expand them, what picnic areas and wilderness will we create.

In addition, that part of the bill will also bring some much-needed revenue to the coastal States, including the Great Lakes States, to mitigate against the challenges of being a coastal State. I do not think we have to look much further than the weather report from last week when Dennis battered the eastern shore and we have had hurricane after hurricane loss of barrier islands, loss of beach areas.

If there is one thing the American people like to do on the Fourth of July, besides the fireworks and the celebration of our great Independence Day, it is to spend the holiday at the beach. People do it all over the world, and we are no different. But in many parts of this country, there is limited public access unless you are rich enough to own a million-dollar condo or have the money or resources to buy a section near a beach. Sometimes you cannot get there; it is crowded and jam packed.

We would like to have some money for beach restoration, public space expansion, and mitigation against the impacts of being a coastal State. This money has been fairly spread around to States that produce oil and gas and, in a very generous way, even those States that do not. Those of us supporting this bill believe the money should go for those coastal areas. We have Governors, mayors, and county commissioners around this Nation who most certainly support that effort and can use the help as they struggle to keep their coastal communities intact.

In addition, a part of this bill will also create a permanent, reliable stream of money for some much-needed conservation programs.

I have gone fishing most of my life. I am not an expert, but I most certainly enjoy it. I do not do any fancy fishing. We had a camp for 30 years on Lake Pontchartrain. I have gone fishing for croakers and speckled trout most of my life. There are millions of Americans who are serious sports people and fishermen and enjoy being in the outdoors and fishing and hiking and walking in the wilderness.

Part of this bill is going to be a help for States and agencies in all the 50 States to manage their wildlife resources better, both game and nongame. The States, under tremendous budget constraints, are doing a pretty good job. Some States are doing better than others. But the Federal Government should be a better partner. I believe it is much better to deal on the front end, before species are endangered, before habitat areas are endangered, to have money invested to keep them from becoming endangered. It will save us a lot of money, a lot of lawsuits, and a lot of headaches. That is what this bill also does.

I am very hopeful, as the Energy and Natural Resources Committee of this Senate comes back from this recess, we are going to seriously consider this measure. I anticipate that it will pass. It will go through a tremendous debate. There is a similar bill on the House side. We are anticipating passage of that bill and are in negotiations with the administration.

Next year when we come to this floor, Democrats and Republicans can proudly say: Last year we just did not talk about the environment, we just did not argue about how to fund our parks and what to do, but we took the opportunity when it presented itself.

We are running a surplus, and I know there are calls for a tax cut. I support a modest, reasonable, and fiscally responsible tax cut and investments in education, but we can also make room in this budget to redirect revenues to the places they should have been when it started. Louisiana and other producing States most certainly should be able to count on a fair portion of that revenue coming back to them as well as sharing it generously, in the way I have described, with everyone else. I am hopeful that we will do that this year.

So this debate will be quite exciting for the American people—shall I say more exciting next year because they will have seen us actually having done something, taking the bull by the horns and redirecting these revenues.

These poll numbers speak for themselves. We do not need to always follow polls. Sometimes we do, and sometimes we do not. But, in this case, it is a good indication of how much the American people want us to take action and actually make progress, to stop talking about it and actually do something.

I am hopeful S. 25 will pass. I thank the 22 Members of this body who have

worked tirelessly over the last 2 years, and the Members of the House—Congressman JOHN and Congressman TAUZIN, Congressman DINGELL, Congressman YOUNG, Congressman MILLER—who have all engaged in trying to work this out in final negotiations on their side. I thank them for their diligence. I thank all the environmental groups, all the fishing, hunting, and sports enthusiasts who have helped bring this bill to where it is today, to the possibility of actually having this promise, which was made but never kept, become real for our children and grandchildren.

On that point, let me also add a word about this oil valuation. I just finished speaking for 10 minutes about using these oil and gas revenues for a really special purpose. So why would I also then come to the floor and talk about the oil valuation rule? The reason is that is exactly on point in this debate.

There are some Members who think the oil companies are intentionally underpaying these royalties. Most certainly, based on the speech I just gave, I want to make sure, and will make sure to the best of my ability, that the oil companies are paying every single penny of royalties that are due to the American taxpayer because that money will go directly, if this bill passes, into this trust fund to be spent on parks and recreation.

I most certainly will not be one of the Senators who will come to this floor and try to come up with some scheme, if you will, to get the oil companies off the hook. I want them to pay their fair share. In addition, being from Louisiana, when I was State treasurer before I came here, 45 percent—let me repeat that—45 percent of our State budget relied on oil and gas royalty rents and severance tax onshore and near shore. Many of these revenues went to fund our schools and put computers in our classrooms. We most certainly wanted every single penny to come our way.

It is ludicrous to think these oil companies, which last year wrote checks to the Federal Government for \$2.8 billion according to our royalty valuation, would flinch at writing another check for \$60 million.

Sixty million dollars is not a lot of money compared to \$2.8 billion. They are not intentionally underpaying.

The rules we have set up, like many rules we write, unfortunately—our tax rules—are complicated. Lawyers and accountants can look at the same rule and come up with different ideas about what it says or what it means or how much you owe. That is all this is.

The oil companies are looking for—and I believe they are right—a simpler way. I was not here 3 years ago, but the year before I came, there was a bill which was passed that was to have made the rule more simple and more transparent in relation to what was owed in terms of rents and royalties

and severance for those who dealt in Federal waters. We passed that law overwhelmingly. The rule was created and developed by the Department of Minerals Management.

Unfortunately, the rule they are proposing is not going to work. It does not make the current system more simple. It, in fact, makes it more complicated. It is not going to get us out of court. It is going to keep us in court and litigation.

I think the vote is going to be very close. The honorable Senator from California has a different view. She has stated on the floor that she thinks the oil companies are intentionally underpaying, although there has not been one lawsuit, to my knowledge, filed that has claimed "intentional" underpayment. The claimed underpayment is based on an honest disagreement of what the rules and regulations say and how these payments should be calculated, which is very complicated, as the Senator from Oklahoma, who is quite knowledgeable and quite an expert in this area, has shared on this floor.

In conclusion, I am the lead author of a bill to put every single penny we can get from these oil royalties into the U.S. Treasury. The bill I have, with 21 other Senators, proposes a good way to spend that money. So I do not want to see us shortchanged at all. But I also think that going forward with this rule, which makes it more complicated, will not meet that end; it will only make it worse. It will keep us from redirecting these revenues, at least the full amount of them, the way we know we can.

So I urge, when we vote next week, to vote with the Senator from Texas, Mrs. HUTCHISON, to keep this rule as a work-in-progress until we can come up with a simple way to get this done. I will be voting that way and urge my colleagues to also.

#### TRIBUTE TO KOREAN ADOPTEES

Ms. LANDRIEU. Mr. President, I feel compelled to say something about a special group of people. There is a wonderful gathering of people in Washington. As you know, we have hundreds and thousands of people who come every week to Washington. We cannot come to the floor to talk about every group that comes to Washington because then we would be on the floor for a long time.

But there is a very special group in Washington, and it is a group of 400 Korean American, American Korean adults who were adopted from Korea in the 1950s and 1960s.

I will read from a wonderful article that appeared in USA Today yesterday about one particular orphan and her experience. But I want to say how proud I am, as cochair of the Adoption Caucus, to host, with many Members of

this body, this gathering of Americans who have come, actually, from all over the world—it is not just Korean adoptees from America but from Europe and other places who were adopted out of Korea—to share their stories.

This is one story by war orphan No. 1371. She is a writer for USA Today at this time in her life. She writes:

Malnutrition and a bacterial infection had drawn all but 8 pounds from my 24-inch frame. My thick black hair teemed with lice; my body glistened with circles of fresh infection created by oozing sores that covered 80% of my body.

Yet somehow I survived. Less than two months later, I was packed onto a shiny airliner with 96 other Korean children—four to a wicker basket—and carried to my adoptive parents, Dominic and Dorothy Enrico, in southern California.

At that moment I suffered what now seems like incomprehensible losses for one so young: my birth family, my country and the comfortable anonymity of growing up among people of the same race. What I gained was the opportunity to participate in an international adoption revolution that continues to be a testimony to the human potential for love and acceptance regardless of blood ties, race or ethnicity.

This young woman will join 400 other adults who have had this experience. And there have been over 140,000 young people—infants and young children and teenagers—adopted from Korea, and many of them have come to the United States. In almost every instance, it has been a happy and joyful experience for the adoptee and for the family.

The Korean adoptions have opened up a new thought in America: that families could be made of a people who looked different—because love does not know a color; love does not know family bounds.

So because of the great work of the Government and Catholic Charities and many others that have made this possible, we now have families in America that look very different with family members who love others from different parts of the world and from different races. It is a testimony to the greatness of the human potential for love and for companionship.

I am proud to sponsor this group of adults. We hope to continue the work of international adoption. We would like to find a home for every child in the world in the country in which they were born. But if there is not a home there—if no one wants them, if they are not able to find a home—then we need to find them a home somewhere in the world.

Senator JESSE HELMS, an adoptive father himself, which a lot of people do not know—he and his wife adopted a special needs child, so he has personal experience in adoption—is the lead sponsor of a tremendous piece of legislation that is going to lay an international framework, a legal framework, so children from all over the world, including the United States, can find a home and they will not have to

grow up infested with lice or they will not have to have a little body oozing with sores, so they will have a mother and a father, preferably two parents. But if we could find one caring adult for each child in the world, that is our hope.

So that is one of the great gatherings that is taking place. I wanted to honor them by reading from that article this morning and by wishing them a wonderful conference at the J.W. Marriott. We will be hosting a reception for them in the Capitol later today.

I invite my colleagues to drop by and see for themselves the great miracle of adoption.

#### TRIBUTE TO JIMMIE DAVIS OF BATON ROUGE, LOUISIANA

Ms. LANDRIEU. Mr. President, I rise on behalf of Senator BREAUX and myself to take note of the 100th birthday of one of Louisiana's favorite sons and one of our Nation's finest talents. Most Americans know Jimmie Davis through his world-famous song, "You Are My Sunshine," one of the most popular songs in the history of recorded music. However, for Louisianians, Jimmie Davis is much more than a consummate entertainer and southern gentleman, he also helped lead Louisiana's government to new heights, passing the first retirement benefits for State employees, the first reforestation legislation and the first program to give free milk to school children.

Jimmie Davis has been a college teacher, shaken hands with five or six Presidents, appeared in half a dozen movies, performed with stars such as Gene Autry, Frank Sinatra and Elvis Presley, and twice was elected Governor of Louisiana.

During his second term as Governor, the State's economy was in a downward spiral. However, by the end of his term, employment was higher than ever, personal incomes were up, school teachers saw their full salary schedule implemented and the ambitious Toledo Bend Dam was started.

Jimmie Davis is widely known as a beloved and colorful leader. One day on the way to his office, he rode his horse up the Capitol steps, into the elevator and into his office. He ended every State legislative session with his band's rendition of "It Makes No Difference Now."

Jimmie Davis is truly a Louisiana State treasure and a treasure for all Americans. He definitely is our sunshine.

He is a man whom we all hope we can be like, because he is, as I say, celebrating his 100th birthday. So with those of us who hope to live to be 100, Jimmie Davis is a good example of how to do it.

Jimmie Davis still loves to sing to this day, and if Majority Leader LOTT

would encourage him, he would probably join the Senate singing group because he is still quite active.

Governor Jimmie Davis is one of Louisiana's favorite sons.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

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

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

#### ORDER OF PROCEDURE

Mr. COVERDELL. Mr. President, I ask unanimous consent that following time under the control of Senator COVERDELL, the following Senators be recognized to speak in morning business:

Senator DORGAN for up to 15 minutes, to be followed by Senator COLLINS for up to 15 minutes.

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

#### THE TAX RELIEF PROPOSAL

Mr. COVERDELL. Mr. President, at the end of July, beginning of August, the Congress, in an almost unprecedented fashion and with speed, passed a very significant tax relief bill in Washington. It has been the subject of much discussion and debate.

We could not find very accurate descriptions of this tax proposal, and so Senators and House Members who believed in tax relief went home, and for the last month they have held 500, 700 town halls. They have been throughout the country describing what the tax proposal actually is.

I remember being in a small city in the northern part of my State, Rome, GA, and saying, so far, I had read very little that adequately described what the totality of the tax proposal was.

I have just come from a press conference in the Senate gallery with House and Senate Members. I was taken by the fact that of the six or seven Members there, they all spoke of this mischaracterization they were struggling with when they initially got home. It was characterized as a very large tax bill that would disrupt Social Security and Medicare. There was very little understanding of the proposal, which is this: It is proposed that over the next 10 years, there will be some \$3 trillion in surpluses.

Now, these surpluses are a product of the fact that over the last 4 years, a majority of the U.S. Congress has argued for balanced budgets and for financial constraint. That has produced a very positive economy and, indeed, we are now seeing these numbers that suggest there could be up to \$3 trillion in surplus over the next 10 years. Well,

what are Washington policymakers going to do about it?

At the end of July, the Congress passed this proposal. It said we would take 60 percent of all the surpluses and set it aside for Social Security. It would either be used for Social Security reform or to pay down debt. It assigned 17 percent of all these surpluses to Medicare, education, and domestic priorities to make sure that we keep Medicare sound and whole. It takes 23 percent of the surpluses and returns it to American workers—23 percent.

Now, Chairman Greenspan of the Federal Reserve is quoted all the time on this. He said this is what he would do with it. If he had his first choice, he would pay down the debt. Sixty percent of our proposal does that. He said his second choice would be tax relief. Twenty-three percent of our proposal does that. He said the last thing he would do would be to spend it; don't spend it, and even this proposal spends 17 percent of it.

So the debate we are having is over whether or not 23 percent of those surpluses should be returned to American workers or left in Washington to be spent. As Americans have understood this proposal, they have begun, in increasing numbers, to support it. A majority of Americans now believe the President should sign the tax relief proposal. I don't know if that will compel him to do so, but America has begun to understand that this is a very balanced, reasoned plan.

Why do we think this is so important? American workers today are paying the highest taxes they have paid since World War II. I will repeat that. American workers are paying at the highest tax level they have paid since World War II. About half of their paychecks are consumed by a government at some level—local, State, and Federal. I have said this before. If Thomas Jefferson were here today, he would faint; and when he woke up, he would be very mad that we had ever come to a point that government was taking half of what labor produces. That is what we face today.

Economic opportunity is a fundamental component of what makes American liberty work. It is a fact that Americans have had economic independence and they have turned into a people who are so bold, so visionary, so entrepreneurial, and so confident. We are a very confident people. It goes all the way back to the Revolution. American workers at that time were already the highest paid workers in the world. Since that time, we have seen what happens to a people who have their own independence. We must never take that away from the American psyche and culture. If we do, we will threaten the way American liberty has worked.

Therefore, this tax relief proposal is not some disjointed political venture. This tax relief proposal is instrumental

in the nurturing of one of the fundamental principles of American liberty, i.e., economic independence. There is not a day in this town—and I have been here a little over 6 years, about the same time as the Presiding Officer—that somebody hasn't bemoaned the fact that there was something American families needed or ought to do that they can't: They don't have enough insurance, or some of them don't have any; they don't have enough housing; they don't have enough to pursue the educational purposes they seek.

If the government is taking half of the resources away from them, are we surprised and shocked that these families don't have enough to accomplish the fundamental goals they seek, that they can't pay the insurance premiums? If the government would leave the money with the persons who earned it, they could solve those problems.

There is not a wizard, wonk, or bureaucrat in this city who can more appropriately determine what a family needs to keep itself whole and healthy than the family itself. Therefore, there is no public policy that is more important than nurturing the economic liberty and keeping the checking accounts of American workers healthy so they can do what they have done for the last two-plus centuries.

Economic liberty is a fundamental component of American culture. That is what this tax relief proposal is about. It is about making sure more of those resources stay in those checking accounts.

When you take too much out of those checking accounts—which we have been historically doing now for about three decades-plus—you change the way Americans function. We are not who we are because of our genes. We are who we are because we have been free. When you reduce the resources American families have, you start seeing things you don't like to see.

Let me give you a couple of examples. This year, for the first time since the Great Depression, workers in the United States—our workers—will have a negative savings rate. What is left to save after the Government marches through the checking account?

If an average family in America is making \$50,000 or \$55,000 a year, and you take half of it away, is there enough left to get the job done? The answer is no. So there is nothing to save. So when there is a crisis, there is no ability to respond to it or to prepare adequately for retirement. If you leave the resources in those checking accounts, you will see the savings go up. They will have the resources to do the kinds of things they are supposed to do, including saving for problems or retirement.

Here is another one. Bankruptcies are at an all-time high. Credit card debt is at an all-time high. There are

not enough resources in the checking accounts and so the behavior of these families begins to move in directions that are not as appropriate. That is going to continue as long as we continue to press and constrain and take too much out of the check of an American worker, an American family, and an American business.

I see that the distinguished Senator from Idaho has arrived. I don't want to infringe upon his time. I will yield the floor. Under the previous order, each of us has up to 15 minutes.

The PRESIDING OFFICER. The Senator from Idaho is recognized.

#### TAXES

Mr. CRAIG. Mr. President, I thank the Senator from Georgia for coming to the floor this morning and asking his colleagues to come with him to discuss what is one of the most fundamental arguments and debates this Senate has had, and that is the debate over taxes and how much our government should rightfully take from the American worker and the American family to fund and finance the services of government.

When I first came to Congress in 1981, we were rapidly spending into deficit, and I said at that time my goal would be to balance the Federal budget.

I well remember that some of the old-timers who had been in Congress then for 30 or 40 years laughingly said, "Not in your lifetime, young man." "Not in your lifetime." They also repeated that it really wasn't in the character of our Government or in the good of the Nation that we should ever balance the Federal budget and that deficit spending was appropriate and right for Government to stimulate the economy. I was of a different school of thought, as were many.

In the early 1980s, I joined with Democrat and Republican who agreed with me to introduce balanced budget amendments and to begin to educate Americans that balancing the Federal budget—the annual operating budget and keeping it balanced—would reap this country great dividends.

If you can flash back to the early 1980s, it was also at a time when our deficits were building in the Federal Reserve. At that time, Paul Volcker was saying to us: If you will get your fiscal house in order and I can get my monetary house in order, and we can keep them in balance, we can diminish inflation, lower our interest rates, and cause a tremendous economic growth in our economy.

Congress in those early days chose not to listen. We continued to deficit spend. Paul Volcker, Chairman of the Federal Reserve, basically took it on himself, as did the Federal Reserve, to kill inflation in this economy. It was a very costly task. It threw thousands and thousands of people out of work. It

bankrupted small companies. It destroyed farming and ranching communities. It was a devastating thing to do. But it happened.

Some of us have already forgotten 21 percent interest rates at one point and high levels of unemployment. Why? Because the fiscal and monetary policy of this Nation's Government was out of sync. We continued to deficit spend. We continued to mount those deficits until 1994. The American people said enough is enough, and we will listen to a conservative Republican Congress, and we want you to balance the budget. So they changed our country significantly by electing a more conservative Republican majority in Congress. The rest of the story is, while difficult at times, quite simple; that is, we balanced the budget. We did so by restricting the growth of spending at a time when new technologies in our economy were exploding on the scene. The economy and the fiscal policy and monetary policy began to go into balance. We have seen the most phenomenal economic renaissance literally in the history of this country, if not the history of the world.

Our economy today drags the rest of the world's economies with it. Our workforce has never had more options, generally speaking, and opportunity for employment in the history of our country, except, as the Senator from Georgia knows, in rural agricultural communities and some of our resource-based communities where agricultural policy or Government policy is not in sync at this moment, and where we have a unique phenomena around the world such that our biotechnology has expanded around the world to the point of creating tremendous surplus because of the balanced budget.

Because of the fiscally responsible Congress, we are now experiencing the politics of surplus—not deficit but surplus. The politics of that surplus is really quite simple. For those who like to spend, they lick their chops and rub their hands and say, look at all we can do more than we are doing for the American people.

For those of us who really believe we are doing enough and that the American people best know, as the Senator from Georgia said, where and how to spend their money on their families, the politics of surplus is the opportunity to reward the American people for their wisdom in requiring their Government to balance its budget and to return to the American family the money that is rightfully theirs in the reality that we are, in fact, overtaxing the American workforce for the amount of money necessary to run Government.

We knew coming to this session of Congress that what we wanted to do for the American workforce and the American taxpayer in returning to them their money would be a difficult task at best. The first sounding of the alarm

came with the President's State of the Union Message when he not only proposed in a time of surplus 80-some new spending programs but even proposed a tax increase. I mean, my goodness, Bill. We are talking about potentially hundreds of billions of dollars of surplus and the argument is that we are probably overtaxing the American people and you want more money and you want to tax more. That really was the beginning of the battle that we have engaged in for about 7 long months.

It was also quite obvious from the very beginning this President would have an ally. That ally would be the liberal press that, from the very beginning, was always asking people such as me and the Senator from Georgia: Well, but what about the President's position? Don't you think that is the right position?

In essence, they were saying: My goodness, you are surely not going to give back this money when you can spend it on all of these programs.

Here is how all of that refines itself into headlines. I was fascinated by it.

In February, I asked the Chairman of the Federal Reserve, Alan Greenspan, who all of us respect greatly, to come to speak to the Republican policy luncheon. He said: What do you want me to speak about? Quite simply, I want to ask you one question: What do you do with surplus? Alan Greenspan came. And he said: Let me suggest that you reduce marginal rates, you pay down debt, "but, most importantly, you don't spend it."

"Most importantly, you don't spend it."

He said the reason is quite simple. Don't send a message to the economy of this country that you are going to lift the caps and start spending money. He said it will be a most negative message because the available resources of this country are now dedicated to growth and job creation in the private marketplace. And if you suggest that you are going to increasingly take more of it and spend it in Government, you will send a more negative signal. Don't do it.

Before the August recess, after we had shaped a tax bill and we were in the final days of debating it and getting ready to send it to the President, the headlines in the papers were "Alan Greenspan not in favor of tax cut."

