

or public service, the contributions of Hispanic Americans cannot be understated. I am proud to represent a state with a large concentration of Puerto Ricans, Cubans, Dominicans and immigrants from countless countries in South and Central America.

In counties such as Hudson, Essex, Passaic, Union, Camden, Atlantic and Cumberland, Hispanic Americans have been contributing to my state's diversity for years. In our state legislature, we are proud to have four members of the General Assembly of Hispanic Heritage with Wilfredo Caraballo, Raul "Rudy" Garcia, Nilsa Cruz-Perez and Nellie Pou. At the county level, we have three distinguished members of the Board of Chosen Freeholders with Nidia Davila-Colon, Silverio Vega, and Neftali Cruz in Hudson County. And at the local level, countless Cuban Americans, Puerto Ricans and Central and Southern Americans have achieved the office of council person and mayor. New Jersey was especially proud to elect its first Hispanic member of the House of Representatives with the election of Representative ROBERT E. MENENDEZ, who also serves in the House leadership.

Through my own Italian heritage, I share a special bond with people of Hispanic descent. When Christopher Columbus set sail to discover this continent, it was done so with the financial support of Spain. Hundreds of years later, the Hispanic heritage continues to be an important and critical aspect of our national accomplishments. Hispanic Americans comprise eleven percent of the nation's population. In just a few years, Hispanic Americans will be the largest ethnic group in the United States. Their commitment to this country has not gone unnoticed. Whether it is serving in our Armed forces or through their growing economic consumer strength, Hispanic Americans are indeed thriving and intertwined in the fabric that is this great country.

Activism is important to creating a sense of personal responsibility for one's community. The Hispanic American community embodies this concept, and should be commended for successfully instilling it in others. The contributions of Hispanic Americans has spread to other communities in a manner that transcends racial and ethnic differences, and I am confident they will continue to grow as a vital component of life in New Jersey and indeed the United States.●

OIL ROYALTY VALUATION

● Mr. MCCAIN. Mr. President, I want to state for the record that, had I been able to, I would have voted against the Hutchison amendment to the Interior appropriations bill, which proposed to continue a moratorium on revising Interior regulations governing how much

oil companies pay for oil drilled on public lands and resources. I regret that previous commitments prevented my availability to be in the Senate for this critical vote.

This issue seems fairly straightforward. Oil companies are required to pay royalties for on- and off-shore oil drilling. Fees are based on current law which clearly states that "the value of production for purposes of computing royalty on production . . . shall never be less than the fair market value of the production." Revenues generated from these royalties are returned to the federal treasury. However, for many years, oil companies have been allowed to set their own rates.

In the past, I have supported similar amendments which extended a moratorium on rulemaking while affected parties were involved in negotiations to update the regulations. However, this process has been stalled for years, with little possibility of reaching resolution because these legislative riders imposing a moratorium on regulation changes have created a disincentive for oil companies to agree to any fee increases, resulting in taxpayers losing as much as \$66 million a year.

Who loses from this stalemate? The taxpayers—because royalties returned to the federal treasury benefit states, Indian tribes, federal programs such as the Historic Preservation Fund and the Land and Water Conservation Fund, and national parks.

I supported cloture twice to end debate on this amendment because I believe we should vote on the underlying amendment to allow a fair and equitable solution of royalty valuation of oil on federal lands. On the final vote, however, I would have opposed the Hutchison amendment to continue this moratorium because I believe we should halt the process by which oil companies can set their own rules and determine how much they pay the taxpayers for the use of public assets. I do not support a structure which only serves to benefit big oil companies and allows them to continue to be subsidized by the taxpayers.

We should seek fairness for each and every industry doing business on public lands using public assets, and we should insist that same treatment be applied to oil companies. Fees that are assessed from drilling oil on public lands are directed back to the federal treasury and these fees should reflect the true value of the benefit oil companies receive.

We have a responsibility, both as legislators and as public servants, to ensure responsible management of our public lands and a fair return to taxpayers. That responsibility includes determining a fair fee structure for oil drilling on public lands. Despite passage of this amendment which continues this moratorium for yet another year, I hope that we can reach a rea-

sonable agreement to ensure proper payment by oil companies for utilizing public resources.●

RECOGNIZING THE MAY 13, 1999, SPEECH OF HANS W. BECHERER, CHAIRMAN AND CEO OF DEERE AND COMPANY BEFORE THE DES MOINES ROTARY CLUB

● Mr. GRASSLEY. Mr. President, I would like to recognize and enter into the RECORD a recent speech presented to the Des Moines Rotary Club by Hans Becherer, Chairman and CEO of Deere and Company. His remarks are insightful and provide a long term outlook from one of the leaders in our agricultural community. The speech is entitled, "All Farming is Global".

Today I'd like to discuss some of the major trends that will help shape agriculture as it moves into the new century and millennium. This is of particular importance to Iowa since almost one-fourth of the state's population works in the agricultural complex . . . and 90% of the land area is devoted to farms.

Farming remains critical to John Deere, as well. Although we've diversified a good deal in recent years, both in product breadth and geographic reach, farm machinery remains our flagship business . . . and the domestic farmer our number one customer.

Needless to say, the farm sector is struggling right now due to depressed grain and livestock prices. As a result, North American retail demand for farm equipment is expected to be off 25% or so this year with lesser reductions in Europe. Accordingly, we're making aggressive cutbacks in our production in order to adjust inventories and bring more balance to the market.

One farmer, on an Internet message board devoted to Deere, recently summed it up this way: "The quality of the green tractor is there," he said. "The quality of the green money to pay for it isn't."

Thus far, that seems to be a fair assessment of the situation.

Of course, the farm economy was in good shape heading into this downturn, from the standpoint of debt levels and land values, and will likely prove quite resilient. There's nothing to suggest this will be a rerun of the 1980s.

Moreover—the next year or two aside—the future of farming looks extremely promising for the long run.

That's what I'd like to focus on this afternoon—less the problems of the present, than the promise of the future.

Of the key forces dictating change in agriculture today, the most important ones concern increasingly open markets and freer trade; the explosive growth in technology, which is transforming the entire economy these days; plus, the continuing importance of environmental issues.

Let's take a closer look at these issues now.

* * * * *

As a first point, farming is becoming far more market-oriented.

Most of us, I suspect, believe in free trade and open agricultural markets. We feel farmers in Iowa have a lot to gain from such a situation. We have, after all, some of the world's best farmland literally in our backyards, plus an excellent distribution system for getting crops to market, and access to highly productive farm machinery.