The reason I use that example is because it typifies what we knew very early on—that we have many enemies out there as did the taxpayers have in pushing this message. Enemy No. 1, Bill Clinton; No. 2, a collective press that would not fairly write to the American people the broad base of this argument.

Let me tell you what Alan Greenspan said that extrapolated itself into headlines as "not in favor of tax cut." He said, and I am not going to extrapolate; I am going to quote:

My first priority, if I were given such a priority, is to let the surplus run. As I have said before, my second priority is if you find that as a consequence of those surpluses they tend to be spent—

In other words, Alan Greenspan is consistent with February and late July—

Then I would be more in the camp of cutting taxes because the least desirable is using those surpluses to expand outlays or to spend.

Greenspan continued:

I give great sympathy to those who wish to cut taxes now to preempt that process, and, indeed, if it turns out that they are right then I would say moving on the tax front makes a good deal of sense to me.

Do you know that Alan Greenspan is right? Already the forces of the idea that the President will veto this package are at hand saying: Can we have another \$10, \$15, or \$20 billion?

Can we have all of the surplus that will be generated out of the general fund and spend it because the priorities are so important?

If we send a signal to the American economy, and Bill Clinton helps it with a veto of this tax bill that will go to him next Tuesday, that we are turning on the spending machine, I am not so sure that a year or two from now we will see near zero unemployment in our country; we will see the vibrant economy; we will see the investment capital; we will see the job creation that has given the American people more reason for optimism than anything we have done or we could do as a government in the last good many decades.

I am suggesting what the Republican Congress has done in proposing a very broad-based tax cut is responsible, consistent with our economy, fair, and it is intended to help people. It is intended to say to the American family: Taxpayers are entitled to more than 50 percent of what they earn, to save, to invest, to buy a new home or a car, to do what is truly a part of the American dream; and that is to not consistently have government take away more of it. That has always been the great energy of our society.

After Alan Greenspan was at the policy committee, I asked him about this phenomenon in the stock market and this high-tech economy. I said: How do you read this one, Mr. Greenspan? He said: I am not sure I can, other than to say the genius of the American people turned loose in a private marketplace is beyond imagination.

Today we have seen that genius simply because we have reduced the level of intensity of government upon that genius. And we want to reduce it a little more. Of all the surplus moneys that will come rolling into government over the next 10 years, we are saying, for every dollar, we only want to give one quarter of it back—not all of it, one quarter of every dollar. Three quarters of it stays in government to shore up Social Security, to reform So-

cial Security, to protect new and future Social Security recipients, to spend a little in selected areas when we find it necessary.

Yet one would think, from listening to folks on the other side of the aisle, that this tax cut would destroy government as we know it. I heard a Democrat Senator the other day say it will destroy all the environmental programs; it will destroy all the educational programs; it will destroy all of the welfare programs. After listening to that, my only thought was: Get a life. Where are you coming from?

We are talking surplus moneys, not current moneys. We are talking surplus moneys. We are only talking about giving a quarter of it back out of every dollar and keeping three quarters of it to do much of what that Senator was talking about.

The reason that Senator was in such an illogical, untruthful panic was that over the August recess Republicans, led by the Senator from Georgia, went home to hold town meetings and press conferences and to visit with our taxpayers and our voters and explain the package. All of a sudden, the numbers started shifting because the national media didn't have control of the message. All of a sudden, the tax bill moved up into the high fifties and sixties as something the American people thought was probably the right thing to do. Still frustrated, they want the debt paid down. But when they found out that over the course of the life of this tax bill we pay down about \$2 trillion in debt, they said that is fair and reasonable.

Of course, when agricultural America, where the Senator from Georgia and I were visiting with our farmers, saw what we had done for them in farming and in the tax package to help production agriculture, they said that makes sense, that gives us tools to survive and to be productive.

I am absolutely amazed this President blindly, without listening, reading, or sensing the character of the American people, but only the politics of his party, says "veto" from day 1, "veto" from day 2, "veto" from day 3, instead of saying we have an opportunity to keep this economy growing to allow the private sector to thrive, to hold down the influence of government over the private sector, and, most importantly, allow the American family to pursue its dream.

That is what this tax package is all about. It is all about the right things. It is about fairness, responsibility, helping people, and controlling government.

I thank my colleague from Georgia for his leadership in this area, for helping send the messages out unfettered, clear and simple, to the American people so they can make up their own minds. They are making up their minds. It is very clear to me where

they come down. They come down on the "no spending" side, and they come down on the side of splitting the differences between a tax cut and paying down the debt. That is right and responsible. I hope the President will listen as that bill comes to him this coming week.

I yield the floor.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

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

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

Mr. LOTT. Mr. President, I do have a series of requests that I will need to make. I have notified the Democratic leadership that we will be making these requests, and I believe Senator DORGAN is here to respond and perhaps comment on them.

#### UNANIMOUS CONSENT REQUEST— MESSAGE ACCOMPANYING S. 1467

Mr. LOTT. Mr. President, I ask unanimous consent the Chair lay before the Senate a message from the House to accompany S. 1467, the FAA reauthorization. I further ask consent the Senate disagree to the amendments of the House, agree to the request for a conference with the House, and the Chair be authorized to appoint conferees on the part of the Senate.

Before the question is put, I do want to say the FAA reauthorization is a very important piece of legislation, obviously. It never seems to be easy getting it through the Congress. I remember in 1996 it was the last bill that we passed of the session, and it took an extra week of the session to get it through. Now we find, after a lot of work involving issues all the way from safety and improvements in airports and questions of slots at various airports—New York, Chicago, as well as what to do with Reagan National Airport—the Senate has developed what I think is a good bill. The House has passed a bill, but it has provisions in it that are of great concern to the chairman of the committee in the Senate and the chairman of the Budget Committee. So there are, once again, complications.

Because of the need to stay on the appropriations bills and fulfill our commitments, it is very difficult to schedule a lengthy debate on FAA reauthorization. I have spoken to Senator DASCHLE and said: Is there some way we can work out an agreement to perhaps bring it up in a short period of time so we get it done, even in the midst of all the appropriations bills? The other option is to go straight to

conference with the bill the Senate Commerce Committee reported and the bill the House has reported. That is what this would attempt to do so we could move on with the process.

That effort was made during the latter part of July. We thought we had it cleared a couple of times, and then we ran into objections. I do have a list of proposed conferees who would come both from the Commerce Committee and from another committee that is interested in this, the Transportation Appropriations Committee, I believe, Senator SHELBY; and Budget, Senators DOMENICI and GRASSLEY, and of course their counterparts from the Democratic side.

I make that unanimous consent request at this time.

The PRESIDING OFFICER. Is there objection?

Mr. DORGAN. Mr. President, reserving the right to object.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, reserving the right to object, and I shall object on behalf of Senator DASCHLE, the Democratic leader. But before doing so, I would like to point out the Senate passed S. 1467, which is a 60-day extension of the airport grant program. We have dealt with this issue of the reauthorization act for some long while.

In fact, in the Commerce Committee on which I and the majority leader both serve, we have passed S. 82. It has been waiting to be brought to the floor of the Senate for debate. The process that is described by Senator LOTT would, in effect, prohibit Senators from debating this issue on the floor of the Senate. Because the House passes an omnibus bill and attaches it to the 60-day extension, the Senate does not have the opportunity to debate. It means people who have amendments they would like to offer, perhaps, to the bill that we wrote in the Commerce Committee will not have that opportunity. This will then be decided in conference. That is not appropriate and not something we could agree to.

But I do want to say, and I expect the majority leader probably disagrees, this process has been abysmal. We have a system in this country with radical expansion of the number of people flying. The FAA is an organization that desperately needs some assistance and some predictability and consistency with a reauthorization they can count on. We should have done this long ago. Passing 60-day extensions doesn't serve anybody's interest.

Several days on the floor of the Senate would resolve this from the standpoint of the larger reauthorization bill and move this process forward. I will be forced to object to the unanimous consent request for those reasons, the request offered by the majority leader. I do so object, and then I would like to offer a unanimous consent request on a

different way to accomplish the same result. But I object to the unanimous consent request by the majority leader.

The PRESIDING OFFICER. Objection is heard.

Mr. DORGAN. If I might ask the majority leader for the opportunity to offer a unanimous consent request?

I ask consent the Senate disagree to the House amendments so the message on this bill can be returned to the House this afternoon. That would enable the House to recede from its amendment and send S. 1467, the short-term extension bill the Senate passed on August 2, to the President immediately for his signature. This would ensure this process would continue, local airports would be able to receive the estimated \$290 million in funds due through the end of this fiscal year, and do that until the Senate has had an opportunity to consider the FAA reauthorization bill. We should do that. Senators have that right. It ought to be a priority. I hope we can accomplish that. I make this in the form of a unanimous consent request.

The PRESIDING OFFICER. Is there objection?

Mr. LOTT. Mr. President, I would have to object at this time. However, I find some interest in the offer. But I would need to consult with the chairman and the ranking member and make sure all Senators are aware of that. I have a number of Senators who have put me on notice, on both sides of the aisle, that before we agree to a further, or some other, agreement or unanimous consent, they would want to be notified. I know Senator FITZGERALD of Illinois was one of those. I believe one of the New York Senators had notified me to that effect also. So we would need to clear it with a number of people.

I personally think the 60-day extension is the way to go and that is why I supported the 60-day extension before we went out. We had not been able to resolve the scheduling problems or resolve the substance of the issues, and while we were doing that, I thought the responsible thing to do was the 60-day extension, and I will continue to advance the need for that. Unfortunately, the House didn't agree with that and they took our 60-day extension and attached their bill to it and sent it back, which, in effect, meant that we did not have the extension because this was the final couple of days of the July recess.

There are disagreements on how to resolve the FAA reauthorization. I noted we had a similar disagreement over a very narrow point back in 1996 and the whole session was delayed an extra week because Senator KENNEDY had a point that he was concerned about. But we got it done, and I am determined we are going to get it done this time.

I must say to the Senator, if I could create an extra 10 days in a month, I

would probably do that because it is very hard to accommodate what we must do and accommodate agreements that are reached so we can have not 1 week but 2 weeks of debate on a juvenile justice bill. We find many of our bills are taking longer because Senators offer 100 amendments or a whole variety of things.

I am determined to get this done and I will continue to work with the chairmen and the ranking members on both sides of the aisle, in both Houses, and I will be pursuing the 60-day extension. I will get back to the Democratic leadership about how we proceed with that.

Again, I note I did talk to Senator DASCHLE about trying to come up with an agreement on a process where we could deal with this, even with the limited time we have before us.

Mr. DORGAN. May I make just one comment?

Mr. LOTT. Further reserving the right to object, I yield to the Senator.

Mr. DORGAN. I observe on March 8 the Commerce Committee took action on S. 82, which is the reauthorization of the FAA. So we have had a substantial amount of time elapse. I think the Senator from Mississippi agrees with me that the number of people using the aviation system in this country has expanded dramatically. The capacity is being substantially taxed in many ways, and we really do need to pass a reauthorization bill. It is critically important that we get at this business. I respect the difficulty of time that a majority leader has to deal with, but this is a big issue, the issue of safety and protecting the system by which we have an aviation transportation system in our country, one that we are very proud of but one that desperately is waiting for and needs a reauthorization bill passed by the Senate. We ought to have the opportunity to debate that in the Senate, get to conference, and we ought to make this a priority.

Mr. LOTT. Further reserving the right to object, if Senators will show up, we can have work on Mondays and Fridays. If we do not have objection to having a full day's work, such as this coming Monday, we can get more done. But I should note also, transportation in general is important. Roads and ports and harbors, Amtrak, railroads, airlines—it is all important.

Yet, just yesterday, the Democrats insisted on blocking a maneuver to get to consideration of the Transportation appropriations bill. They threatened to filibuster because they did not like one provision in the Transportation appropriations bill that will benefit two States, that affects two States. Therefore, we could not invoke cloture on the Transportation appropriations bill.

I agree, air safety is important but so is road safety. My father was killed on an unsafe, narrow, two-lane highway. I get very excited and determined when

it comes to transportation, whether it is an appropriations bill or transportation in general, and FAA reauthorization. I hope we can find a way to work together to move both these bills. I am committed to that.

I object.

I will move to the next request.

The PRESIDING OFFICER. Objection is heard.

UNANIMOUS CONSENT REQUEST—  
S.J. RES. 33

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate now turn to the consideration of Calendar No. 274, S.J. Res. 33, regarding the actions of President Clinton in granting clemency to the FALN terrorists.

The PRESIDING OFFICER. Is there objection?

Mr. DORGAN. Mr. President, reserving the right to object, and I shall object on behalf of Senator DASCHLE. I observe that Senator DASCHLE and Senator LOTT had conversations about the specific language in the proposal. My understanding is there are meetings, in fact, scheduled midday today to review the language. I expect there may be some opportunity to come to some common understanding on language that will be acceptable. There has been no such agreement at this point. While these discussions are ongoing, on behalf of Senator DASCHLE, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. LOTT. Mr. President, I appreciate the comments of Senator DORGAN with regard to the possibility of trying to work out some language on which there can be agreement. Even though I will proceed to file a cloture motion, if we can come up with some language that expresses the outrage of the American people and the feelings of the Senate on both sides of the aisle, we will withdraw that cloture motion and will go to the vote.

I note that just yesterday the House of Representatives debated a resolution on this issue. Over 300 voted for the resolution expressing criticism of this clemency; 41 or so voted no; 70 voted "present," which I think is a very curious thing. I do not recall the last time I have seen as many as 70 vote "present." The House has shown leadership in this area in a bipartisan way. I hope the Senate can do the same.

DEPLORING THE GRANTING OF  
CLEMENCY—MOTION TO PROCEED

CLOTURE MOTION

Mr. LOTT. Mr. President, I now move to proceed to Calendar No. 274, and I send a cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The legislative assistant read as follows:

CLOTURE MOTION

We the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the motion to proceed to S.J. Res. 33, a joint resolution deploring the actions of President Clinton regarding granting clemency to FALN terrorists:

Trent Lott, Conrad R. Burns, Ted Stevens, Peter Fitzgerald, Jim Bunning, Larry E. Craig, Michael D. Crapo, Chuck Hagel, Fred Thompson, Bill Frist, Michael B. Enzi, Judd Gregg, Craig Thomas, Jesse Helms, Pat Roberts, and Paul Coverdell.

Mr. LOTT. Mr. President, for the information of all Senators, this cloture vote will occur on Monday, September 13.

I ask unanimous consent that the cloture vote occur at 5 p.m. on Monday and the mandatory quorum under rule XXII be waived.

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

Mr. LOTT. I now withdraw the motion to proceed.

The PRESIDING OFFICER. The motion is withdrawn.

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

DEPARTMENT OF THE INTERIOR  
AND RELATED AGENCIES APPRO-  
PRIATIONS ACT, 2000—RESUMED

The PRESIDING OFFICER. The pending business is the Interior appropriations bill, H.R. 2466, which the clerk will report.

The legislative assistant read as follows:

A bill (H.R. 2466) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 2000, and for other purposes.

Pending:

Gorton amendment No. 1359, of a technical nature.

Hutchison amendment No. 1603, to prohibit the use of funds for the purpose of issuing a notice of rulemaking with respect to the valuation of crude oil for royalty purposes until September 30, 2000.

Mr. LOTT. What is the pending business now, Mr. President?

AMENDMENT NO. 1603

The PRESIDING OFFICER. The pending business is the Hutchison amendment No. 1603.

CLOTURE MOTION

Mr. LOTT. Mr. President, I send a cloture motion to the desk on the pending amendment.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The legislative assistant read as follows:

CLOTURE MOTION

We the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on amend-

ment No. 1603 to Calendar No. 210, H.R. 2466, the Interior appropriations bill:

Trent Lott, Kay Bailey Hutchison, Gordon Smith, Thad Cochran, Larry E. Craig, Bill Frist, Mike Crapo, Don Nickles, Craig Thomas, Chuck Hagel, Christopher S. Bond, Jon Kyl, Peter Fitzgerald, Pete V. Domenici, Phil Gramm, and Slade Gorton.

Mr. LOTT. Mr. President, again, so Senators will know when to expect the vote, it will occur Monday, September 13. So on Monday, with the two cloture votes and a vote or two on Federal judicial nominations, we can expect three or four votes in a stacked sequence on Monday afternoon beginning at 5. I ask unanimous consent that this vote occur immediately following the cloture vote regarding S.J. Res. 33 and the mandatory quorum under rule XXII be waived.

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

Mr. LOTT. Mr. President, I will note also this is an unusual procedure. Let me just explain. We are on the Interior appropriations bill. There is an amendment pending. Because the Senator from California, Mrs. BOXER, is concerned she may lose on a vote on the amendment, it is being filibustered, or there is the threat of a filibuster. I think that is unusual.

We do have disagreements sometimes on how to proceed to a bill or whether or not to even take up a bill, but it is a little unusual to have this occur on an individual amendment.

Senator DASCHLE and I quite often talk about how we prefer not to do this sort of thing to each other, at least on amendments. What we try to accommodate each other on is a debate, vote, somebody wins, somebody loses, and we move on. Sometimes individual Senators can exercise their right, and they have that right.

I hope we will not get into a pattern of doing this. It will make an already cumbersome process even more difficult to complete important work. The Interior appropriations bill, as all appropriations bills, is very important for our country. It has a lot of important provisions, all the way from parks to land management, that we need to get completed. We certainly will work to do that, and that is why I filed this cloture motion.

ORDER OF BUSINESS

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate now proceed to a period for morning business, with Senators permitted to speak for up to 10 minutes each.

Mr. DORGAN. Reserving the right to object, and I shall not object, but I would like to make a couple of inquiries of the majority leader.

I ask the majority leader about the issue of scheduling the Comprehensive Test Ban Treaty for debate in the Senate. While I have asked that, let me

make an observation. The majority leader just described the difficulties the leadership has, both the majority leader and the minority leader, in scheduling business before the Senate. I respect that. I do not think he is crying wolf. It is a difficult problem.

I once saw a juggler juggle a potato chip, a bowling ball, and a chain saw that was running. It occurred to me that one was light, one was heavy, and one was dangerous. That is probably the kind of juggling act Senator LOTT and Senator DASCHLE are required to do weekly and monthly.

The distinction of understanding what is light and heavy and what is dangerous, for that matter, is a very important distinction. Let me describe something I think is very heavy in terms of a public issue and public policy. That is the Comprehensive Test Ban Treaty signed by 152 countries and sent to this Senate 718 days ago without one hearing.

I believe so strongly—and I know the Senator from Mississippi knows I spoke earlier this week on the floor about it—that we have a responsibility to provide leadership in the world on the issue of nonproliferation of nuclear weapons. This treaty is a baby step in that direction.

So far, we have not been able to get even 1 day of hearings on this treaty. I believe very strongly that this is one of those heavy public policy issues which is important for our country and important for the world. I want very much to have some assurance that we are going to have an opportunity to debate and vote on the Comprehensive Test Ban Treaty at some point.

I inquire of the majority leader where we are with respect to that treaty, why we have not been able to have hearings, and when we might expect some action on the floor of the Senate with respect to the Comprehensive Test Ban Treaty.

Mr. LOTT. Mr. President, first of all, I emphasize, obviously this is a very important issue. I think it is an extremely dangerous issue in a dangerous time. We see now uncertainty with regard to Russia and their economic condition and what is happening with loans that have been made to them I guess through the IMF. We are concerned about their continuing nuclear capability. So it is an uncertain time. They have not ratified SALT II in the Duma of Russia. And we have not determined what we are going to do about revisiting the ABM Treaty.

I talked to the President's National Security Adviser, Sandy Berger, this past week about that event. I believe very strongly we are going to have to take another look at the ABM Treaty.

Then, in addition to that, you have the very dangerous situation with Iraq. In today's newspaper, we have an indication that Iran may have the capability to deliver nuclear weapons be-

yond what most people are aware. And there is the "scary," I believe is the way it was described in the newspaper today, situation with regard to North Korea.

The countries that have signed that treaty, for the most part, are countries that do not have nuclear capability, so they are perfectly happy to sign it. But when you look at Russia, Iraq, Iran, North Korea, Pakistan, and India, the world is still very dangerous.

The chairman of the Foreign Relations Committee has indicated very strongly there are a number of treaties that are necessarily tied together; what is going to be the situation with regard to the ABM Treaty; what is the situation with regard to Kyoto, the global warming issue; and the third leg of this stool is the Comprehensive Test Ban Treaty.

I think the chairman has indicated he is willing to get into these three areas. He will be taking a look at hearings. I have encouraged him to do so, but I think everybody needs to understand that it would involve all three of these issues. And they are going to be dealt with.

I commend for the reading of the Senate today's editorial page article by Charles Krauthammer. I ask unanimous consent that a copy of that article be printed in the CONGRESSIONAL RECORD.

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

[From the Washington Post, September 10, 1999]

(By Charles Krauthammer)

A TEST BAN THAT DISARMS US

When it comes to nuclear testing, nations will act in their perceived self-interest.

Some debates just never go away. The Clinton administration is back again pressing Congress for passage of the Comprehensive Test Ban Treaty (CTBT). This is part of a final-legacy push that includes a Middle East peace for just-in-time delivery by September 2000.

The argument for the test ban is that it will prevent nuclear proliferation. If countries cannot test nukes, they will not build them because they won't know if they work. Ratifying the CTBT is supposed to close the testing option for would-be nuclear powers.

We sign. They desist. How exactly does this work?

As a Washington Post editorial explains, one of the ways to "induce would-be proliferators to get off the nuclear track" is "if the nuclear powers showed themselves ready to accept some increasing part of the discipline they are calling on non-nuclear others to accept." The power of example of the greatest nuclear country is expected to induce other countries to follow suit.

History has not been kind to this argument. The most dramatic counterexamples, of course, are rogue states such as North Korea, Iraq and Iran. They don't sign treaties and, even when they do, they set out to break them clandestinely from the first day. Moral suasion does not sway them.

More interesting is the case of friendly countries such as India and Pakistan. They are exactly the kind of countries whose nu-

clear ambitions the American example of restraint is supposed to mollify.

Well, then. The United States has not exploded a nuclear bomb either above or below ground since 1992. In 1993, President Clinton made it official by declaring a total moratorium on U.S. testing. Then last year, India and Pakistan went ahead and exploded a series of nuclear bombs. So much for moral suasion. Why did they do it? Because of this obvious, if inconvenient, truth: Nuclear weapons are the supreme military asset. Not that they necessarily will be used in warfare. But their very possession transforms the geopolitical status of the possessor. The possessor acquires not just aggressive power but, even more important, a deterrent capacity as well.

Ask yourself: Would we have launched the Persian Gulf War if Iraq had been bristling with nukes?

This truth is easy for Americans to forget because we have so much conventional strength that our nuclear forces appear superfluous, even vestigial. Lesser countries, however, recognize the political and diplomatic power conveyed by nuclear weapons.

They want the nuclear option. For good reason. And they will not forgo it because they are moved by the moral example of the United States. Nations follow their interests, not norms.

Okay, say the test ban advocates. If not swayed by American example, they will be swayed by the penalties for breaking an international norm.

What penalties? China exploded test after test until it had satisfied itself that its arsenal was in good shape, then quit in 1996. India and Pakistan broke both the norm on nuclear testing and nonproliferation. North Korea openly flouted the Nuclear Non-Proliferation Treaty.

Were any of these countries sanctioned? North Korea was actually rewarded with enormous diplomatic and financial inducements—including billions of dollars in fuel and food aid—to act nice. India and Pakistan got slapped on the wrist for a couple of months.

That's it. Why? Because these countries are either too important (India) or too scary (North Korea). Despite our pretensions, for America too, interests trump norms.

Whether the United States signs a ban on nuclear testing will not affect the course of proliferation. But it will affect the nuclear status of the United States.

In the absence of testing, the American nuclear arsenal, the most sophisticated on the globe and thus the most in need of testing to ensure its safety and reliability, will degrade over time. As its reliability declines, it become unusable. For the United States, the unintended effect of a test ban is gradual disarmament.

Well, maybe not so unintended. For the more extreme advocates of the test ban, nonproliferation is the ostensible argument, but disarmament is the real objective. The Ban the Bomb and Nuclear Freeze movements have been discredited by history, but their adherents have found a back door. A nuclear test ban is that door. For them, the test ban is part of a larger movement: the war against weapons. It finds expression in such touching and useless exercises as the land mine convention, the biological weapons convention, etc. The test ban, unfortunately, is more than touching and useless. It may actually work—to disarm not the North Korea of the world but the United States.

Mr. LOTT. It is a very good article. He basically says that the Comprehensive Test Ban Treaty is disarmament,

unilateral nuclear disarmament by the United States, because we would not be testing our aging nuclear weapons and saying to the rest of the world: We have been good guys, so we're going to have faith that you're going to be good. I am not prepared to put my grandson's future at risk in this way.

So that is how I wanted to respond. I do think hearings could be and should be scheduled in a variety of ways. I hope the chairman will be working on that. I will be talking to him about it, one. Two, I do think this is a dangerous time to rush to judgment on such an important issue. Three, I do think it is the wrong thing to do. And four, if it is called up preemptively, without appropriate consideration and thought, it could be defeated.

I think that the advocates need to weigh the ramifications and the implications of such an action.

So I know the interest of the Senator. I have already talked with him about it. I will be glad to work with him and to work with the chairman to see what an appropriate time is and what an appropriate process is for having hearings of these critical areas.

**THE PRESIDING OFFICER.** Is there objection?

**Mr. DORGAN.** Further reserving the right to object, and I shall not object, but I do want to respond to a couple of the comments that were made. We should not rush into this. No one would ever accuse the Senate of speeding on an issue such as this—718 days. It is very unusual that we have not had an opportunity to act on this treaty after 718 days without even 1 day of hearings. So no one will accuse the Senate of rushing to judgment on this issue.

It is an uncertain and difficult world. That is precisely why it is important to address this issue. This country has no moral standing, or very little moral suasion to be going to India and Pakistan and saying to them: Do not detonate additional nuclear weapons. Sign and ratify this treaty. The fact is Russia and China, and others, wait on us.

The majority leader talked about a piece in today's newspaper written by Charles Krauthammer.

I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a much better piece on this same subject that appeared two days ago in the Washington Post in the form of an editorial supporting the Comprehensive Test Ban Treaty, and reserve the right later to ask at some time to include an even better piece that will be in response to today's Krauthammer article this morning that I and some others will try to write for the Washington Post.

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

#### WHY A TEST BAN TREATY?

The proposed nuclear test ban treaty has been around so long—for 50 years—and has

been so shrouded in political foliage that many people have forgotten just what it entails. The current debate about it centers on the Clinton administration's differences with the Russians on the one hand and with the Republicans on the other. But in fact the appeal of the treaty is a good deal simpler and more powerful than the debate indicates. This treaty would put an end to underground nuclear tests everywhere; tests above ground already are proscribed either by treaty or by political calculation. Its merits shine through.

Testing is the principal engine of nuclear proliferation. Without tests, a would-be nuclear power cannot be sure enough the thing would work to employ it as a reliable military and political instrument. Leaving open the testing option means leaving open the proliferation option—the very definition of instability. The United States, which enjoys immense global nuclear advantage, can only be the loser as additional countries go nuclear or extend their nuclear reach. The aspiring nuclear powers, whether they are anti-American rogue states or friendly-to-America parties to regional disputes, sow danger and uncertainty across a global landscape. No nation possibly can gain more than we do from universal acceptance of a test ban that helps close off others' options.

At the moment, the treaty is hung up in the Senate by Republicans desiring to use it as a hostage for a national missile defense of their particular design. This is curious. The obstructionists pride themselves in believing American power to be the core of American security. Why then do they support a test ban holdup that multiplies the mischief and menace of proliferators and directly erodes American power? The idea has spread that Americans must choose between a test ban treaty and a missile defense. The idea is false. These are two aspects of a single American security program, the one being a first resort to restrain others' nuclear ambitions and the other a last resort to limit the damage if all else fails. No reasonable person would want to cast one of these away, least of all over details of missile program design. Those in the Senate who are forcing an either-or choice owe it to the country to explain why we cannot employ them both.

The old bugaboo of verification has arisen in the current debate. There is no harm in conceding that verification of low-yield tests might not be 100 percent. But the reasonable measure of these things always has been whether the evasion would make a difference. The answer has to be that cheating so slight as to be undetectable by one or another American intelligence means would not make much difference at all.

The trump card of those who believe the United States should maintain a testing option is that computer calculations alone cannot provide the degree of certitude about the reliability of weapons in the American stockpile that would prudently allow us to forgo tests. This is a matter of continuing contention among the specialists. But what seems to us much less in contention is the proposition that, given American technological prowess, the risk of weapons rotting in the American stockpile has got to be a good deal less than the risk that other countries will test their way to nuclear status.

The core question of proliferation remains what will induce would-be proliferators to get off the nuclear track. Certainly a "mere" signature on a piece of paper would not stay the hand of a country driven by extreme nuclear fear or ambition. Two things, however, could make a difference. One is if the nuclear

powers showed themselves ready to accept some increasing part of the discipline they are calling on non-nuclear others to accept, so that the treaty could not be dismissed as punitive and discriminatory. The other is that when you embrace the test ban and related restraints on chemical and biological weapons, you are joining a global order in which those who play by the agreed rules enjoy ever-widening benefits and privileges and those who do not are left out and behind.

President Clinton signed the test ban treaty, and achieving Senate ratification is one of his prime foreign policy goals. More important, ratification would make the world a safer place for the United States. Much still has to be worked out with the Republicans and the Russians, but that is detail work. The larger gain is now within American reach.

**Mr. DORGAN.** I guess I heard the majority leader indicate the Comprehensive Test Ban Treaty is tied up with several other treaties, and he equated it to a stool that has a bunch of legs to it—at least three legs. But I say this: this is not a stool and not legs that connect. There is no connection between the Kyoto treaty and the Comprehensive Nuclear Test Ban Treaty. The U.S. has already decided we are not testing nuclear weapons. We have not tested since the early 1990s.

I would love to have a long debate about this. I feel strongly that the treaty is needed in order to prevent others from testing and in order to prevent others from believing they have acquired nuclear weapons that work, because you cannot believe they work unless you have tested them. If we have a regime in which the world decides, through leadership from this country and others, that it will not test nuclear weapons any longer, we will have taken a step to prevent the proliferation of nuclear weapons.

We can have that debate and should have that debate. But we have not even had the first day of hearings. What I heard the Senator from Mississippi say, I think, is that he has encouraged the chairman of the Committee on Foreign Relations to hold hearings, to hold hearings on this treaty.

The reason I ask the question is I don't want to add to your burdens—you have plenty—but I indicated earlier this week I certainly will be prepared to add to your burdens and the burdens of Senator DASCHLE when you try to schedule this place because this is one of those heavy issues, important issues. We ought to have the opportunity to consider this issue as a Senate.

So I ask the Senator from Mississippi, will we be able to expect hearings will be held in the Foreign Relations Committee on this subject, and, if so, when?

**Mr. LOTT.** Mr. President, if I could respond, who has the time now? Is this under a reservation?

**Mr. DORGAN.** It is.

**THE PRESIDING OFFICER.** The Senate majority leader has the floor.

**Mr. LOTT.** Mr. President, at least Dr. Charles Krauthammer signed his editorial. We do not know who wrote the

editorial in the Washington Post. But I would be willing to guess that Dr. Krauthammer knows more about the subject than whoever at the White House wrote the article for the Washington Post editorial page.

If we want to compare capabilities and knowledge, I would be glad to get into that. I put my money with Krauthammer against anybody who writes an editorial in the Washington Post.

Having said that, I have done what I can do at this point in terms of suggesting that hearings be in order.

Mr. DORGAN. You have suggested.

Mr. LOTT. I have suggested that to the chairman. He has indicated, while he understands and will be working toward that, he has these other issues into which he wants hearings.

But I expect next week to get some feel from him exactly what the schedule would be. When I do talk to him, which will be, I presume, early next week, I will be glad to get back to Senator DORGAN and give him that information.

Mr. DORGAN. I appreciate that.

Let me say I have great respect for the chairman of the committee. We might have disagreements about the policy, but he is the chairman. I have respect for him and in no way denigrate his efforts and his beliefs on these issues.

This is a very controversial matter but very important and one I believe the Senate ought to be entitled to debate. Based on the majority leader's response, I will look forward to further discussing with him next week.

Let me say I appreciate the fact he has initiated an effort to ask that we have some hearings held in the Senate. I think that is movement, and that is exactly what should happen.

Mr. LOTT. I cannot wait to hear how Jim Schlesinger describes the CTBT treaty. When he gets through damning it, they may not want more hearings.

Mr. DORGAN. Mr. Schlesinger will be standing in a mighty small crowd. Most of the folks who are supporting this treaty are the folks who Senator LOTT and I have the greatest respect for who have served this country as Republicans and Democrats, and military policy analysts for three or four decades, going back to President Dwight D. Eisenhower.

Mr. LOTT. I ask unanimous consent that the time just consumed during the leader's presentation of consent items not count against the Coverdell morning business time.

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

Mr. COVERDELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. COVERDELL. Mr. President, I yield up to 15 minutes to the distinguished Senator from Texas.

The PRESIDING OFFICER. The Senator from Texas.

#### PARDONING TERRORISTS BY THE PRESIDENT

Mr. GRAMM. Mr. President, today I want to talk about the tax cut. But I can't help but comment, if only very briefly, about the fact that some of the terrorists pardoned by the President are scheduled to be released today. They were imprisoned for up to 90 years in response to the convictions that were achieved following some 130 bombings in America—the worst terrorist assault in the history of the United States.

We are told by the White House that fighting terrorism is a No. 1 priority. But obviously it is not as important as politics. It is outrageous that at a time when the greatest national security threat facing America is terrorism, that the President of the United States is pardoning radical Puerto Rican nationalists who helped carry out the worst wave of terrorist violence in the history of our country. I think it sends a terrible signal.

I notice the President was saying yesterday that among those who had recommended to him that he pardon these terrorists was former President Jimmy Carter. What an interesting paradox it is that this wave of terrorism, in fact, increased in intensity after then-President Carter pardoned the terrorists who were in prison as a result of an attempt to kill President Truman and were in prison as a result of a shooting in the Chamber of the House of Representatives where Members of Congress were wounded. Those acts of violence were perpetrated in the name of the same cause as that espoused by the terrorists who have now been granted clemency by President Clinton.

I don't know how long it will take President Carter and President Clinton to understand that terrorism is a threat to America and to every American. When you pardon terrorists, you lower the cost for committing terrorist acts.

Our Democrat colleagues have objected for the second time to a simple resolution that condemns the President's actions in pardoning these convicted terrorists. I don't know whether they intend to vote no or whether they intend to vote present, but I don't think there is much confusion. You either believe the President ought to be pardoning these convicted terrorists, or you believe he shouldn't. I wish our Democrat colleagues would let the Senate state its opinion on this important subject as the House did.

#### THE TAX ISSUE IN PERSPECTIVE

Mr. GRAMM. Mr. President, turning to the whole tax issue, I would like to try to set it in perspective. Our Presi-

dent is a master of defining an issue in such a way as to induce the public to support his position. One of his secrets is, he doesn't always tell the truth. So I will try to set this in perspective by trying to define why we believe there should be a tax cut and then outlining the two options that we actually face.

I have several charts that I think will speed the process along. The first chart shows the 7 years in American history where the tax burden on the American people has been highest. Interestingly enough, the highest tax burden in American history, as one might expect, was under President Truman in 1945. National defense was taking 38 cents out of every dollar earned by every American as we were winning World War II.

The second highest tax burden in American history is the tax burden we'll have on Oct. 1. That tax burden is occurring, by the way, when national defense is taking only about 3 cents out of every dollar earned by every American.

The third highest tax burden we have ever had in American history is right now under President Clinton. The fourth highest tax burden occurred last year under President Clinton. The fifth highest occurred in 1944 under President Roosevelt. National defense spending was 38 percent of the national economy.

The sixth highest tax level was in 1997, under President Clinton, and the seventh highest tax level was the day President Reagan became President. As we all know, soon after his inauguration, we set about an effort, a successful effort, to cut taxes 25 percent across the board.

If you look at these 7 years, you will see that we are facing the second highest tax burden on working Americans in the history of the United States and we have never, except during World War II and under President Clinton, faced tax burdens that approached this level, the only one that was close was the year that we initiated the 1981 tax cut.

As to my second point, while the President continues to talk about how risky and dangerous it is to let working Americans keep more of what they earn and why we shouldn't repeal the marriage tax penalty and the death tax, the reality is as shown in this chart, which shows three circumstances.

First, it shows the tax burden the day President Clinton came into office. The day President Clinton became President, the Federal Government was taking 17.8 cents out of every dollar earned by every American. Today, the Federal Government is taking 20.6 cents out of every dollar earned by every American.

If we adopted a tax cut that took the entire non-Social Security surplus,—and our tax cut is significantly less

than the entire non-Social Security surplus because we have finally reached an agreement, which the President initially opposed but finally was shamed into accepting, that we will not spend the Social Security surplus. But if you took the whole non-Social Security surplus and gave it back in tax cuts, the tax burden, when that tax cut was fully implemented, would be 18.8 cents out of every dollar earned by every American, which is still substantially above the tax burden that existed the day Bill Clinton became President. So the adoption of our smaller tax cut and its full implementation would still mean that during the Clinton Presidency, the tax burden on the American people rose dramatically.

A final chart has to do with the part of the story that President Clinton is not telling the American people. President Clinton, interestingly, has it both ways. He says: Don't cut taxes; let's pay down the debt. Then he says: But if you cut taxes—Senator DOMENICI has heard this; Senator NICKLES has heard this—if you do cut taxes, it will jeopardize all these spending programs.

I ask my colleagues: If the President's plan is to use the revenues that we are not using to cut taxes and instead pay down debt, why does that jeopardize spending programs? How is that possible? What the President is doing, interestingly enough, is he is getting credit with some Americans for saying let's pay down the debt. He is getting credit with other Americans for saying let me spend it, and in an incredible paradox, he can have it both ways.

But facts are stubborn things, and they don't lie. It is hard to cover up facts. I want to remind my colleagues, using the final chart here, that earlier this year, in fact on July 21, the Congressional Budget Office, which is the nonpartisan budgeting arm of Congress, looked at the President's budget and asked the question: How much does it propose to spend and how much would it pay down debt?

What the Congressional Budget Office found is that over the next 10 years, the President is proposing spending a net new \$1 trillion 33 billion. The President, according to the Congressional Budget Office, is proposing to spend every penny of the non-Social Security surplus, plus spend part of the Social Security surplus.

So when the President says: Don't give this money back to working Americans in tax cuts, let's pay down the debt, he is saying something that does not comport with his own budget because the reality is, the President's own budget calls for spending every penny of this surplus on some 81 Government programs.

The reality we face is that the President, as he outlined in the State of the Union, has set out some 81 Government programs on which he wants to spend

this non-Social Security surplus and part of the Social Security surplus.

The real choice is not do you want to buy down debt or do you want to give a tax cut to working Americans. The real choice is, do you want to spend this surplus on 81 Government programs, or do you want to give the money back to the American taxpayers.

If I could run the Government by myself, or if the Presiding Officer and I could run the Federal Government, I know exactly what we would do. We would take every penny of the surplus and we would pay down the debt. We would wait until after the election—I am no longer speaking for the Presiding Officer but for myself; I believe my Governor is going to be elected President—and then we would set about doing a real tax cut.

The only reason I supported cutting taxes now is we are spending this surplus as fast as we can spend it, and I am worried that it will be gone on 81 new Government programs before we can have an election and elect a new President and address this issue again.

So if it were up to me, I would do what President Clinton claims he is doing but something he is not doing; that is, I would stay with the spending caps which have already been broken. I would draw the absolute line and not let a penny of Social Security money be plundered. The President is already proposing to plunder it and is going to veto appropriation bills this year because we don't plunder Social Security money. Remember I made that prediction. I will remind you when it happens.

So basically the proof of what I am saying is the following: When the President talks about his budget paying down debt and says our plan does not pay down as much debt, the truth is, when the nonpartisan Congressional Budget Office looked at our tax cut, our budget, and looked at the President's budget, CBO found that the President's budget, for the next 10 years, actually pays down \$219 billion less in the debt than we owe as a nation than the Republican budget does even with our tax cut.

Now, how is that possible? It is possible because the President proposes to spend \$1.33 trillion on new spending programs, which is the entire non-Social Security surplus, plus part of Social Security money. So that is the real choice. I think what the American people need to think about next week when the President vetoes the tax bill is they need to look at those 81 Government programs, and they need to look at our tax cut. Look at the 81 Government programs the President wants to expand, or create and then look at our tax cut and decide which would benefit their family more. I think if they benefit more from the Government spending, they ought to support the Presi-

dent and they ought to vote for a Democrat for President and Democrats to control Congress. But if they believe they can spend their money better than the Government can spend it for them, I think they ought to vote for a Republican President and for Republican Members of Congress.

Lest anybody has forgotten, let me conclude by simply going over what our tax cut does. Our tax cut repeals the marriage tax penalty. As many Americans are aware, because a married couple has a lower standard deduction than two single individuals, and since a married couple gets into the 28-percent tax bracket quicker than two single individuals, the average American couple actually pays the Federal Government \$1,400 a year for the privilege of being married.

Now, as I like to point out, I want to make it clear that my wife is worth \$1,400 a year—a bargain at the price. But I think she ought to get the money and not the Government.

So that is the first thing our tax change does. It eliminates the marriage tax penalty. Now, marriage may not be for everybody, but it is the most powerful institution for human happiness and progress in history. I think having a Tax Code that discriminates against people who get married is a bad mistake and ought to be corrected.

The second thing we do is lower tax rates. We lower each individual bracket by 1 percent, so that every person in that bracket is taxed 1 percentage point less. If you are being taxed at 15 percent, we lower it to 14. If it is 28 percent, we lower it to 27. If it is 31 percent, we lower it to 30.

We repeal the death tax. We believe when Americans work a lifetime to build up a business, to build up a farm, and they pay taxes on every penny they earn, and then they invest their aftertax money in building up a family business or family farm, it is wrong for the Government to force their children to sell that business or that farm in order to give Government up to 55 cents out of every dollar that they built up in that farm or business in their working life.

I know we have Democrat colleagues who say, well, some rich people will benefit. That may be true. But this tax is wrong. It is not right. It is double taxation, and it is very harmful to force children to sell off farms and businesses to give the Government taxes when somebody dies. It is not right when your parents die that the first official contact you get from the Government is from the Internal Revenue Service, in essence, telling you that the lifetime work of your parents has to be sold off to give the Government up to 55 cents out of every dollar that they have earned and set aside in their lives. It is not right.

Another provision of our bill is that we make health insurance tax deductible for the self-employed and for those

people who work for companies that don't provide health insurance. Why should health insurance be tax deductible for General Motors but not for Joe Brown? We think that is discrimination. We think everybody ought to be treated the same.

Now, my final point. You have heard our Democrat colleagues and our President say that the Republican tax cut is unfair. Normally, what they mean in saying it is unfair is something like: Do you realize that about 30 percent of Americans will get no tax cut from the Republican tax cut? You hear that and you say that doesn't sound right. But what they never point out is, roughly 30 percent of American families pay no taxes. We are talking about cutting income taxes, and about a third of American families pay no income tax.

Let me tell you how I feel about this. Taxes are for taxpayers. Tax cuts are for taxpayers. Everybody doesn't get Medicaid. Everybody doesn't get Medicare. Everybody doesn't get food stamps. Everybody doesn't get welfare. You have to qualify for those programs by either paying money in, in the case of Medicare, or being poor, in the case of Medicaid, food stamps, and welfare.

Republicans feel very strongly that tax cuts are for taxpayers. If you don't pay taxes, you don't qualify for a tax cut. That brings me to the final point I want to make. Some people say, well, maybe there could be a compromise between Congress and the President. Let me tell you why there can't and why there is not going to be. It looks as if the President has proposed a \$300 billion tax cut, we have proposed almost \$800 billion, and there is \$500 billion between us. So it doesn't take a genius to figure out you could end up somewhere in the middle.

Let me tell you why it is not going to happen. When the Congressional Budget Office looked at the President's tax plan, they found \$245 billion for USA accounts and concluded that it actually increases spending by \$95 billion, net, over 10 years. Basically the President's tax cut is a set of subsidies that are given to people who by and large do not pay taxes, so that it is really an expenditure instead of a tax cut.

Instead of being \$500 billion apart, the plain truth is, we are closer to \$1 trillion apart. I think in this case, rather than fool around in trying to find some midpoint between minus \$95 billion, which is a tax increase of \$95 billion, and an \$800 billion tax cut, the best thing to do when the President vetoes the tax cut is to let the veto stand. We don't have the votes to override the veto. The best thing to do is to take it to the American voters and let the voters decide in November of next year what they want.

I don't think at this point that a compromise can be worked out. I think basically we are going to have to make a decision as to what we want. That is

how democracy works. You make a decision when the American people go to the polls. I think on this tax cut we are not going to find a middle ground. I think we are going to have to let the American people move the middle ground in the election.

But I think there is something we have to do. I want to stay with the spending caps. It is clear now, when you count all the emergency spending, much of which is not emergency, when you get into all of the bookkeeping gimmicks that ultimately will be used, that we are not going to stay within the spending caps, that we are going to spend beyond those caps. I am sorry about that. I think it is a mistake.

But there is one barrier we have not yet broken. It is a barrier where I believe, when the President vetoes the tax bill, we have to draw the line. We have to draw the line in saying, Mr. President, we can't make you give this money back to the American people but we can stop you from spending the Social Security surplus.

I hope Republicans will have courage enough to stand up and say no to any proposal that takes the Social Security surplus, plunders it, and spends it on general government. I can tell you that I intend to stand by that position. I am hopeful that Republicans in the Senate and the House will stand by it. It is not going to be easy.

Our appropriators in both the House and the Senate and the President tell us that unless we spend vast amounts of additional money, the world is going to come to an end in one of a variety of ways.

I think the time has basically come to say to the President that we can't make you cut taxes but we can stop you from spending this money.

That is what we want to do.

I thank my colleagues for their indulgence. I yield the floor.

THE PRESIDING OFFICER (Mr. VOINOVICH). The Senator from North Dakota is recognized.

#### REDUCING THE FEDERAL DEBT

Mr. DORGAN. Mr. President, I know the Senator from Maine is waiting to speak on the floor. Let me just take 2 or 3 minutes. I will be mercifully brief. I wanted to make a couple of comments, however, before we discontinue this session for the week, especially in light of the comments that were just made by my distinguished colleague from Texas.

We have returned from an August recess in which most of us spent a great deal of time in our home States around America talking to our constituents about their hopes and their dreams and their aspirations.

One of the things I found in North Dakota is that people believe very strongly that if this country is blessed with better economic times—and we

certainly have had good economic times in recent years—that produce a budget surplus, we ought to as a country decide to use a significant part of that surplus to reduce the Federal debt. If during bad economic times you increase the Federal debt, during good economic times you ought to reduce the Federal debt.

We have a \$5.7 trillion Federal debt. We have been very fortunate to eliminate the yearly Federal budget deficit, but we still have this debt that we have run up as a country over many years. It seems to me that one of the best things for America's future to use some of the expected future surplus to reduce this debt.

But it is important in the context of a discussion of the type we just heard about tax cuts to understand the following: There is not yet a surplus. There are only economists who estimate in the next 10 years we will have a surplus. These are economists who don't know what will happen in the future. They do not have the foggiest notion. They are giving us an educated guess.

Prior to the last recession in America, 35 of the 40 leading economists said in the next year we will have sustained economic growth. In fact, almost all of the leading economists were wrong. The next year we had a recession.

A friend of my mine described the field of economics as psychology pumped up with a little helium. That is probably a pretty good description. I, in fact, taught economics for a couple of years. Economists are telling us that we will have 10 years of economic good times and therefore very large budget surpluses. On that basis, we have people in this Congress who say: Well, if that is the case, let us enact a very sizable tax cut.

So the Congress enacted a \$792 billion tax cut over 10 years, this despite the fact that we don't yet have a budget surplus, we only have projections of budget surpluses.

I voted against the \$792 billion proposed tax cut. It is, in my judgment, unwise to cut taxes and therefore decrease revenues when we don't have actual surpluses, only projections. There is plenty of time in the future to deal with surpluses, if in fact they exist. And if we can't agree on how to deal with them and the best of all worlds will occur, it will mean that the Federal debt is reduced because Congress doesn't decide what else to do with the surplus.

It is interesting that with all of this discussion in August back home around the country, I think most Members of the Senate discovered that their constituents believed that to rush to propose a very sizable tax cut with only an economic projection over the next 10 years was not a very thoughtful or appropriate way to deal with this country's fiscal policy.

We have had good fiscal policy in this country that has given some people the confidence that we are doing the right things. Almost 7 years ago, we had an enormous annual Federal budget deficit. It was \$290 billion, and it was growing. Now it is gone. Why? Because this Congress had the courage to say we are not going to put up with that anymore. We are going to change direction and strategy. And we did. We had a vote. By one vote in the Senate, we changed this country's fiscal policy. It was a tough vote and a political vote. An easy vote would have been to say: Don't count me in on that. It actually raised taxes on income for some folks. Don't count me in on that. That is unpopular. Well, count me in. I voted for it. I am proud that I did. It was the right thing. This country was on the wrong track.

We changed the approach to fiscal policy and said to the American people that we were willing to do tough things. We were willing to make tough decisions. Guess what happened. The American people, I think as a result, have more confidence in the future. This entire economy rests on the matter of confidence. If they are confident, they do certain things. If they are confident, they buy a car, they buy a home, they take a vacation, and do the kind of things that move this economy along. If they are not confident about the future, they decide not to make those decisions, they decide to withhold this purchase, or that purchase, and it affects the economy.

What we did about 7 years ago dramatically changed the fiscal policy of this country. This country has had unprecedented economic expansion, and a huge and growing Federal budget deficit is now eliminated.

What remains is the Federal debt that occurred from all of those years of spending. The question is, What should we do about that? The answer for many in this Senate who voted to pass a tax cut was to say what we should do about that is essentially ignore that; let's provide a very large tax cut right now just based on projections by economists who often cannot even remember their home address. That is not good policy. I am pleased that I voted against it.

I think most Americans believe that the right approach for this Congress is to continue on this path we are on of good solid fiscal policy, believing that if and when we have true, good economic times and significant budget surpluses, a major part of that ought to be used to reduce the Federal debt. What greater gift can we give to America's children than to eliminate the Federal debt of \$5.7 trillion?

Let me thank my colleague from Maine. She has been most patient. I yield the floor.

The PRESIDING OFFICER. The Senator from Maine.

(The remarks of Ms. COLLINS pertaining to the introduction of S. 1576 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Ms. COLLINS. Mr. President, seeing no one seeking recognition, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

The Senator from Vermont.

#### VERMONT FOLIAGE

Mr. JEFFORDS. Mr. President, I rise today on an issue of the utmost importance to Vermonters. I recently returned from a wonderful month in my home State of Vermont. I visited farms and downtowns, talked to teachers, parents, and business men and women from all over our State, and enjoyed the beautiful Vermont summer. However, as I and countless of Americans know, nothing compares to Vermont in all of its autumn glory. I would like to read the following proclamation, that I received when I was visiting the picturesque town of Stowe, VT:

#### VERMONT FOLIAGE CHALLENGE PROCLAMATION

Inasmuch as Vermont is acknowledged throughout the known universe to be the home of the most spectacular fall foliage.

And inasmuch as certain ill informed media reports have implied that Vermont's legendary foliage display this year may be less spectacular than usual.

And inasmuch as Vermont's fall foliage display is always the best and brightest on this planet or any other.

We, of the Green Mountain State, hereby issue a challenge, open to all Senators, to wit:

That as of twelve noon on October 1, 1999, the fall foliage in Vermont will be the most colorful, most spectacular, and most photogenic of any venue on Earth.

And inasmuch as any challenge worth issuing deserves to be honored with a prize, we of the Green Mountain State hereby offer as proof of our challenge the quality of ten gallons of last spring's Vermont's finest Grade A Fancy Maple Syrup from Nebraska Knoll Sugar Farm of Stowe, Vermont, to be collected in Stowe.

Respectfully tendered, the Stowe Area Association.

I don't know about where you come from, but 10 gallons of Vermont Fancy Maple Syrup are worth their weight in gold! I would like to see anyone try and meet that challenge.

From Bennington to Derby Line, from Fair Haven to St. Johnsbury, in the months of September and October Vermont's Green Mountains become a painter's palette of rich colors. Nothing refreshes the soul as we head into the cold winter months like the invigorating rush one gets from a visit to

Vermont when she is decked out in prime foliage.

The brisk autumn weather and the breathtaking beauty of nature's fall canvasses are unparalleled anywhere in the 50 States, or even anywhere in the world. Come see for yourself.

Mr. President, before I came to the Chamber, I received word that my esteemed colleague from the State of New York, Senator SCHUMER, has risen to the Vermont Foliage Challenge. Senator SCHUMER has offered 10 gallons of New York apple cider to our 10 gallons of Vermont Maple Syrup, stating that the foliage in the Empire State "will outshine the challenging leaves found in Vermont during this and every October." Anybody who has looked at apple leaves in the fall and maple leaves in the fall realizes there is no way to compare them. I am sure he was not referring to that. I am delighted to hear that the challenge has been accepted, and I am looking forward to enjoying a nice, tall, cold glass of New York apple cider later in the fall. I would like to mention that 10 gallons of maple syrup is not quite comparable to 10 gallons of apple cider, especially considering that it takes 40 gallons of sap to make 1 gallon of maple syrup. But this evens the odds, as it is about a million-to-one chance that Vermont will come out on the short end of the stick in this wager.

Mr. President, Mr. SCHUMER, who I think probably has some insecurity in making this challenge, whisked off to New York and is unable to be here to give his statement. But to acknowledge his courage in accepting the challenge, I ask unanimous consent that Senator SCHUMER's statement be printed in the RECORD.

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

• Mr. SCHUMER. Mr. President, today my esteemed colleague from Vermont stood in praise of the beauty of his fine State during the fall season. Nothing, he argued, could compare with the sight of the Green Mountain State's autumnal foliage. To that end, he reported a challenge issued by his fine constituents in Stowe; that on October 1 of this year, the changing leaves of Vermont would reign supreme.

I represent a contender to this challenge whose autumn beauty is destined to win any comparison with its bright flying colors of yellow, red, and orange. I am proud to represent the State of New York in this Senate, the Empire State, whose foliage will outshine the changing leaves found in Vermont during this and every October.

New York's fall splendor has been captured by a wide variety of artists, from the landscape painters of the Hudson River School to the soulful jazz of Vernon Duke's "Autumn in New York." I point to such representations as proof of our superiority in this venue, and invite any skeptics to visit

the Empire State themselves. They will enjoy the breathtaking grandeur of the Catskills, or happily succumb to the peaceful serenity of an autumn day's drive along Interstate 87 in the Adirondack Mountains. From our wineries to our apple orchards, nothing can compare to the glory of Upstate New York in the fall.

In fact, speaking of apples, I recall that my esteemed Vermont colleague brought a prize to the table from which he issued his challenge. To the State possessing the finest foliage on the first of October, he said, would go 10 gallons of Vermont Fancy Maple Syrup. Mr. President, it is only appropriate that the Empire State bring its own prize to this competition. To that end, I hereby offer as proof of our greatness 10 gallons of New York's finest apple cider, gleaned from the 25 million bushels produced by the Empire State every year. After all, while maple syrup is truly a product of Vermont's spring rejuvenation, apple cider is evidence of the glory of New York's fine fall. ●

#### THERE IS NO SURPLUS

Mr. HOLLINGS. Mr. President, yesterday the Republican majority continued to try and create a strategy to embarrass President Clinton and those Members of Congress that opposed the so-called tax-cut bill. I found their strategy quite ironic that while this country is less than 20 days away from the end of a fiscal year when the U.S. Government will spend more than \$100 billion than it takes in that the Republicans are insisting on giving tax breaks to the rich that the country cannot afford.

William Greider, a former assistant managing editor of the Washington Post and now National Editor for Rolling Stone, explains the issue of the phantom surplus very well in an article headlined "The Surplus Fallacy."

Mr. Greider has done a great job in explaining that there is no surplus, there is no money to give a tax break with, and more importantly, this country spends more than it takes in each year. I think this article should be required reading for any Member of Congress that has to vote on a federal budget in the next two months so they may understand where this country really stands fiscally.

I ask unanimous consent that the article be printed in the RECORD.

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

#### THE SURPLUS FALLACY

(By William Greider)

Leaders of both parties are gleefully finding ways to spend 3 trillion extra tax dollars. The only problem is, the money doesn't exist.

Fanciful claims and sly deception are common enough in Washington politics, but this

season, the level of gross falsification on the question of the government's budget surpluses—which were discovered this year—is awesome and ominously bipartisan. It's as if the politicians, wearied by nearly two decades of fighting horrendous deficits, are deranged by the notion that at long last they have some loose money to throw around.

Republicans swiftly proposed giving some of this supposed windfall back to the people, but their \$792 billion tax-cut bill, passed in early August, actually delivers most of the boodle to the very rich and to major corporations. President Clinton, claiming the high ground of fiscal responsibility, is certain to veto the GOP measure, yet he and the Democrats have their own worthy plans for spending the extra money or perhaps bargaining for a smaller tax cut.

One big idea animates both political parties: The federal government, they tell us, will amass surplus revenues during the next ten years totaling nearly \$3 trillion—that is, \$3 trillion more will come in than be spent. Roughly two-thirds of this will accumulate from Social Security payroll taxes, but the other \$1 trillion in surpluses is projected for the government's general operating budget, which is made up of personal and corporate income-tax revenues. This happy prospect reflects the robust economy—more people working and paying taxes—and the long campaign to contain the growth of federal spending.

Even in Washington, \$3 trillion is serious money. The air is thick with self-congratulation. Reduce income-tax rates by a point or two, cut capital gains again and repeal inheritance taxes? No sweat. Increase the military's budget by \$40 billion or \$60 billion? Let's do it. Suddenly, the political horizon is aglow with feel-good opportunities.

Except for this: That one big idea is false. There is no \$3 trillion surplus ahead. In fact, the government's gross debt will grow steadily over the next decade. Nor is any large bonanza likely from the operating budget of the government, though Clinton and Congress have made great progress in eliminating the red ink. At the very most, instead of \$1 trillion, the operating budget might realistically develop a surplus over ten years of no more than \$100 billion or \$200 billion. But even that "surplus" will be money borrowed from the government's other trust accounts.

As conservative commentator Kevin Phillips has noted of the alleged surplus, this is not pie in the sky—it's pie in the stratosphere.

Many smart players know better, and some say so aloud, but dissent is brushed aside by that \$3 trillion headline. A careful reader of leading newspapers will find sidebar stories explaining why the huge surpluses are far from assured, but conventional wisdom wipes out complicated facts and reasonable doubt. In this media age, mindless buzz shapes the debate, and once the terms are set, both parties scurry to prepare billboard slogans for the next campaign.

Both are now playing the politics of dipping into the future—dispensing virtual money that will be available only if Congress also imposes dramatic and continuing pain on many citizens. But why spoil the fun by mentioning reality?

Republicans have reverted to the same feel-good assumptions that Ronald Reagan introduced with his economic package back in 1981. Reagan's combination of massive tax cuts and mushrooming defense spending produced the runaway federal deficits in the first place and eventually tripled the na-

tional debt. Just when those deficits are finally conquered, the GOP wants to try it all again.

The Democrats, meanwhile, have morphed into the party of rectitude, scolding the Republicans for reckless tax giveaways, just as Democrats were always pilloried as big-government spendthrifts. This reversal in party values is potentially significant, because it is really an argument about the size and future of the federal government. If the Democrats hold their ground and win in 2000, it could signal an end to the long era of successful government bashing. If Democrats yield to election-year temptations and join the partying, the federal government may swiftly slide back into an endless swamp of red ink.

The other danger is to prosperity. The GOP's reward-the-wealthy tax bill may simply inflate the stock-market bubble further and provide more stimulus to the economy just as the Federal Reserve Board is trying to cool it down. That could set up the same destructive collision between budget policy and monetary policy that marked the Reagan era—the Fed raises interest rates to counter the stimulative tax cuts. Fed Chairman Alan Greenspan is pleading with his fellow Republicans in Congress: Do nothing, please.

Right now, according to various opinion polls, the public thinks the Democrats have got it right. By a margin of twenty-one percent, people want the surpluses to be devoted to "unmet needs," from education to defense, instead of to tax cuts. Among younger voters (between the ages of eighteen and thirty-four) the majority favors applying surplus funds to Medicare rather than to tax cuts, sixty-seven percent to twenty-seven percent.

For that matter, half of the public doesn't believe the \$3 trillion headlines and doubts that any real surpluses will actually materialize. Their skepticism is well founded.

Like any forecast of the distant future, the accuracy of the official projections of vast surpluses depends upon whether the forecasters are using plausible assumptions or massaging the results. In this case, the Congressional Budget Office, controlled by Republicans, and the White House's Office of Management and Budget have produced similar predictions, but both have also applied a self-indulgent political spin on the future, not to mention various accounting gimmicks.

The first premise is that the prosperous economy will sail forward more or less uninterrupted. The CBO foresees no recessions in the next ten years nor any dire surprises, like a stock-market meltdown. The OMB assumes that above-average growth in productivity will continue. But economic history suggests that events never cooperate with blue-sky-forever forecasts.

More important, the projections assume that while these huge budget surpluses are piling up each year, Congress and future presidents will continue to whack away at the size and scope of the federal government. If deep cuts don't occur, then the surplus in the operating budget shrinks to a mere sliver. The Center on Budget and Policy Priorities estimates that if Congress simply maintains spending at its present dimensions—adjusted for inflation but with no real increases—the trillion-dollar surplus will be \$112 billion. Nobody knows, of course, but the smaller number looks like a better bet.

In fact, CBO and OMB presume an amazing reversal: They claim that Congress will stick to the budget caps adopted in 1997 for all regular spending programs, even though those

caps have been bent and broken every year since they were put in place. Last year Congress went over the ceilings by \$21 billion. This summer it's already over by \$30 billion and will likely go higher.

"It's crazy," says Rep. David Obey of Wisconsin, Ranking Democrat on the House Appropriations Committee. "The Republicans pretend they're going to make all these budget cuts. They're not going to do that, and they know they're not. We're already \$30 billion above the caps this year, because they are stuffing so much defense stuff into the emergency bills. If you assume defense keeps its present share of gross domestic product, the all the rest of government would have to be cut almost in half."

Right now, domestic spending is about \$1,100 per capita, Obey explains, but is would fall to \$640 per person under the GOP vision and almost as much under Clinton's. If highways and defense are to have growing budgets, as Congress has already decreed, then everything else must get whacked even harder, by at least twenty percent to thirty percent. It's not going to happen, for reasons that are more practical than ideological.

"You can shrink the government," Obey says, "but you ain't going to shrink the country. This country is going to have 20 million more people a decade from now. We will have 1 million more young people in college, we'll have a fifty percent increase in commercial-airline flights, 50 million more people visiting the national parks every year. We have a prosperous economy now because government has always invested in science, in education and technology. Republicans are pretending the country will not respond to any of this in the future, that people would rather have the tax cut. The White House is not nearly as bad, but they are being overly optimistic as well. They're saying we can afford a tax cut of \$300 billion. That's true only if you assume government is not going to respond to the growing population and economy."

The Clinton administration nobly intends to "pay down the public debt" with the nearly \$2 trillion in surpluses that the Social Security trust fund will accumulate during the next decade. The Treasury secretary compares this to refinancing your mortgage to get a lower interest rate, and in theory that may be the result. But Sen. FRITZ HOLLINGS, the blunt-spoken Democrat from South Carolina, offers a challenging wager to his colleague in both parties. On October 1st, when the new fiscal year begins, if the federal government's gross debt actually goes down, he will jump off the Capitol dome. And they will jump if it doesn't.

"They claim we are paying down the debt, but that's terribly misleading," Hollings complains. "We are not really paying down the debt, we're shifting it from one account to another. Actually, we're looting the trust funds so we can say the government's got a big surplus. It's just not true."

Hollings' argument takes us still deeper into the mysteries of federal accounting, but he has uncovered an important and widely believed myth about the new surpluses. His essential point is confirmed in the president's own midyear budget review. Its ten-year projections show the federal government steadily reducing its publicly held debts: the Treasury bonds, notes and bills used to borrow money in financial markets. Yet meanwhile, the federal government's total debt obligations will continue to escalate over the decade—an \$485 billion increase by 2009.

So what happened to the \$3 trillion surplus? It is something of an accounting mi-

rage—like borrowing from the rent money to pay off your credit cards. Sooner or later, you still have to come up with the rent.

In fact, aside from Social Security, the government's vast borrowing from its other trust accounts—highways, military and civil-service retirement, Medicare—provides the underpinning for the supposed \$1 trillion surplus in its regular operating budget. Without those trust-fund loans, CBO acknowledges, its forecast of a ten-year surplus of \$996 billion shrinks to only \$250 billion. Someday someone has to come up with that money too—or else stiff those lenders.

Social Security surpluses are not new at all: They have been piling up since 1983, when the payroll tax was substantially increased to prevent insolvency. This money belongs to future retirees, not Congress or the White House, but it was not locked away for them. Instead, it was spent every year to cover the swollen deficits generated by the rest of the government—and IOUs were given to the trust fund. The government still owes all that money to the Social Security trust fund, and it intends to borrow lots more.

All that is really new is the promise, now that budget deficits are vanishing, that the government will stop using Social Security money to pay its yearly operating costs and instead use it only to pay back the public borrowings in financial markets. That's admirable, but it doesn't pay off the actual debt obligations of the government to Social Security retirees. The Treasury is still giving more IOUs to the trust fund—money it will have to pay back one day hence.

Some will insist that because the government is essentially borrowing from itself, none of this matters. But it does. The suggestion that any of Social Security's long-term financial problems are somehow being remedied by these transactions is utter fiction. A nasty day of reckoning remains ahead for American taxpayers—when Social Security recipients expect to get their money back and someone gets stuck with the burden.

The choices for a future president and Congress will be stark: They can go back to the financial markets and borrow trillions again. They can raise income taxes. Or they can cut Social Security benefits and screw the retirees.

Such duplicitous evasions have prompted an angry Hollings to denounce his colleagues. "This a shameful sideshow out here," he thundered in debate. "There is no dignity left in the Senate. No responsibility."

Indeed, none of his colleagues has taken up Hollings' proffered bet, though doubtless some of them would love to see him jump off the Capitol dome.

#### THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Thursday, September 9, 1999, the Federal debt stood at \$5,654,163,509,903.96 (Five trillion, six hundred fifty-four billion, one hundred sixty-three million, five hundred and nine thousand, nine hundred and three dollars and ninety-six cents).

One year ago, September 9, 1998, the Federal debt stood at \$5,548,477,000,000 (Five trillion, five hundred forty-eight billion, four hundred seventy-seven million).

Five years ago, September 9, 1994, the Federal debt stood at \$4,679,665,000,000

(Four trillion, six hundred seventy-nine billion, six hundred sixty-five million).

Twenty-five years ago, September 9, 1974, the Federal debt stood at \$479,367,000,000 (Four hundred seventy-nine billion, three hundred sixty-seven million) which reflects a debt increase of more than \$5 trillion—\$5,174,796,509,938 (Five trillion, one hundred seventy-four billion, seven hundred ninety-six million, five hundred and nine thousand, nine hundred thirty-eight dollars) during the past 25 years.

#### EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-5083. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report entitled "Community Services Block Grant Statistical Report" for fiscal year 1996; to the Committee on Health, Education, Labor, and Pensions.

EC-5084. A communication from the Director, Regulations Policy and Management Staff, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "Indirect Food Additives: Adjuvants, Production Aids, and Sanitizers" (Docket No. 99F-0994), received September 7, 1999; to the Committee on Health, Education, Labor, and Pensions.

EC-5085. A communication from the Director, Regulations Policy and Management Staff, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "Indirect Food Additives: Polymers" (Docket No. 89F-0338), received September 7, 1999; to the Committee on Health, Education, Labor, and Pensions.

EC-5086. A communication from the Director, Regulations Policy and Management Staff, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "Indirect Food Additives: Adjuvants, Production Aids, Sanitizers" (Docket No. 99F-0459), received September 7, 1999; to the Committee on Health, Education, Labor, and Pensions.

EC-5087. A communication from the Acting Director, Office of Standards, Regulations and Variances, Mine Safety and Health Administration, Department of Labor, transmitting, pursuant to law, the report of a rule entitled "Health Standards for Occupational Noise Exposure" (RIN1219-AA53), received September 8, 1999; to the Committee on Health, Education, Labor, and Pensions.

EC-5088. A communication from the Deputy Executive Secretary, Center for Health Plans and Providers, Health Care Financing Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "Medicare Program; Graduate Medical Education (GME): Incentive Payments Under Plans for Voluntary Reduction in the Number of Residents" (RIN0938-AI27), received September 7, 1999; to the Committee on Finance.

EC-5089. A communication from the Chief, Regulations Unit, Internal Revenue Service,

Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Section 7702 Closing Agreements" (Notice 99-47), received September 7, 1999; to the Committee on Finance.

EC-5090. A communication from the Chief, Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "July-September 1999 Bond Factor Amounts" (Revenue Ruling 99-38), received September 7, 1999; to the Committee on Finance.

EC-5091. A communication from the Chief, Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Hospital Corporation of America and Subsidiaries v. Commissioner" (109 T.C. 21 (1997)), received September 7, 1999; to the Committee on Finance.

EC-5092. A communication from the Chief, Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Boyd Gaming Corporation v. Commissioner" ( F3d (9th Cir. 1999), rev'g T.C. Memo 1997-445), received September 7, 1999; to the Committee on Finance.

EC-5093. A communication from the Chief, Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Revision of the Tax Refund Offset Program" (RIN1545-AV50) (TD 8837), received September 7, 1999; to the Committee on Finance.

EC-5094. A communication from the Chief, Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Estate of Mellinger v. Commissioner" (112 T.C. 4 (1999)), received September 7, 1999; to the Committee on Finance.

EC-5095. A communication from the Chief, Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Inflation-Indexed Debt Instruments" (RIN1545-AU45) (TD8838), received September 7, 1999; to the Committee on Finance.

EC-5096. A communication from the Chief, Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Vulcan Materials Company and Subsidiaries v. Commissioner" (96 T.C. 410 (1991), aff'd per curiam 959 F.2d 973 (11th Cir. 1992)), received September 7, 1999; to the Committee on Finance.

EC-5097. A communication from the Chief, Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "St. Jude Medical, Inc. v. Commissioner" (33 F. 3d 1394 (8th Cir. 1994) rev'g in part 97 T.C. 457 (1991)), received September 7, 1999; to the Committee on Finance.

EC-5098. A communication from the Chief, Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Internal Revenue Service v. Waldschmidt (in re Bradley)" ((M.d. Tenn. 1999), aff'g 222 B.R. 313 (Bankr. M.d. Tenn. 1998)), received September 7, 1999; to the Committee on Finance.

EC-5099. A communication from the Secretary of Transportation transmitting a draft of proposed legislation relative to the St. Lawrence Seaway; to the Committee on Commerce, Science, and Transportation.

EC-5100. A communication from the Secretary of the Interior, transmitting, pursu-

ant to law, a report entitled "Operations of the Glen Canyon Dam Pursuant to the Grand Canyon Protection Act of 1992"; to the Committee on Energy and Natural Resources.

EC-5101. A communication from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, the report of the texts and background statements of international agreements, other than treaties; to the Committee on Foreign Relations.

EC-5102. A communication from the Executive Director, Committee for Purchase from People who are Blind or Severely Disabled, transmitting, pursuant to law, the report of a rule relative to additions to and deletions from the Procurement List, received September 7, 1999; to the Committee on Governmental Affairs.

EC-5103. A communication from the Director, Bureau of Justice Assistance, Department of Justice, transmitting, pursuant to law, the report of a rule entitled "Public Safety Officers' Educational Assistance Program" (RIN1121-AA51), received September 7, 1999; to the Committee on the Judiciary.

EC-5104. A communication from the Under Secretary of Defense for Acquisition and Technology, transmitting, pursuant to law, a report entitled "DoD Demonstration Program to Improve the Quality of Personal Property Shipments of Members of the Armed Forces"; to the Committee on Armed Services.

EC-5105. A communication from the Director, Defense Procurement, Department of Defense, transmitting, pursuant to law, the report of a rule entitled "Acquisitions for Foreign Military Sales" (DFARS Case 99-D020), received September 9, 1999; to the Committee on Armed Services.

EC-5106. A communication from the Director, Defense Procurement, Department of Defense, transmitting, pursuant to law, the report of a rule entitled "Officials Not to Benefit Clause" (DFARS Case 99-D018), received September 9, 1999; to the Committee on Armed Services.

EC-5107. A communication from the Deputy Chief, Programs and Legislation Division, Office of Legislative Liaison, Office of the Secretary, Department of the Air Force, transmitting a report relative to a multi-function cost comparison of the Base Operating Support functions at Beale Air Force Base, California; to the Committee on Armed Services.

EC-5108. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to law, the report of a rule entitled "VISAS: Regulations Regarding Public Charge Requirements under the Immigration and Nationality Act, as Amended" (RIN1400-AA79), received September 3, 1999; to the Committee on Foreign Relations.

EC-5109. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to law, a Memorandum of Justification relative to the United Nations Assistance Mission to East Timor; to the Committee on Foreign Relations.

EC-5110. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to law, the Report on Religious Freedom; to the Committee on Foreign Relations.

#### REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. ROTH, from the Committee on Finance:

Report to accompany the bill (S. 1254) to establish a comprehensive strategy for the elimination of market-distorting practices affecting the global steel industry, and for other purposes (Rept. No. 106-155).

Report to accompany the bill (H.R. 1833) to authorize appropriations for fiscal years 2000 and 2001 for the United States Customs Service for drug interdiction and other operations, for the Office of the United States Trade Representative, for the United States International Trade Commission, and for other purposes (Rept. No. 106-156).

#### INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. CONRAD (for himself, Mr. FEINGOLD, and Mr. CHAFEE):

S. 1574. A bill to amend title XVIII of the Social Security Act to improve the interim payment system for home health services, and for other purposes; to the Committee on Finance.

By Mr. FRIST:

S. 1575. A bill to change the competition requirements with respect to the purchase of the products of the Federal Prison Industries by the Secretary of Defense; to the Committee on the Judiciary.

By Ms. COLLINS:

S. 1576. A bill to establish a commission to study the impact of deregulation of the airline industry on small town America; to the Committee on Commerce, Science, and Transportation.

#### SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. HARKIN (for himself, Mr. LEAHY, Mr. FEINGOLD, Mr. CHAFEE, and Mr. WELLSTONE):

S. Res. 181. A resolution expressing the sense of the Senate regarding the situation in East Timor; to the Committee on Foreign Relations.

#### STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. CONRAD (for himself, Mr. FEINGOLD, and Mr. CHAFEE):

S. 1574. A bill to amend title XVIII of the Social Security Act to improve the interim payment system for home health services, and for other purposes; to the Committee on Finance.

#### THE FAIRNESS IN MEDICARE HOME HEALTH ACCESS ACT OF 1999

Mr. CONRAD. Mr. President, today I am pleased to be joined by Senators FEINGOLD and CHAFEE in introducing the Fairness in Medicare Home Health Access Act of 1999. I am proud to say that the Governing Board of the North Dakota Home Care Association, as well as the Visiting Nurse Association of America, have endorsed this legislation as a crucial step toward ensuring beneficiaries retain access to vital home care services.

As you know, home health care has proven to be an important component of the Medicare package because it allows beneficiaries with acute needs to receive care in their home rather than in other settings, such as a hospital or nursing home. In my state of North Dakota, home health care has been particularly important because it has allowed seniors living in remote, frontier areas to receive consistent, quality health care without having to travel long distances to the nearest health care facility.

Over the last three decades, we have witnessed significant increases in home health utilization as medical practices have shifted care from an inpatient to outpatient setting. To help address rising health care spending, the Congress included targeted measures in the Balanced Budget Act of 1997 (BBA) to reduce costs and give providers incentives to become more efficient. In particular, the BBA directed the Health Care Financing Administration to implement an interim payment system for home health care until which time a prospective payment system could be instituted. While the interim payment system has allowed agencies to become more cost-effective, there are also concerns that it may be having some unintended consequences on agencies' ability to deliver quality, appropriate home care services to Medicare beneficiaries.

Mr. President, this legislation takes definitive steps to address various unintended consequences of the interim payment system and of the BBA in general.

Home health providers serving rural beneficiaries have been particularly affected by the interim payment system. As you know, home health care delivery is unique because unlike most other services, the health care provider must travel to the patient. Compared to urban agencies, rural home care providers must travel longer distances to serve beneficiaries and they often face poor weather and road conditions. Due to these constraints, agencies serving rural beneficiaries must visit patients less frequently; but during an isolated visit aides tend to spend more time with beneficiaries to ensure that they are receiving appropriate levels of care. Unfortunately, the per visit limits included in the interim payment system do not adequately account for the unique challenges of serving rural beneficiaries. This legislation revises the per visit cost limit to ensure agencies have the resources to deliver care to beneficiaries living in rural and underserved areas.

It also appears that the interim payment system does not adequately account for the needs of medically-complex beneficiaries. Various reports have suggested that the interim payment system has resulted in restricted access to home health services for high-

acuity, high-cost patients. In a recent survey conducted by the Medicare Payment Advisory Commission, nearly 40 percent of agencies reported that they are less likely to admit patients identified as those with long-term or chronic needs. In addition, many beneficiary advocates have raised concerns that home health agencies are denying access to care because they believe Medicare will no longer cover the high costs of providing services to medically-complex individuals. When it is implemented, the prospective payment system will include a measure to account for the treatment of medically-complex beneficiaries. In the interim, this legislation will allow agencies to receive more appropriate payments for treating high-acuity, high-cost beneficiaries.

In addition, this legislation includes provisions to further ensure home care agencies have the appropriate resources to serve Medicare beneficiaries. To help slow the growth of home health expenditures, the BBA includes a provision to reduce home health cost limits by 15 percent, beginning October 1, 2000. There is significant concern that the timing and level of the scheduled 15 percent reduction will result in reduced beneficiary access to health care. To address this concern, various industry representatives have requested a complete elimination of the scheduled reduction; however the cost of this reduction is estimated to be nearly \$17 billion over ten years. Against the backdrop of impending insolvency of the Medicare program and the overall needs of the health care community as a whole regarding BBA-related relief, it will not be possible to completely eliminate this scheduled reduction. For this reason, this legislation suggests a middle-ground approach to this issue to ensure the scheduled reduction does not result in a reduction in beneficiary access.

Primarily, this legislation would ensure that agencies receive adequate reimbursement by delaying the scheduled 15 percent reduction until the prospective payment system is fully implemented. This means that if implementation of the prospective payment system is delayed, the scheduled reduction would be delayed accordingly. In addition, to allow agencies to transition to the prospective payment system, and ensure they retain the necessary resources to serve beneficiaries, this legislation would reduce the scheduled reduction to 10 percent and would phase-in a further 5 percent reduction three years after the prospective payment system is implemented. These responsible measures will provide home health agencies additional resources to continue serving Medicare beneficiaries.

In addition, this legislation would offer home health agencies relief from a particularly burdensome regulatory

requirement. The BBA requires home health agencies to record the length of time of home health visits in 15-minute increments. This requirement is burdensome for agencies because time for travel and administrative duties related to this requirement are not compensated. Also, it is not clear that the collection of this data has a defined use. This provision eliminates the 15-minute reporting requirement and directs that any data collection regarding direct patient care have a defined purpose and not be unnecessary labor-intensive for home care providers.

This bill would also take steps to address concerns regarding the provision of durable medical supplies to Medicare beneficiaries. The BBA requires implementation of consolidated billing for home health services. As part of consolidated billing, the BBA requires home care providers (rather than durable medical equipment suppliers) to provide durable medical equipment (DME) to Medicare beneficiaries during any episode of care by the home health provider. When a beneficiary seeks home health care, there is concern that they may experience a break in the continuum of care as they shift between receiving medical equipment from a DME supplier to receiving these supplies from a home health agency. In addition, many home health agencies are not currently equipped to provide and be reimbursed for the provision of durable medical equipment. This provision would ensure beneficiaries do not experience a break in service with regard to durable medical equipment by allowing DME providers to continue delivering services to beneficiaries regardless of their home health status.

Lastly, this legislation includes a provision that directs the establishment of a nationally uniform process to ensure that fiscal intermediaries have the training and ability to provide timely and accurate coverage and payment information to home health agencies and beneficiaries. This provision will be particularly important to home health reimbursement transitions to a new prospective payment system.

I am confident that this legislation will ensure home health agencies can continue providing critical health care services to Medicare beneficiaries. I urge my colleagues to support this important legislation.

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. 1574

*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 "The Fairness in Medicare Home Health Access Act of 1999".

**SEC. 2. FINDINGS AND PURPOSES.**

(a) FINDINGS.—Congress finds the following:

(1) Home health care is a vital component of the medicare program under title XVIII of the Social Security Act.

(2) Home health services provided under the medicare program enable medicare beneficiaries who are homebound and greatly risk costly institutionalized care to continue to live in their own homes and communities.

(3) Implementation of the interim payment system for home health services has inadvertently exacerbated payment disparities for home health services among regions, penalizing efficient, low-cost providers in rural areas and providing insufficient compensation for the care of medicare beneficiaries with acute, medically complex conditions.

(4) The combination of insufficient payments and new administrative changes has reduced the access of medicare beneficiaries to home health services in many areas by forcing home health agencies to provide fewer services, to shrink their service areas, or to limit the types of conditions for which they provide treatment.

(b) PURPOSES.—The purposes of this Act are as follows:

(1) To improve access to care for medicare beneficiaries with high medical needs by establishing a process for home health agencies to exclude services provided to medicare beneficiaries with acute, medically complex conditions from payment limits and to receive payment based on the reasonable costs of providing such services through a process that is feasible for the Health Care Financing Administration to administer.

(2) To ensure that the 15 percent contingency reduction in medicare payments for home health services established under the Balanced Budget Act of 1997 does not occur under the interim payment system for home health services.

(3) To reduce the scheduled 15 percent reduction in the cost limits and per beneficiary limits to 10 percent and to phase-in the additional 5 percent reduction in such limits after the initial 3 years of the prospective payment system for home health services.

(4) To address the unique challenges of serving medicare beneficiaries in rural and underserved areas by increasing the per visit cost limit under the interim payment system for home health services.

(5) To refine the home health consolidated billing provision to ensure that medicare beneficiaries requiring durable medical equipment services do not experience a break in the continuum of care during episodes of home health care.

(6) To eliminate the requirement that home health agencies identify the length of time of a service visit in 15 minute increments.

(7) To express the sense of the Senate that the Secretary of Health and Human Services should establish a uniform process for disseminating information to fiscal intermediaries to ensure timely and accurate information to home health agencies and beneficiaries.

**SEC. 3. ADEQUATELY ACCOUNTING FOR THE NEEDS OF MEDICARE BENEFICIARIES WITH ACUTE, MEDICALLY COMPLEX CONDITIONS.**

(a) WAIVER OF PER BENEFICIARY LIMITS FOR OUTLIERS.—Section 1861(v)(1)(L) of the Social Security Act (42 U.S.C. 1395x(v)(1)(L)), as amended by section 5101 of the Tax and Trade Relief Extension Act of 1998 (contained in Division J of Public Law 105-277), is amended—

(1) by redesignating clause (ix) as clause (x); and

(2) by inserting after clause (viii) the following:

“(ix)(I) Notwithstanding the applicable per beneficiary limit under clause (v), (vi), or (viii), but subject to the applicable per visit limit under clause (i), in the case of a provider that demonstrates to the Secretary that with respect to an individual to whom the provider furnished home health services appropriate to the individual’s condition (as determined by the Secretary) at a reasonable cost (as determined by the Secretary), and that such reasonable cost significantly exceeded such applicable per beneficiary limit because of unusual variations in the type or amount of medically necessary care required to treat the individual, the Secretary, upon application by the provider, shall pay to such provider for such individual such reasonable cost.

“(II) The total amount of the additional payments made to home health agencies pursuant to subclause (I) in any fiscal year shall not exceed an amount equal to 2 percent of the amounts that would have been paid under this subparagraph in such year if this clause had not been enacted.”.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the date of enactment of this Act, and apply with respect to each application for payment of reasonable costs for outliers submitted by any home health agency for cost reporting periods ending on or after October 1, 1999.

**SEC. 4. PROTECTION OF THE ACCESS OF MEDICARE BENEFICIARIES TO HOME HEALTH SERVICES BY ADDRESSING THE 15 PERCENT CONTINGENCY REDUCTION IN INTERIM PAYMENTS FOR HOME HEALTH SERVICES.**

(a) ELIMINATION OF CONTINGENCY REDUCTION.—Section 4603 of the Balanced Budget Act of 1997 (42 U.S.C. 1395fff note), as amended by section 5101(c)(3) of the Tax and Trade Relief Extension Act of 1998 (contained in division J of Public Law 105-277), is amended by striking subsection (e).

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as if included in the enactment of the Balanced Budget Act of 1997 (Public Law 105-33; 111 Stat. 251).

**SEC. 5. PROTECTION OF THE ACCESS OF MEDICARE BENEFICIARIES TO HOME HEALTH SERVICES THROUGH A PHASE-IN OF THE 15 PERCENT REDUCTION IN PROSPECTIVE PAYMENTS FOR HOME HEALTH SERVICES.**

(a) PHASE-IN OF 15 PERCENT REDUCTION.—Section 1895(b)(3)(A)(ii) (42 U.S.C. 1395fff(b)), as amended by section 5101(c)(1)(B) of the Tax and Trade Relief Extension Act of 1998 (contained in division J of Public Law 105-277), is amended—

(1) in paragraph (3)(A)(ii), by striking “15” and inserting “10”; and

(2) by adding at the end the following:

“(7) SPECIAL RULE FOR PAYMENTS BEGINNING WITH FISCAL YEAR 2004.—Beginning with fiscal year 2004, payment under this section shall be made as if ‘15’ had been substituted for ‘10’ in clause (ii) of paragraph (3)(A) when computing the initial basis under such paragraph.”.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the date of enactment of this Act.

**SEC. 6. INCREASE IN PER VISIT COST LIMIT TO 112 PERCENT OF THE NATIONAL MEDIAN.**

Section 1861(v)(1)(L)(i) of the Social Security Act (42 U.S.C. 1395x(v)(1)(L)(i)), as

amended by section 5101(b) of the Tax and Trade Relief Extension Act of 1998 (contained in division J of Public Law 105-277), is amended—

(1) in subclause (IV), by striking “or”;

(2) in subclause (V)—

(A) by inserting “and before October 1, 1999,” after “October 1, 1998.”; and

(B) by striking the period and inserting “, or”;

(3) by adding at the end the following:

“(VI) October 1, 1999, 112 percent of such median.”.

**SEC. 7. REFINEMENT OF HOME HEALTH AGENCY CONSOLIDATED BILLING.**

(a) IN GENERAL.—Section 1842(b)(6)(F) of the Social Security Act (42 U.S.C. 1395u(b)(6)(F)) is amended by striking “payment shall be made to the agency (without regard to whether or not the item or service was furnished by the agency, by others under arrangement with them made by the agency, or when any other contracting or consulting arrangement, or otherwise).” and inserting “(i) payment shall be made to the agency (without regard to whether or not the item or service was furnished by the agency, by others under arrangement with them made by the agency, or when any other contracting or consulting arrangement, or otherwise); and (ii) in the case of an item of durable medical equipment (as defined in section 1861(n)), payment for the item shall be made to the agency separately from payment for other items and services furnished to such an individual under such plan.”.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to items of durable medical equipment furnished on or after the date of enactment of this Act.

**SEC. 8. ELIMINATION OF TIMEKEEPING REQUIREMENTS UNDER THE PROSPECTIVE PAYMENT SYSTEM FOR HOME HEALTH AGENCIES.**

(a) IN GENERAL.—Section 1895(c) of the Social Security Act (42 U.S.C. 1395fff(c)) is amended—

(1) by striking “unless—” and all that follows through “(1) the” and inserting “unless the”;

(2) by striking “1835(a)(2)(A);” and all that follows through the period and inserting “1835(a)(2)(A).”.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on the date of enactment of this Act.

**SEC. 9. SENSE OF THE SENATE REGARDING THE TIMELINESS AND ACCURACY OF INTERMEDIARY COMMUNICATIONS TO HOME HEALTH AGENCIES.**

It is the sense of the Senate that the Secretary of Health and Human Services should establish a nationally uniform process that ensures that each fiscal intermediary (as defined in section 1816(a) of the Social Security Act (42 U.S.C. 1395h(a))) and each carrier (as defined in section 1842(f) of such Act (42 U.S.C. 1395u(f))) has the training and ability necessary to provide timely, accurate, and consistent coverage and payment information to each home health agency and to each individual eligible to have payment made under the medicare program under title XVIII of such Act (42 U.S.C. 1395 et seq.).

Mr. FEINGOLD. Mr. President, I rise today to join my colleagues Senator CONRAD and Senator CHAFEE to introduce the Fairness in Medicare Home Health Access Act of 1999 to address some serious access problems in the Medicare home health care program. Our bill contains provisions to ensure that all Medicare beneficiaries who

qualify for home health services have real access to those services.

Mr. President, I have been working to promote the availability of home care and other long-term care options for my entire public life because I believe strongly in the importance of enabling people to stay in their own homes. For seniors who are homebound and have skilled nursing needs, having access to home health services through the Medicare program is the difference between staying in their own home and moving into a nursing home. The availability of home health services is integral to preserving independence, dignity and hope for many beneficiaries. I feel strongly that where there is a choice, we should do our best to allow patients to choose home health care. I think seniors need and deserve that choice.

Mr. President, as you know, and as many of our colleagues know, the Balanced Budget Act of 1997 contained significant changes to the way that Medicare pays for home health services. Perhaps the most significant change was a switch from cost-based reimbursement to an Interim Payment System, or IPS. IPS was intended as a cost-saving transitional payment system to tide us over until the development and implementation of a Prospective Payment System or PPS, for home health payments under Medicare. Unfortunately, the cuts went deeper than anyone—including CBO forecasters—anticipated, leaving many Medicare beneficiaries without access to the services they need.

The IPS is based on past spending; agencies are paid the lowest of three measures: (1) actual costs; (2) a per visit limit of 105% of the national median; or (3) a per beneficiary annual limit, derived from a blend of 75% of an agency's costs and 25% regional costs.

These formulas get pretty technical, Mr. President, and I won't go into too much detail about them. What is important is that the net effect of the Interim Payment System is that since IPS pays agencies the lowest of the three measures, agencies in areas where costs are historically low will be disproportionately and unfairly affected. In effect, they are penalized for having kept their costs low in the past.

And, Mr. President, Wisconsin's Medicare home health spending has been very, very low, even before the advent of IPS. The 1999 edition of the Dartmouth Atlas of Health Care described the variation in Medicare home health reimbursements as "extreme": in 1996, the national average Medicare home health expenditure per-enrollee was \$532.00, but the maximum and minimum ranged from a high of \$3,090 in McAllen, Texas, to an unbelievable \$81 in Appleton, Wisconsin, in my home state. Even the area of Wisconsin with the highest reimbursements is only at \$267 per beneficiary, about half of the

national average. When you consider that these figures are adjusted for age, sex, race, illness and price of services, the variation is truly astounding. Pegging reimbursement to past spending, as IPS does, simply magnifies the existing payment inequalities.

Mr. President, in Wisconsin, 29 Medicare home health providers have shut down since the implementation of IPS. Still more have shrunk their service areas, stopped accepting Medicare, or cannot accept assignment for high cost patients because the payments are simply too low.

So, what do these changes mean for Medicare beneficiaries? Well, quite frankly, in many parts of Wisconsin, the changes mean the beneficiaries in certain areas or with certain diagnoses simply don't have access to home health care. The IPS has created disincentives to treat patients with expensive medical diagnoses. Few agencies, if any, can afford to care for them.

Mr. President, I think that a letter I received from my constituents at the Douglas County Health Department does a great job of illustrating just how bad the access problem is, particularly in rural areas. The Douglas County Health Department operates a home health program in Superior, Wisconsin, in the northwestern corner of my state. According to their letter, as a result of IPS, the program will lose approximately \$590,000. Let me read my colleagues a passage from their letter: "The Douglas County Home Care [program] serves . . . about 400 residents a year, [of which] 82% [are] Medicare covered . . . 33% of our patients live in rural areas not covered by other home care providers. There are four other providers in our area. All have discontinued taking Medicare patients and/or have stopped serving rural patients due to the high cost and low reimbursement."

The legislation we are introducing today contains several important provisions to enable elderly and disabled homebound individuals to remain in their homes. The bill ensures by statute that by 15% across-the-board cut for all home health providers cannot happen during the Interim Payment System and that it will only be 10% for the first three years of PPS. The bill also makes special provisions for medically complex patients who have more expensive health care needs, and raises the per visit limits to enable home care agencies to continue serving patients in rural areas, where travel times are longer. I think these two provisions are particularly significant because the present IPS does not adequately account for the care needs of homebound individuals in rural areas, and the absence of home care options essentially forces these individuals into nursing homes or hospitals.

The bill provides some administrative relief from the 15 minute incre-

ment reporting rule and asks HCFA to reexamine whether the cost associated with the collection of data is worthwhile in terms of what those data may yield. Finally, the bill expresses the sense of the Senate that HCFA should ensure that fiscal intermediaries receive and convey accurate and consistent information to agencies.

These provisions all need to be in place in order to ensure that we do not punish the most efficient and well-performing agencies as we seek to streamline and modernize the program.

Like many of my colleagues, I voted in favor of BBA '97 because I believed it contained meaningful provisions to balance the budget. I want to emphasize that the goal was to balance the budget—it was not to punish home health agencies, and certainly not to deny Medicare beneficiaries access to the home health services they need.

I believe we ought to take a serious look at what refinements and fine tuning need to occur to ensure that our homebound elderly and disabled constituents—among the frailest and most vulnerable of our people we serve—can receive the services they need.

Without that fine-tuning, I am quite certain that more home health agencies in Wisconsin and in other areas across our country will close, leaving some of our frailest Medicare beneficiaries without the choice to receive care at home. Again, I think Seniors need and deserve that choice, and I hope my colleagues will join us in supporting this legislation.

Mr. CHAFEE. Mr. President, I am pleased to join my colleagues, Senators CONRAD and FENGOLD, in introducing the Fairness in Medicare Home Health Access Act of 1999. This legislation is an important step towards ensuring that our seniors retain access to medically necessary home health care services.

The Fairness in Medicare Home Health Access Act contains several critical provisions, carefully designed to achieve the twin goals of controlling Medicare spending (thereby preserving and protecting the program for future beneficiaries), and ensuring that current beneficiaries continue to have access to crucial home health services.

These provisions will allow the home health agencies in my state of Rhode Island, as well as agencies across the country, to continue delivering high quality, cost-effective care to our most frail seniors.

Why are these provisions necessary? The Balanced Budget Act of 1997 (BBA) included many important reforms to the Medicare program. As a result of these provisions, the program has been strengthened, and solvency of the trust fund extended. However, it now appears that the reductions in home health payments may be limiting access to our Medicare beneficiaries.

In Rhode Island the number of beneficiaries served by Medicare home

health providers has decreased by 22 percent, services provided to beneficiaries have decreased by 49 percent, and total payments to home health agencies have decreased by 47 percent. Agencies have had to lay off workers and some have even been forced to close.

On October 1st, 2000, an additional 15 percent reduction in Medicare reimbursements is scheduled to take effect. I am concerned that a cut of that level could jeopardize or restrict access to care. At the same time, we must be mindful of the precarious financial situation of the Medicare program, and the limited resources available. The President has proposed restoring \$7.5 billion over the next decade to those programs under Medicare which have been especially hard hit by the cost control measures included in the BBA. In his proposal, these funds would be available for changes to home health policies, as well as other components of the Medicare program which have been adversely impacted by those new policies.

Therefore, while some of my colleagues have called for a repeal of the scheduled 15 percent reduction, given resource constraints, I simply do not believe that will be possible. To repeal that provision outright would cost \$17.5 billion over the 10-year budget period. This restoration alone would greatly exceed the \$7.5 billion the President has recommended to soften the impact of the BBA. Even in Congress, the most I've heard discussed in the way of "BBA add-backs" is in the range of \$15 billion. Thus, while in an ideal world some may wish to spend \$17.5 billion on this provision, it is clearly not possible.

I believe it is critical to address the very real problems facing home health beneficiaries and agencies, but I also believe we must be realistic in our goals and expectations, and make carefully targeted adjustments to the BBA policies. For that reason I am pleased to join with Senators CONRAD and FEINGOLD in calling for a scaling-back of the scheduled reduction in home health reimbursements. Our bill would provide much-needed relief by gradually phasing-in the 15 percent reduction; for the first three years, the reduction would be limited to 10 percent. Furthermore, beneficiary access will be protected by tying the reduction to implementation of the prospective payment system (PPS). Although I am confident the prospective payment system will be implemented by October 1, 2000 as required under the BBA, in the event the deadline is not met, our provision would ensure that no further reductions occur until the PPS is fully implemented.

In addition, the Conrad-Feingold-Chafee bill includes several other important provisions:

An "outlier policy" to ensure that patients with higher than average med-

ical costs do not face access barriers as a result of their intensive medical needs;

An increase in the interim payment system per visit cost limit to 112 percent of the national median;

A refinement to the consolidated billing policy by allowing durable medical equipment suppliers to continue delivering services to beneficiaries regardless of their home health status; and

Elimination of the 15-minute incremental reporting requirement.

The Medicare home health benefit provides vital services to our most vulnerable citizens. Patients receiving these services have lower incomes, are older, and have more serious functional impairments than the general Medicare population. The availability of home health services averts the need for even more costly institutional living arrangements for the elderly and disabled who rely upon these services. It is these patients who are harmed when home health agencies are forced to close their doors or cut back on services.

It is my hope that we will pass this legislation and therefore protect the beneficiaries who need our help the most. In that regard, I will work for its incorporation into any Medicare legislation the Senate Finance Committee, of which I am a member, may consider in the future. I urge my colleagues to support this measure.

By Mr. FRIST:

S. 1575. A bill to change the competition requirements with respect to the purchase of the products of the Federal Prison Industries by the Secretary of Defense; to the Committee on the Judiciary.

#### VICTIMS RESTITUTION FAIRNESS ACT

• Mr. FRIST. Mr. President, I ask that the text of the bill be printed in the RECORD.

The bill follows:

S. 1575

*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 "Victims Restitution Fairness Act".

#### SEC. 2. APPLICABILITY OF COMPETITION REQUIREMENTS TO PURCHASES FROM A REQUIRED SOURCE.

(a) CONDITIONS FOR COMPETITION.—Chapter 141 of title 10, United States Code, is amended by adding at the end the following:

##### "§2410n. Products of Federal Prison Industries: procedural requirements

"(a) MARKET RESEARCH.—Before purchasing a product listed in the latest edition of the Federal Prison Industries catalog under section 4124(d) of title 18, the Secretary of Defense shall conduct market research to determine whether the Federal Prison Industries product is comparable in price, quality, and time of delivery to products available from the private sector.

"(b) LIMITED COMPETITION REQUIREMENT.—If the Secretary determines that a Federal

Prison Industries product is not comparable in price, quality, and time of delivery to products available from the private sector, the Secretary shall use competitive procedures for the procurement of the product. In conducting such a competition, the Secretary shall consider a timely offer from Federal Prison Industries for award in accordance with the specifications and evaluation factors specified in the solicitation.

"(c) EXEMPTIONS.—Notwithstanding any other provision of law, the Secretary shall not be required—

(1) to purchase from Federal Prison Industries any product that is—

(A) integral to, or embedded in, a product that is not available from Federal Prison Industries; or

(B) a national security system; or

(2) to make a purchase from Federal Prison Industries in a total amount that is less than the micropurchase threshold, as defined in section 32(f) of the Office of Federal Procurement Policy Act (41 U.S.C. 428(f)).

"(d) NATIONAL SECURITY SYSTEM DEFINED.—In this section, the term 'national security system' means any telecommunications or information system operated by the United States Government, the function, operation, or use of which—

"(1) involves intelligence activities;

"(2) involves cryptologic activities related to national security;

"(3) involves command and control of military forces;

"(4) involves equipment that is an integral part of a weapon or a weapon system; or

"(5) is critical to the direct fulfillment of military or intelligence missions, except for a system that is to be used for routine administrative and business applications (including payroll, finance, logistics, and personnel management applications)."

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following:

"2410n. Products of Federal Prison Industries: procedural requirements."

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated from the Judgment Fund as established under section 1304 of title 31, United States Code, such sums as are necessary to offset any losses resulting in the Crime Victims Fund as a result of the enactment of section 2410n of title 10, United States Code, added by subsection (a).•

By Ms. COLLINS:

S. 1576. A bill to establish a commission to study the impact of deregulation of the airline industry on small town America; to the Committee on Commerce, Science, and Transportation.

#### AIRLINE DEREGULATION STUDY COMMISSION

Ms. COLLINS. Mr. President, I rise today to introduce legislation that would establish a commission to study the impact of deregulation of the airline industry on small-town America. For too long, we have allowed small and medium-sized communities from Bangor, Maine to Billings, Montana to Bristol, Tennessee to weather the effects of airline deregulation without adequately assessing how deregulation has affected their economic development, the quality and availability of air transportation for their residents,

and the long-term viability of their local airports. It is time to evaluate the effects of airline deregulation in a new, meaningful way.

The 1978 deregulation of the airline industry has dramatically shaped the modern airline industry and the way Americans travel. The purpose of deregulation was to harness the market in order to foster competition that would improve service and lower costs for consumers. According to some measures, this market experiment has been a success. According to the U.S. Department of Transportation, since the advent of deregulation, the average airfare in major hubs has been reduced by 35 percent. Economists at George Mason University and the Brookings Institution estimate that the increased competition resulting from deregulation saves consumers billions of dollars.

Similarly, other studies conducted by the General Accounting Office have shown that deregulation has ushered in an overall decline in airfares and an improvement in the quality of air service—although many of us who fly frequently would take strong issue with the finding of improved quality.

For many large cities, this is as far as the story needs to be told. But for many smaller and medium-sized communities, several chapters remain. The rest of the story tells us that deregulation's benefits are not evenly distributed throughout U.S. markets. Although a March 1999 GAO report found that, on average, airfares declined about 21 percent from 1990 to the second quarter of 1998, it also found that airports serving small communities have experienced the lowest average decline in airfare. Similarly, the Department of Transportation has found that the competition encouraged by deregulation has not made its way to all parts of our great nation. Indeed, the number of cities served by more than two airlines has fallen 41 percent since 1989.

In short, there are signs that the airline deregulation story is not good for smaller and medium-sized communities—like Presque Isle and Bangor in my state. There are important areas of inquiry that, I believe, no one has yet explored, and that is why I am introducing this bill today.

We need to know more about how airline deregulation has affected smaller and medium-sized communities, and we need to focus on the relationship between access to affordable, quality airline service and the economic development of America's smaller communities. As many communities continue to struggle to attract businesses, it is not enough for us to report that airfares, in the aggregate, have decreased in constant dollars. Nor is it sufficient to select certain proxies for quality air travel and to conclude that quality has improved. Just as not all communities

have benefitted equally from our recent prosperity, not all can say that deregulation has enhanced their air transportation. We need to evaluate how airline deregulation has affected these communities' ability to compete for business development, job creation, and economic expansion. In the process, we need to differentiate between business and leisure travel, as each serves a very different set of needs in our communities. And we must ask communities how they measure quality service, instead of making assumptions that may or may not apply to a given area.

What I am proposing is a thorough evaluation of the effects of airline deregulation on communities—an evaluation that has not yet been done, but would happen under the bill I introduce today.

Mr. President, during the past 20 years, air travel has become increasingly linked to business development. Successful businesses expect and need to be able to travel quickly over long distances. It is expected that a region being considered for business location or expansion should be reachable, conveniently, via airplane. Those areas without air access, or with access that is restricted by prohibitive costs of travel, infrequent flights, or small, slower planes are at a distinct disadvantage compared to those areas that enjoy accessible, convenient, and economical air service.

This country's air infrastructure has grown to the point where it now rivals our ground transportation infrastructure in its importance to the economic viability of communities. It has long been accepted that building a highway creates an almost instant corridor of economic activity of businesses eager to cut shipping and transportation costs by locating close to the stream of commerce. Like a community located on an interstate versus one only reachable by back roads, a community with a mid-size or small airport underserved by air carriers operates at a distinct disadvantage to one located near a large airport.

Bob Ziegelaar, Director of the Bangor, Maine International Airport, perhaps put it best. He tells me, "Communities like Bangor are at risk of being left with service levels below what the market warrants both in terms of capacity and quality. The follow-on consequences is a decreasing capacity to attract economic growth."

This issue is of critical importance and has not received the attention it deserves. The legislation I have introduced will result in a comprehensive examination of how this complicated issue affects the economy of small town America. It would establish a commission of 15 members from all areas of the country, including at least five members from rural areas, to study and report on the effects of air-

line deregulation. The Commission will examine a vital component of the deregulated airline industry—the effects on economic development and job creation, particularly in areas that are underserved by air carriers.

The Commission will also explore the broader effects of deregulation on affordability, accessibility, availability, and the quality of air transportation, nationally and in small-sized and medium-sized communities. It will explore deregulation's impact on the economic viability of smaller airports and the long-term configuration of the U.S. passenger air transportation system.

Mr. President, sometimes the best use we can make of the Senate's legislative powers is to study the results of our previous actions. In passing airline deregulation, Congress unleashed the power of competition with many positive benefits for consumers who live in large cities. It is now time to evaluate the impact on residents living in small-town America.

I urge my colleagues to join me in passing this important measure.

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. 1576

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. AIRLINE DEREGULATION STUDY COMMISSION.**

(a) ESTABLISHMENT OF COMMISSION.—

(1) ESTABLISHMENT.—There is established a commission to be known as the Airline Deregulation Study Commission (in this section referred to as the "Commission").

(2) MEMBERSHIP.—

(A) COMPOSITION.—Subject to subparagraph (B), the Commission shall be composed of 15 members of whom—

(i) 5 shall be appointed by the President;

(ii) 5 shall be appointed by the President pro tempore of the Senate, upon the recommendation of the Majority and Minority leaders of the Senate; and

(iii) 5 shall be appointed by the Speaker of the House of Representatives, in consultation with the Minority leader of the House of Representatives.

(B) MEMBERS FROM RURAL AREAS.—

(i) REQUIREMENT.—Of the individuals appointed to the Commission under subparagraph (A)—

(I) one of the individuals appointed under clause (i) of that subparagraph shall be an individual who resides in a rural area; and

(II) two of the individuals appointed under each of clauses (ii) and (iii) of that subparagraph shall be individuals who reside in a rural area.

(ii) GEOGRAPHIC DISTRIBUTION.—The appointment of individuals under subparagraph (A) pursuant to the requirement in clause (i) of this subparagraph shall, to the maximum extent practicable, be made so as to ensure that a variety of geographic areas of the country are represented in the membership of the Commission.

(C) DATE.—The appointments of the members of the Commission shall be made not

later than 60 days after the date of the enactment of this Act.

(3) PERIOD OF APPOINTMENT; VACANCIES.—Members shall be appointed for the life of the Commission. Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment.

(4) INITIAL MEETING.—Not later than 30 days after the date on which all members of the Commission have been appointed, the Commission shall hold its first meeting.

(5) MEETINGS.—The Commission shall meet at the call of the Chairperson.

(6) QUORUM.—A majority of the members of the Commission shall constitute a quorum, but a lesser number of members may hold hearings.

(7) CHAIRPERSON.—The Commission shall select a Chairman and Vice Chairperson from among its members.

(b) DUTIES OF THE COMMISSION.—

(1) STUDY.—

(A) DEFINITIONS.—In this subsection, the terms “air carrier” and “air transportation” have the meanings given those terms in section 40102(a) of title 49, United States Code.

(B) CONTENTS.—The Commission shall conduct a thorough study of the impacts of deregulation of the airline industry of the United States on—

(i) the affordability, accessibility, availability, and quality of air transportation, particularly in small-sized and medium-sized communities;

(ii) economic development and job creation, particularly in areas that are underserved by air carriers;

(iii) the economic viability of small-sized airports; and

(iv) the long-term configuration of the United States passenger air transportation system.

(C) MEASUREMENT FACTORS.—In carrying out the study under this subsection, the Commission shall develop measurement factors to analyze the quality of passenger air transportation service provided by air carriers by identifying the factors that are generally associated with quality passenger air transportation service.

(D) BUSINESS AND LEISURE TRAVEL.—In conducting measurements for an analysis of the affordability of air travel, to the extent practicable, the Commission shall provide for appropriate control groups and comparisons with respect to business and leisure travel.

(2) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Commission shall submit an interim report to the President and Congress, and not later than 18 months after the date of the enactment of this Act, the Commission shall submit a report to the President and the Congress. Each such report shall contain a detailed statement of the findings and conclusions of the Commission, together with its recommendations for such legislation and administrative actions as it considers appropriate.

(c) POWERS OF THE COMMISSION.—

(1) HEARINGS.—The Commission may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission considers advisable to carry out the duties of the Commission under this section.

(2) INFORMATION FROM FEDERAL AGENCIES.—The Commission may secure directly from any Federal department or agency such information as the Commission considers necessary to carry out the duties of the Commission under this section. Upon request of the Chairperson of the Commission, the head

of such department or agency shall furnish such information to the Commission.

(3) POSTAL SERVICES.—The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the Federal Government.

(4) GIFTS.—The Commission may accept, use, and dispose of gifts or donations of services or property.

(d) COMMISSION PERSONNEL MATTERS.—

(1) TRAVEL EXPENSES.—The members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.

(2) STAFF.—

(A) IN GENERAL.—The Chairperson of the Commission may, without regard to the civil service laws and regulations, appoint and terminate an executive director and such other additional personnel as may be necessary to enable the Commission to perform its duties. The employment of an executive director shall be subject to confirmation by the Commission.

(B) COMPENSATION.—The Chairperson of the Commission may fix the compensation of the executive director and other personnel without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay for the executive director and other personnel may not exceed the rate payable for level V of the Executive Schedule under section 5316 of such title.

(3) DETAIL OF GOVERNMENT EMPLOYEES.—Any Federal Government employee may be detailed to the Commission without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

(4) PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES.—The Chairperson of the Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals which do not exceed the daily equivalent of the annual rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of such title.

(e) TERMINATION OF COMMISSION.—The Commission shall terminate 90 days after the date on which the Commission submits its report under subsection (b).

(f) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There is authorized to be appropriated \$1,500,000 for fiscal year 2000 to the Commission to carry out this section.

(2) AVAILABILITY.—Any sums appropriated pursuant to the authorization of appropriations in paragraph (1) shall remain available until expended.

#### ADDITIONAL COSPONSORS

S. 662

At the request of Mr. CHAFEE, the name of the Senator from Nebraska (Mr. HAGEL) was added as a cosponsor of S. 662, a bill to amend title XIX of the Social Security Act to provide medical assistance for certain women screened and found to have breast or cervical cancer under a federally funded screening program.

S. 1110

At the request of Mr. LOTT, the names of the Senator from Arizona

(Mr. KYL) and the Senator from Missouri (Mr. ASHCROFT) were added as cosponsors of S. 1110, a bill to amend the Public Health Service Act to establish the National Institute of Biomedical Imaging and Engineering.

S. 1172

At the request of Mr. TORRICELLI, the name of the Senator from South Carolina (Mr. THURMOND) was added as a cosponsor of S. 1172, a bill to provide a patent term restoration review procedure for certain drug products.

S. 1449

At the request of Mr. CONRAD, the name of the Senator from North Dakota (Mr. DORGAN) was added as a cosponsor of S. 1449, a bill to amend title XVIII of the Social Security Act to increase the payment amount for renal dialysis services furnished under the medicare program.

S. 1454

At the request of Mr. ROBB, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. 1454, a bill to amend the Internal Revenue Code of 1986 to expand the incentives for the construction and renovation of public schools and to provide tax incentives for corporations to participate in cooperative agreements with public schools in distressed areas.

S. 1478

At the request of Mr. DASCHLE, the name of the Senator from North Dakota (Mr. DORGAN) was added as a cosponsor of S. 1478, a bill to amend part E of title IV of the Social Security Act to provide equitable access for foster care and adoption services for Indian children in tribal areas.

#### SENATE CONCURRENT RESOLUTION 53

At the request of Mrs. FEINSTEIN, the names of the Senator from Wisconsin (Mr. FEINGOLD), the Senator from Illinois (Mr. DURBIN), and the Senator from Washington (Mrs. MURRAY) were added as cosponsors of Senate Concurrent Resolution 53, a concurrent resolution condemning all prejudice against individuals of Asian and Pacific Island ancestry in the United States and supporting political and civic participation by such individuals throughout the United States.

#### SENATE RESOLUTION 179

At the request of Mr. BIDEN, the name of the Senator from Rhode Island (Mr. CHAFEE) was added as a cosponsor of Senate Resolution 179, a resolution designating October 15, 1999, as “National Mammography Day.”

#### SENATE RESOLUTION 181—EXPRESSING THE SENSE OF THE SENATE REGARDING THE SITUATION IN EAST TIMOR

Mr. HARKIN (for himself, Mr. LEAHY, Mr. FEINGOLD, Mr. CHAFEE, and Mr. WELLSTONE) submitted the following resolution; which was referred to the Committee on Foreign Relations:

## S. RES 181

Whereas on May 5, 1999, the Governments of Indonesia and Portugal signed an agreement that provided for an August 8, 1999, ballot organized by the United Nations on the political status of East Timor;

Whereas under the May 5th agreement the Government of Indonesia freely agreed to be responsible for establishing a secure environment in East Timor that would be free of intimidation and violence;

Whereas on August 30, 1999, 78 percent of the people in East Timor voted for independence; and

Whereas, after the vote for independence, the militias in East Timor intensified their reign of terror against the people of East Timor unrestrained by the Government of Indonesia: Now, therefore, be it

*Resolved,*

**SECTION 1. SENSE OF THE SENATE REGARDING THE SITUATION IN EAST TIMOR.**

(a) IN GENERAL.—The Senate hereby—

(1) congratulates the people of East Timor for their heroic vote on August 30, 1999;

(2) recognizes that the people of East Timor voted for independence;

(3) condemns the violence of the militias in East Timor and the inaction by the Government of Indonesia to end the violence; and

(4) calls on the Government of Indonesia to end all violence in accordance with the May 5, 1999 agreement.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) the President of the United States should instruct the United States Permanent Representative to the United Nations to immediately seek the United Nations Security Council authorization for the deployment of an international force to address the security situation in East Timor; and

(2) the United States should assist in this effort in an appropriate manner.

**SEC. 2. TRANSMITTAL OF RESOLUTION.**

The Secretary of the Senate shall transmit a copy of this resolution to the President.

**ADDITIONAL STATEMENTS**

**EAST TIMOR**

• Mr. KERRY. Mr. President, the current situation in East Timor is spiraling dangerously out of control. Members of the international community are meeting to discuss this issue in New Zealand as I speak, while violence is escalating in East Timor and uncertainty is rising in the minds of many about the future of Indonesia as a whole. Indonesia's strategic position in South East Asia, as well as its economic and political stability, are of utmost importance, not only to the United States, but to the international community which has an interest in securing a stable and democratic future for South East Asia and a lasting peace for East Timor.

The Indonesian government holds the primary responsibility for restoring peace and stability to East Timor. I concur wholeheartedly with U.N. Secretary General Kofi Annan that the Indonesian government has so far failed to take adequate steps towards that end. The Indonesian government must move immediately to restore the por-

tion of its credibility that was lost for not preparing adequately for the onslaught of civil strife that was predicted after the August 30 vote. The government must reign in the military factions, disarm the militias, restore law and order on the ground in East Timor, and provide for humanitarian assistance to the thousands of East Timorese who have been displaced from their homes and are fleeing the region. If it cannot, or is unwilling to, then the Indonesian government must accept the international community's offer to send in a peacekeeping force.

To his credit, President Habibie took an important step forward by allowing East Timor's political future to be decided democratically. It truly was significant that for the first time in twenty four years, the Indonesian government made a ballot in East Timor possible. I have long believed that the government should take this action and I have supported numerous pieces of legislation urging the Indonesian government to that effect. However, the Habibie government, once having made the decision to hold a consultation on the future status of East Timor, assumed responsibility for the security of its people during and after the ballot was held.

The international community was watching closely as the May 5, 1999 agreement detailing how the ballot was to be conducted—was signed by the governments of Indonesia and Portugal and the U.N. This agreement held great promise that the future of East Timor could be determined peacefully. However, anti-independence militia leaders refused to sign and refused to disarm, vowing to oppose violently any steps to give the East Timorese their independence. The militia groups have followed through on their commitments, regretfully. The Indonesian government, I fear, has not.

The Indonesian government, in no uncertain terms, has the responsibility to curb the violence now and work to create a peaceful atmosphere so that the results of the ballot can be implemented. It must also protect the humanitarian missions that remain in East Timor and secure the safe passage of humanitarian aid to the region. No reasonable justification exists for the Indonesian military cutting off the water supply and electricity inside the U.N. Compound. That only leaves us with the question, who is really calling the shots?

Indeed, the history of the Indonesian military is far too bleak to have given it free reign to operate under martial law. We have already seen evidence of the military directly firing on civilians, forcibly removing them from their homes, or just turning a blind eye to the havoc being unleashed on them by the paramilitary forces. I do not believe that martial law—which establishes curfews, enables the military to

shoot violators of the curfews on sight, and provides for unwarranted searches—is the step that the Indonesian government should have taken if it wanted to stop the violence and re-establish credibility for itself in the international community. Martial law has only succeeded in unleashing more violence and greater terror. It is especially problematic since many members of the Indonesian military remain inextricably linked to the militia forces or have joined radical military splinter groups.

I do not believe that the Indonesian government has taken adequate steps, if any at all, to disassociate itself from the civilian militias and to dismantle and disarm them when it became apparent that these groups would not work to bring peace to the region. The human rights abuses they have committed over the years was only a prologue to the devastation they are orchestrating today. The alarm bells were ringing months ago, but was anyone listening?

The Indonesian military's direct involvement in committing human rights abuses and perpetuating violence in Indonesia led me to support a restriction on U.S. arms sales and International Military Education Training (IMET) aid to Indonesia, which Congress initiated in 1993. I believe it is crucial to suspend all of the remaining U.S. military contacts with the Indonesian armed forces and all arms sales to Indonesia.

The outcome of this crisis will have implications not only for East Timor but for Indonesia as a whole. We need to be responsive to the crisis in East Timor, but we must carefully consider the implications of any action on the larger political, economic and social climate in Indonesia.

I believe it is vital for the Indonesian government to accept the international community's offer to send an international peacekeeping force to East Timor and that force must be robust, with the capacity to restore law and order on the ground. The U.S. must continue to work with its allies in the region in order to urge the Indonesian government to invite this force in. I am pleased that the Australian government has taken the lead in this effort by offering up to 7,000 peacekeepers to operate in such a force and has sent war ships to the waters off East Timor as a message to the Indonesian government that the global community is serious.

The East Timor crisis will be, and indeed should be, the top priority for discussion at the Asia-Pacific Economic Cooperation (APEC) Forum this weekend. There is no issue of greater importance to the region at the moment. I believe that the U.S. must play a strong role in coordinating the efforts of all APEC nations in order to formulate a strong, multilateral response to

the crisis. All members of APEC have a direct interest in preventing the further escalation of violence and political instability.

I urge the Administration to continue to work aggressively with APEC nations to make it clear to the Indonesian government that the clock is ticking on a resolution of this issue. In addition to the diplomatic efforts, we must take some steps to demonstrate our own disapproval of the government's response to the situation to date. I support the Administration's decision to cease our direct military-to-military contacts with Indonesia. I believe we also should offer to send humanitarian aid to both East Timor and governments in the region that accept refugees. There are other steps that we can take as well.

That is why I have joined my colleague Senator RUSS FEINGOLD in introducing a bill to suspend international financial assistance to Indonesia pending resolution of the crisis in East Timor. Specifically, this bill would suspend the remaining U.S. military assistance to Indonesia, require the United States to oppose the extension of financial support to Indonesia by international financial institutions such as the IMF, and require Congressional approval before any FY 2000 bilateral assistance to Indonesia may be allocated. I see the introduction of this bill as a way to send a signal—not only to President Habibie, but to all of the players in Jakarta—that we regard this issue very seriously.

Mr. President, I appreciate the opportunity to talk about East Timor and I yield the remainder of my time.●

#### MR. AND MRS. PETER AND PAT COOK PROCLAMATION

● Mr. ABRAHAM. Mr. President, It gives me great pleasure to rise today and honor two outstanding Republican visionaries and admired civic leaders, Mr. and Mrs. Peter and Pat Cook, on the occasion of the Gerald R. Ford Republican Women's Club, Annual Fall Reception on September 13, 1999.

Peter Cook began his professional career with Import Motors Limited Inc., where he was named President in 1954. In 1977, with his typical entrepreneurial spirit and innovative thinking, Peter Cook formed Transitional Motors Inc., also known as Mazda Great Lakes, where he currently sits as chairman of the board and majority stockholder. Additionally, Mr. Cook serves on the boards for numerous companies, most notably, Gospel Communications, Woodland International, Applied Image Technology and the new Van An del Institute. In the past he served as chairman of the South Y.M.C.A. and the Kent County Republican Finance Committee.

Pat Cook has always been very supportive of her husband's career. In the

late 1950's she took it upon herself to help deliver some of the first Volkswagens to dealers in Midland and Detroit. After the birth of their two children, Tom and Steve, Mrs. Cook stayed at home and continued in a voluntary capacity to enrich her community. She has served on the boards of Welcome Home for the Blind, Blodgett Hospital Guild and Porter Hills Ladies Auxiliary.

Perhaps what is most truly admirable and wonderful about Mr. and Mrs. Cook is their dedication to helping the lives of others and the Grand Rapids community. They made the leading gift establishing the Research and Education Institute of Butterworth Hospital. Mr. and Mrs. Cook are active members of the Grace Reformed Church and much of their support is focused toward youth and Christian institutions. They have helped make possible the construction of the carillon on the Grand Valley State University campus; they have worked with Aquinas College students in making a new Student Center; and they have also contributed greatly to the Hope College Student Housing Center and Cook Valley Estates for the Porter Hills Presbyterian Village.

Mr. and Mrs. Cook lead their lives as an example to others by being strong Christians, distinguished philanthropists, and dedicated citizens. Their countless efforts and support will continue to benefit the community for many years to come.

Mr. President it is with sincere joy and appreciation that I honor Peter and Pat Cook. Rarely do you see two people who have unselfishly done so much to help others.●

#### ARMOR PIERCING AMMUNITION

● Mr. LEVIN. Mr. President, two of my colleagues in the House of Representatives, Representative BLAGOJEVICH and Representative WAXMAN, asked the Office of Special Investigations within the General Accounting Office (GAO) to investigate the manufacture and distribution of fifty caliber armor piercing ammunition, some of the most powerful and destructive ammunition available. This investigation made public a little known program administered by the Department of Defense that makes unserviceable, excess and obsolete military ammunition available for civilian use.

Under the Conventional Demilitarization Program, military armor piercing ammunition is transferred through a U.S. Company to the civilian market. This ammunition is powerful enough to penetrate metal, ballistic or bullet-proof glass, even armored cars or helicopters. With use of the fifty caliber sniper rifle, this ammunition can start fires and explosions and strike targets from extraordinary lengths. This is ammunition that is in no way

suitable for civilian use. According to James Schmidt II, the President of Arizona Ammunition Inc. and a member of the Board of Directors for the Fifty Caliber Shooters Association, "the armor piercing, incendiary, and tracer type bullets are used by the police and military. Those available to the consumer are generally surplus. Our company does not sell these to the general public because they have no sporting application."

Yet, through the Conventional Demilitarization Program, the Department of Defense makes their surplus available to the general public. The Department pays Talon Manufacturing Company \$1 per ton to take possession of its demilitarized armor piercing ammunition. A percentage of this ammunition is then reconstructed and resold by Talon to domestic and foreign militaries, and to civilian buyers. In one business year, Talon sold 181,000 rounds of this refurbished military ammunition to civilian customers.

Once available on the market, this extremely powerful ammunition is subject to virtually no restriction. It is easier to purchase armor piercing ammunition capable of penetrating steel and exploding on impact, than it is to buy a handgun. This deadly and incredibly damaging ammunition can be sold to anyone over 18 and possessed by anyone of any age. No federal background check is necessary. Purchases may be made easily by mail order, fax, or over the counter, and there are no federal requirements that dealers retain sales records. These loose restrictions make armor piercing ammunition highly popular among terrorists, drug traffickers and violent criminals.

Certainly, the U.S. Military is not responsible for all of the armor piercing ammunition on the civilian market, but they are responsible for hundreds of thousands of armor piercing, incendiary and tracer rounds made available to the general public each year. I am an original cosponsor of legislation that would prohibit the Department of Defense from entering into contracts that permit demilitarized armor piercing ammunition to be sold to the general public. I urge my colleagues to support this bill and put an end to this program.●

#### TRIBUTE TO DR. PAUL N. VAN DE WATER

● Mr. LAUTENBERG. Mr. President, today I join my colleague from New Mexico, Mr. DOMENCI, in bidding farewell to Dr. Paul N. Van de Water—a longstanding and highly respected member of the Congressional Budget Office (CBO) staff. Dr. Van de Water is leaving CBO at the end of this week after more than 18 years of service to the Congress. Paul will join the Social Security Administration as the Senior Advisor to the Deputy Commissioner for Policy.

Dr. Van de Water's departure from CBO represents an enormous loss for the Congress. His ability to generate objective, timely, and unbiased analyses exemplifies the finest tradition of nonpartisan public service. Paul's work at CBO represents the essence of the agency's mission. He managed—during some very difficult years—to serve both political parties in a fair and effective manner. He leaves CBO with his reputation for impartial analysis intact and his integrity unquestioned and unblemished.

During his tenure at CBO, Dr. Van de Water earned a reputation for building a first rate staff and for ensuring that CBO's work was analytically sound, unbiased, and clearly presented. During the dark decades of runaway budget deficits, Paul worked tirelessly with Members and staff on every major budget summit, budget plan, and budget process reform initiative. Like most public servants he rarely received the formal recognition and thanks he deserved. I hope in some small measure to communicate our thanks and appreciation for these contributions today.

Dr. Van de Water began his career at CBO in 1981 as Chief of the Projections Unit. From there, he moved on to Deputy Assistant Director for Budget Analysis and, in 1994, assumed his current position as Assistant Director for Budget Analysis. He is the author, co-author, or editor of more than 50 articles and books on government finance and Social Security and has testified before Congressional committees on numerous occasions.

Dr. Van de Water's accomplishments beyond CBO include a Ph.D. in Economics from the Massachusetts Institute of Technology, and two daughters—the first a senior majoring in physics at the College of William and Mary (and former Valedictorian of T.C. Williams High School in Alexandria) and the second, an enthusiastic 7th grader. Clearly, Paul has managed to keep his work and home priorities straight during his tenure at CBO.

Paul's first hand knowledge of the Congressional budget process as well as the operations and traditions of CBO cannot be replaced. However, we take some solace from the fact that his contributions to public policy will continue. In his new role with the Administration, I am certain that his work will inform and shape the debate on the future of the Social Security program. I know that all of my colleagues join with me in wishing Paul the best of luck in his new endeavor.●

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HONORING STANLEY J.  
WINKELMAN

● Mr. LEVIN. Mr. President, I rise to honor Stanley J. Winkelman who recently passed away. Stanley will of course be remembered for the department stores which bore his family

name, but it was his efforts in the community which were most dear to him and for which he will be enshrined in the memory of our community.

Stanley Winkelman was born in 1922 in Sault Ste. Marie, Michigan, where his father operated a women's clothing store. In 1928, Stanley's father moved the family to Detroit so that he could join his brother in forming Winkelman Brothers Apparel, Inc. As Stanley grew and matured, so did the family enterprise.

In 1943, Stanley Winkelman graduated from the University of Michigan with a bachelor's degree in chemistry. That same year, Stanley married his sweetheart, Margaret "Peggy" Wallace. The couple would go on to have three wonderful children, Marjorie, Andra, and Roger. Following graduation, Stanley worked as a research chemist at the California Institute of Technology and served as a naval officer during World War II. After the war, Stanley returned to Detroit to take part in the family business, eventually rising to hold the positions of president, chairman of the board and CEO, and in the process, becoming the guiding force of the company. At the peak of the company's success it owned a chain of 95 stores specializing in fashionable yet affordable clothing for women. The Winkelman's chain was sold in 1983 and Stanley retired in 1984. However, Stanley's retirement did not slow his commitment and service to the community.

Throughout his life, Stanley was intimately involved in issues surrounding the city of Detroit. He took part in a 1963 Detroit Commission on Community Relations where he called upon the Detroit Board of Education to speed up desegregation by hiring more black teachers. Following the 1967 Detroit riots, Stanley was the leader of a New Detroit subcommittee on community services which called for a much needed review of the Detroit Police Department. In the wake of the riots, Stanley displayed his steadfast commitment to the city of Detroit by keeping his stores in the city. Stanley Winkelman's sense of social responsibility has helped lay the foundation for the resurgence of downtown Detroit.

Throughout his life, Stanley was a strong supporter of education. He supported his alma mater, the University of Michigan, with both his time and money. He devoted much of his time to Detroit's education system, with particular attention given to the education of the poorest among us. Stanley also held positions of leadership in Detroit's Metropolitan Fund, the Jewish Welfare League, United Foundation, and Temple Beth El.

Stanley Winkelman offered American shoppers value, but his real lasting legacy is the values he reflected and fought for to make his community a better place to live. I know my col-

leagues will join me in honoring Stanley Winkelman on the many great accomplishments of his life as we mourn his passing.●

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ORDERS FOR MONDAY,  
SEPTEMBER 13, 1999

Mr. JEFFORDS. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 12 noon on Monday, September 13. I further ask unanimous consent that on Monday, 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 the Senate then be in a period for morning business until 2 p.m., with Senators speaking for up to 10 minutes each, with the following exceptions: Senator THOMAS, or his designee, for the first 60 minutes; Senator DURBIN, or his designee, for the second 60 minutes.

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

Mr. JEFFORDS. Mr. President, I further ask unanimous consent that at 2 p.m., the Senate then resume debate on H.R. 2466, the Interior appropriations bill.

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

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the second cloture vote occur notwithstanding rule XXII and that there be 5 minutes prior to the vote equally divided between Senators HUTCHISON and BOXER.

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

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PROGRAM

Mr. JEFFORDS. Mr. President, for the information of all Senators, the Senate will convene at 12 noon on Monday and be in a period for morning business until 2 p.m. Following morning business, the Senate will resume consideration of the Interior appropriations bill.

As a reminder, cloture motions were filed today on S.J. Res. 33 denouncing the offer of clemency to Puerto Rican terrorists and on the Hutchison amendment regarding oil royalties. These cloture votes have been scheduled for 5 p.m. on Monday.

For the remainder of the next week, the Senate is expected to complete action on the Interior appropriations bill and to begin consideration of the bankruptcy reform bill. The Senate may also begin consideration of any appropriations bills available for action.

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ORDER FOR ADJOURNMENT

Mr. JEFFORDS. Mr. President, if there is no further business to come before the Senate, I now ask unanimous

consent that the Senate stand in adjournment following the remarks of Senator SPECTER, and I ask unanimous consent that the Senator from Pennsylvania be recognized for 5 minutes.

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

The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, I thank the distinguished Senator from Vermont.

#### YOUTH VIOLENCE PREVENTION

Mr. SPECTER. Mr. President, Senator HARKIN and I have just announced a significant program on youth violence prevention, which I think is worthy of a comment or two on the Senate floor before we adjourn.

Next week, the Subcommittee on Labor, Health and Human Services, and Education will have a markup. Senator HARKIN is ranking minority member of that subcommittee, and I chair it. We have worked through a program on a youth violence prevention initiative where we are allocating \$850.8 million; \$330 million is new money and the balance is a reallocation of funds within the Departments which will be directed toward preventing the scourge of youth violence of which we have seen so much in Littleton, CO, and so many other places.

The programs which we will be providing will involve counseling, literacy grants, afterschool programs, drug-free schools, alcohol therapy rehabilitation, mental health services, job training, character education, and metal detectors to prevent guns from being taken into schools.

This program will be directed by the Surgeon General, recognizing this as a national health crisis as articulated as long ago as 1982 by Dr. C. Everett Koop who was then the Surgeon General.

When these terrible occurrences happen at places like Littleton, there is a lot of hand wringing and a lot of finger pointing, but we have yet to have a sustained coordinated effort on a long-term basis to deal with the underlying causes and come to grips with those causes.

Senator HARKIN and I convened three lengthy meetings among the professionals of the three Departments: the Department of Education, the Department of Labor, the Department of Health and Human Services. The experts who sat together said that was the first time they had been convened in that kind of a session.

After the first session, they went back to the drawing boards, and did so again after the second session and again after the third session and, in conjunction with our subcommittee staff, have worked out an extensive program which is comprehended in 11 pages of our proposed markup next week.

Included in this program is funding for the Surgeon General to pull together all the available information on the impact of movies, television, and video game violence and to undertake whatever other studies are necessary with appropriate methodology, with many in those industries claiming that the existing studies do not really deal in a methodological way that is accurate.

Next Tuesday, there will be a hearing of our subcommittee where the Secretaries of the three Departments, plus the Deputy Attorney General Eric Holder will participate where we will be moving forward with the specifics on this program.

This program has been coordinated with the President through his Office of Domestic Policy. We think it could provide a very significant step in dealing with youth violence prevention—a very major problem in America today. This goes to the underlying causes.

I ask unanimous consent that the 11-page text of our program be printed in the Congressional RECORD.

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

#### YOUTH VIOLENCE PREVENTION INITIATIVE

The shocking events surrounding the shootings at public schools serve to highlight a problem that is neither new nor predictable by way of demographics, region or economic standing. Violent behavior on the part of young people is no longer confined to inner-city street gangs. For all of the hope and inspiration our young people give us, we now find ourselves profoundly troubled by the behavior of some of the younger generation.

An estimated 3 million crimes a year are committed in or near the nation's 85,000 public schools. During the 1996-97 school year alone, one-fifth of public high schools and middle schools reported at least one violent crime incident, such as murder, rape or robbery; more than half reported less serious crimes. Homicide is now the third leading cause of death for children age 10 to 14. For more than a decade it has been the leading cause of death among minority youth between the ages of 15 and 24. The trauma and anxiety that violence begets in our children most certainly interferes with their ability to learn and their teachers' ability to teach: an increasing number of school-aged children say they often fear for their own safety in and around their classroom.

The Gun-Free Schools Act of 1994 requires states to pass laws mandating school districts to expel any student who brings a firearm to school. A recent study indicates that the number of students carrying weapons to school dropped from 26.1 percent in 1991 to 18.3 percent in 1997. While this trend is encouraging, the prevalence of youth violence is still unacceptably high. Recent incidents clearly indicate that much more needs to be done. Some of the funds provided in this initiative will help state and local authorities to purchase metal detectors and hire security officers to reduce or eliminate the number of weapons brought into educational settings.

Fault does not rest with one single factor. In another time, society might have turned to government for the answer. However,

there is no easy solution, and total reliance on government would be a mistake. Youth violence has become a public health problem that requires a national effort. Certainly, our government at all levels—federal, state and local—must play a role. But we must also enlist the energies and resources of private organizations, businesses, families and the children themselves.

The Committee is aware of the controversy regarding the media's role in influencing in youth violence. The Committee recognizes that some members of the entertainment industry have challenged the methodology of studies conducted over the past 3 decades which have linked movies, television programs, song lyrics, and video games with violent behavior. The Committee believes that any studies that determine causative factors for youth violence should be based on sound methodology which yields statistically significant and replicable results. Despite disagreement over the media's role, the Committee is encouraged by historic efforts of various sectors of the entertainment industry to monitor and discipline themselves and to regulate content. The industry's self-imposed, voluntary ratings systems are steps in the right direction. Further vigilance, however, is needed to ensure that media products are distributed responsibly, and that ratings systems are appropriate and informative so that parents are empowered to monitor their youths' consumption of movies, television programs, music and video games.

Many familial, psychological, biological and environmental factors contribute to youths' propensity toward violence. The youth violence prevention initiative contained in this bill is built around these factors and seeks to be comprehensive and to eliminate the conditions which cultivate violence.

Over the past several months, the Committee convened three lengthy meetings with the Deputy Attorney General; the Surgeon General; Assistant Secretary for Management and Budget, DHHS; Acting Deputy Assistant Secretary for Elementary and Secondary Education and the Director of Safe and Drug Free Schools; Assistant Secretary for Special Education; Commissioner, Administration for Children and Families; Director, National Institute of Mental Health; Director of Policy, Employment and Training Administration; Director of Program Development, Center for Mental Health Services, Substance Abuse and Mental Health Services Administration; Director, Division of Violence Prevention, National Center for Injury Prevention and Control, Centers for Disease Control; Assistant Surgeon General; Deputy Assistant Secretary for Health; Acting Director, Office of Victims of Crime, Department of Justice; Deputy Assistant Secretary for Employment and Training, Department of Labor; and the National Association of School Psychologists. These officials expressed their appreciation for the opportunity to discuss this issue with other agency administrators, and share their particular programs' approaches to preventing youth violence. The meeting participants enthusiastically endorsed a coordinated inter-agency approach to the youth violence problem, and discussed how best to efficiently collaborate with other agencies and organizations across the government and in the private sector.

Based on those three meetings and staff follow up, the following action plan was developed.

The Committee has included \$850,800,000 for a youth violence prevention initiative. These

funds together with increases included for the National Institute of Mental Health, National Institute of Drug Abuse, and the National Institute of Alcohol Abuse and Alcoholism will provide increased resources to address school violence issues in a comprehensive way. This coordinated approach will improve research, prevention, education and treatment strategies to address youth violence.

1. OFFICE OF THE UNITED STATES SURGEON GENERAL

*A. Coordination by the United States Surgeon General.*—The Committee views youth violence as a public health problem, and therefore directs the United States Surgeon General to take the lead role in coordinating a federal initiative to prevent youth violence. The Office of the Surgeon General (OSG) within the Office of Public Health and Science shall be responsible for the development and oversight of cross-cutting initiatives within the Department of Health and Human Services and with other Federal Agencies to coordinate existing programs, some of which are outlined below, to reduce the incidence of youth violence in the United States. The Committee has included \$4,000,000 directly to the OSG to help in this coordination effort. Sufficient funds have been included for a Surgeon General's report on youth violence. This report, to be coordinated by the OSG should review the biological, psychosocial and environmental determinants of violence, including a comprehensive analysis of the effects of the media, the internet, and video games on violent behavior and the effectiveness of preventive interventions for violent behavior, homicide, and suicide. The OSG shall have lead responsibility for this report and its implementation activities.

*B. Federal Coordinating Committee on the Prevention of Youth Violence.*—The Committee also directs the Secretary of HHS to establish a Federal Coordinating Committee on the Prevention of Youth Violence. This Committee should be chaired by the Surgeon General and co-chaired by a representative from the OSG, within the Office of Public Health and Science, the Departments of Justice, Education and Labor to foster interdepartmental collaboration and implementation of programs and initiatives to prevent youth violence. The representative from the OSG within the Office of Public Health and Science shall report directly to the Surgeon General and shall coordinate this initiative.

*C. National Academic Centers of Excellence on Youth Violence Prevention.*—The Committee has included \$10,000,000 to support the establishment of ten National Centers of Excellence at academic health centers that will serve as national models for the prevention of youth violence. These Centers should: (1) develop and implement a multi-disciplinary research agenda on the risk and protective factors for youth violence, on the interaction of environmental and individual risk factors, and on preventive and therapeutic interventions; (2) develop and evaluate preventive interventions for youth violence, establishing strong linkages to the community, schools and with social service and health organizations; (3) develop a community response plan for youth violence, bringing together diverse perspectives including health and mental health professionals, educators, the media, parents, young people, police, legislators, public health specialists, and business leaders; and (4) develop a curriculum for the training of health care professionals on violent behavior identification, assessment and intervention with high risk youth, and

integrate this curriculum into medical, nursing and other health professional training programs.

*D. National Youth Violence Prevention Resource Center.*—The Committee has included \$2,500,000 to establish a National Resource Center on Youth Violence Prevention. This center should establish a toll free number (in English and Spanish) and an internet website, in coordination with existing Federal web site resources, to provide accurate youth violence prevention and intervention information produced by the government and linked to private resources. Hundreds of resources are now available on this issue including statistics, brochures, monographs, descriptions of practices that work, and manuals about how to implement effective interventions. This Resource Center will provide a single, user-friendly point of access to important, potentially life-saving information about youth violence, and an explanation about preventing youth violence and how to intervene. Additionally, technical assistance on how to establish programs in communities across the country by providing local resources would also be made available through the National Resource Center.

*E. Health Care Professional Training.*—The Committee has included sufficient funds for the training of primary health care providers, pediatricians and obstetricians/gynecologists in detecting child and youth violence stemming from child abuse.

2. NATIONAL INSTITUTE OF MENTAL HEALTH

*A. Zero to Five.*—Many risk factors are established early in a child's life (0 to 5 years), including child abuse and neglect. However, less dramatic problems that delay cognitive and social and emotional development may also lead to later serious conduct problems that are resistant to change. The Committee encourages NIMH to address both of these types of problems by supporting research to understand and prevent abuse and neglect, by encouraging research on how to best instruct parents and child care workers in appropriate interventions, and by supporting research that develops and evaluates interventions for early disruptive behavior in diverse preschool and community settings. In addition, the Institute should work to ensure that the goals of all interventions include effectiveness and sustainability.

*B. Five to twelve.*—Attention Deficit Hyperactivity Disorder (ADHD) and depression often emerge in the 5-12 year age range. Comprehensive research-based programs have been developed to provide such children with the mental health services and behavioral interactions they need. The Committee urges NIMH to continue its work toward the development and evaluation of programs aimed at prevention, early recognition, and intervention for depression and youth suicide in diverse school and community settings to determine their effectiveness and sustainability; to support the development and evaluation of behavioral interventions for home and classroom to manage ADHD; to identify through research the most cost-effective features of proven prevention programs for resource poor communities; and to support multi-site clinical trials to establish safe and effective treatment of acute and long-term depression and ADHD.

*C. 12 to 18.*—Early adolescence is an important time to stop the progression of violent behavior and delinquency. Multisystemic therapy (MST), in which specially trained individuals work with the youth and family in their homes, schools and communities, have been found to reduce chronic violent or de-

linquent behavior. Research has shown sustained improvements for at least 4 years, and MST appears to be cost effective when compared to conventional community treatment programs in that it has proven to reduce hospitalization and incarceration.

*D. Behavioral and Psychosocial Therapies.*—Therapeutic Foster Care is an effective home based intervention for chronically offending delinquents. Key elements of the program include providing supervision, structure, consistency, discipline, and positive reinforcement. This intervention results in fewer run-aways and program failures than other placements and is less expensive. The Committee encourages NIMH to work in collaboration with CDC, SAMHSA, and the Department of Justice to implement effective model interventions for juvenile offenders with conduct disorders in diverse populations and settings. NIMH has initiated the nation's first large-scale multi-site clinical trial for treatment of adolescent depression, and the Committee supports additional research to improve recognition of adolescent depression.

*E. Public Health Research, Data Collection and Community-based Interventions.*—There are four cross-cutting areas in need of further research action across all agencies: community interventions, media, health provider training, and information dissemination. The Committee directs NIMH to ensure that research focuses on: examining the feasibility of public health programs combining individual, family and community level interventions to address violence and identify best practices; developing curricula for health care providers and educators to identify pediatric depression and other risk factors for violent behavior; studying the impact of the media, computer games, internet, etc., on violent behavior; disseminating information to families, schools, and communities to recognize childhood depression, suicide risk, substance abuse, and ADHD and decreasing the stigma associated with seeking mental health care. The Committee also encourages NIMH to work in collaboration with CDC and SAMHSA to create a system to provide technical assistance to schools and communities to provide public health information and best practices to schools and communities to work with high risk youth. The Committee has included sufficient funds to collect data on the number and percentage of students engaged in violent behavior, incidents of serious violent crime in schools, suicide attempts, and students suspended and/or expelled from school.

3. NATIONAL INSTITUTE OF DRUG ABUSE

Drug abuse is a risk factor for violent behavior. The Committee encourages NIDA to support research on the contribution of drug abuse including methamphetamine use, its co-morbidity with mental illness, and treatment approaches to prevent violent behavior.

4. NATIONAL INSTITUTE OF ALCOHOL ABUSE AND ALCOHOLISM

The Committee encourages NIAAA to examine the relationship of alcohol and youth violence with other mental disorders and to test interventions to prevent alcohol abuse and its consequences.

5. SAFE SCHOOLS, HEALTHY STUDENTS

*Mental Health Counselors/Community Support/Technical Assistance and Education.*—The Committee has included \$80,000,000, an increase of \$40,000,000 over the fiscal year 1999 appropriation, to support the delivery and improvement of mental health services, including school-based counselors, in our nation's schools. These funds allow State and

local mental health counselors to work closely with schools and communities to provide services to children with emotional, behavioral, or social disorders. Some of these funds also help train teachers, school administrators, and community groups that work with youths to identify children with emotional or behavioral disorders. The program is being administered collaboratively by the Substance Abuse and Mental Health Services Administration within the Department of Health and Human Services and the Departments of Education and Justice to help school districts implement a wide range of early childhood development techniques, early intervention and prevention strategies, suicide prevention, and increased and improved mental health treatment services. Some of the early childhood development services include effective parenting programs and home visitations.

#### 6. PARENTAL RESPONSIBILITY/EARLY INTERVENTION

Sociological and scientific studies show that the first three years of a child's cognitive development sets the foundation for life-long learning and can determine an individual's emotional capabilities. Parents, having the primary and strongest influence on their child, play a pivotal role at this stage of development. Scientists have found that parental relationships affect their child's brain in many ways. A secure, highly interactive, and warm bond can bolster the biological systems that help a child handle their emotions. Research further indicates that a secure connection with the parent will better equip a child to handle stressful events throughout life. Statistics show that the parental assistance program in particular has helped to lower the incidence of child abuse and neglect, reduces placement of children in special education programs, and involves parents more actively throughout their child's school years. The Committee recognizes that early intervention activities conducted through the Department of Education's parent information and resource centers program can make a critical difference in addressing the national epidemic of youth violence, and therefore includes an additional \$3,000,000 to expand its services to educate parents to work with professionals in preventing and identifying violent behavioral tendencies.

#### 7. SAFE AND DRUG-FREE SCHOOLS

A. *National Programs.*—The Committee remains extremely concerned about the frequent and horrific occurrence of violence in our Nation's schools. Last year, the Committee provided \$90,000,000 within this account for a school violence prevention initiative. As part of an enhanced and more comprehensive effort, the Committee has provided \$100,000,000 within the safe and drug-free schools and communities program to support activities that promote safe learning environments for students. Such activities should include: targeted assistance, through competitive grants, to local educational agencies for community-wide approaches to creating safe and drug free schools; and training for teachers and school security officers to help them identify students who exhibit signs of violent behavior, and respond to disruptive and violent behavior by students. The Committee also encourages the Department to coordinate its efforts with children's mental health programs.

B. *Coordinator Initiative.*—The Committee has included \$60,000,000, an increase of \$25,000,000 over the fiscal year 1999 appropriation and \$10,000,000 more than the budget request. The Committee recommendation will enable the Department of Education to provide assistance to local educational agencies to recruit, hire, and train drug prevention and school safety program coordinators in middle schools with significant drug and school safety problems. These coordinators will be responsible for developing, conducting and analyzing assessments of their school's drug and crime problems, and identifying promising research-based drug and violence prevention strategies and programs to address these problems.

#### 8. 21ST CENTURY COMMUNITY LEARNING CENTERS

The Committee has included \$400,000,000 for the 21st Century Community Learning Centers, an increase of \$200,000,000 over the fiscal year 1999 level. These funds are intended to be used to reduce idleness and offer an alternative to children when they conclude their school day, at a time when they are typically unsupervised. Nationally, each week, nearly 5 million children ages 5–14 are home alone after school, which is when juvenile crime rates double. According to the Department of Justice, 50 percent of all juvenile crime occurs between the hours of 2 p.m. and 8 p.m. during the week. Therefore, the Committee has included funds to allow the Department of Education to support after-school programs that emphasize safety, crime awareness, and drug prevention.

#### 9. TEACHER QUALITY ENHANCEMENT GRANTS

The Committee has included \$80,000,000 for teacher quality enhancement grants, an increase of \$2,788,000, for professional development of K–12 teachers, which is a necessary component to addressing the epidemic of youth violence. The Committee encourages the Department, in making these grants, to give priority to partnerships that will prepare new and existing teachers to identify students who are having difficulty adapting to the school environment and may be at-risk of violent behavior. Funds should also be used to train teachers on how to detect, manage, and monitor the warning signs of potentially destructive behavior in their classrooms.

#### 10. CHARACTER EDUCATION

The Committee recommends \$10,300,000 for character education partnership grants. These funds will be used to encourage states and school districts to develop pilot projects that promote strong character, which is fundamental to violence prevention. Character education programs should be designed to equip young individuals with a greater sense of responsibility, respect, trustworthiness, caring, civic virtue, citizenship, justice and fairness, and a better understanding of the consequences of their actions.

#### 11. ELEMENTARY SCHOOL COUNSELING

The Committee is concerned about the inaccessibility of school counselors for young children and therefore is providing \$20,000,000 for the Elementary School Counseling Demonstration as a part of the youth violence prevention initiative. Many students who are having a difficult time handling the pressures of social and academic demands could benefit from having mental health care readily available. The Committee believes that increasing the visibility of school counselors

would legitimize their role as part of the school's administrative framework, thereby, encouraging students to seek assistance before resorting to violence.

#### 12. CIVIC EDUCATION

Within the amounts provided, the Committee has included \$1,500,000 to continue the violence prevention initiative begun in fiscal year 1999. The Committee encourages that funds be used to conduct a five State violence prevention demonstration program on public and private elementary, middle, and secondary schools involving students, parents, community leaders, volunteers, and public and private sector agencies, such as law enforcement, courts, bar associations, and community based organizations.

#### 13. LITERACY PROGRAMS

A. The Committee has included \$21,500,000, an increase of \$3,500,000 for the Reading is Fundamental program to promote literacy skills. Studies show that literacy promotion is one tool to prevent youth violence. The Committee believes that this program, which motivates children to read and increases parental involvement is another way to prevent youth violence at an early age.

B. The Committee has included \$19,000,000, an increase of \$2,277,000 for the State Grants for Incarcerated Youth Offenders/Prisoner Literacy Programs. This program, which assists states to encourage incarcerated youth to acquire functional literacy, life and job skills, can also play a role in reducing recidivism rates and violent behavior.

C. The Committee has included \$42,000,000 for the Title I Neglected and Delinquent/High Risk Youth program, an increase of \$1,689,000 over the fiscal year 1999 appropriation. These funds will assist states to strengthen programs for neglected and delinquent children to enhance youth violence prevention programs in state-run institutions and for juveniles in adult correctional facilities.

These funds will be used to motivate youth to read and enhance their academic achievement. Literacy promotion encourages young individuals to pursue productive goals, such as continued education and gainful employment.

#### 14. YOUTH SERVICE DELIVERY SYSTEMS

The Committee is aware that the Workforce Investment Act (WIA) brings new emphasis to the development of coherent, comprehensive youth services that address the needs of low-income youth over time. It believes that youth service delivery systems under WIA integrate academic and work-based learning opportunities, offer effective connections to the job market and employers, and have intensive private-sector involvement. Such effective systems can provide low-income, disadvantaged youth with opportunities in our strong economy as alternatives to youth violence and crime. The Committee further recognizes the potential of Youth Councils for creating the necessary collaboration of private and public groups to create community strategies that improve opportunities for youth to successfully transition to adulthood, postsecondary education and training. Thus, the Committee has included funds to continue investments in WIA formula-funded youth training and employment activities, the Youth Opportunities grant program, the Job Corps, and added \$15,000,000 to continue and expand the Youth

Offender grant program serving youth who are or have been under criminal justice system supervision.

ADJOURNMENT UNTIL MONDAY,  
SEPTEMBER 13, 1999

adjourned until 12 noon, Monday, September 13, 1999.

Mr. SPECTER. I thank the Chair for the time and yield the floor.

The PRESIDING OFFICER. Under the previous order, the Senate stands

Thereupon, the Senate, at 12:49 p.m., adjourned until Monday, September 13, 1999, at 12 noon.