The Senate met at 9:30 a.m. on the expiration of the recess and was called to order by the President pro tempore [Mr. THURMOND].

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

For the Lord God is a sun and shield; The Lord will be of grace and glory; No good thing will He withhold From those who walk upright.

Holy Father, Source of strength, Author of the absolutes of morality, and the One to whom we are accountable, we renew our commitment to walk uprightly. We want to stand tall with steady eyes focused on Your irrevocable mandates for character and behavior. Our deepest desire is to walk with You, dear God, at Your pace, in Your timing, and toward Your goals. Help us not to run ahead of You or to lag behind. Only then can we hear what You have to say for each situation and relationship. May this be a sublime day of serenity because we have placed our hands in Your strong and guiding hand. We join our hearts in sympathy for Mrs. Joe Biden as she grieves the death of her father, Donald Jacobs. Comfort her with Your presence and hope. Through our Lord and Saviour. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER
The PRESIDENTpro tempore. The able acting majority leader is recognized.

SCHEDULE
Mr. VOINOVICH. Mr. President, today the Senate will resume consideration of the defense appropriations bill with a vote ordered on the pending Grassley amendment to occur at 9:45 a.m. As a reminder, first-degree amendments to the bill must be ordered by 2:30 p.m. today. Therefore, additional amendments and votes are expected throughout today’s session, with the expectation of finishing the bill this evening. Cloture was filed on the motion to proceed to the Y2K legislation yesterday. Thus, a cloture vote will take place on Wednesday. I thank my colleagues for their attention.

Mr. President, I note the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

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 President, I ask unanimous consent that the order for the quorum call be rescinded.

DEPARTMENT OF DEFENSE APPROPRIATIONS ACT. 2000
The PRESIDING OFFICER (Mr. VOINOVICH). Without objection, it is so ordered.

Pending: Stevens (for Grassley) amendment No. 540 to reduce the $500,000 threshold amount for the applicability of the requirement for advance matching of Department of Defense disbursements to particular obligations.

AMENDMENT NO. 540
The PRESIDING OFFICER. Under the previous order, there will now be 15 minutes of debate relative to the Grassley amendment No. 540 with a vote to follow thereon.

Mr. GRASSLEY. Mr. President, do I control that 15 minutes?

Mr. PETERSON. The Senator controls the time.

Mr. GRASSLEY. I will not use all of that time for my amendment. First of all, as to the amendment that is pending, authored by the Senator from Iowa, I thank the Senator from Alaska for offering my amendment yesterday, and I thank the Senator from Alaska for asking for a rollcall vote on my amendment, although this amendment has been offered 5 previous years and adopted 5 previous years without a rollcall vote. So, personally, I do not think it is necessary to have a rollcall vote. But if the chairman of the committee and the ranking member of the committee want such a rollcall vote, that is OK with me. So I will take then just a few minutes to speak about my amendment on matching disbursements with obligations.

The American taxpayers would take for granted, they would expect, the nurturing of their tax dollars to be so well done at the Federal level that Congress would not have to pass a special amendment which would say that the Department of Defense cannot pay out $1 of taxpayers’ money without being able to match it with an invoice and contract that specified what goods or services they were buying. I hope in most of Government that is the case, but it has not been so with the Defense Department. In fact, I have been speaking for years on the subject of the tens of billions of dollars that have actually been spent, and at the time of payment, the department failed to match the particular service or goods that are being paid for with their corresponding contract.

I have had the support of the chairman of the Appropriations Committee in setting in place policies that would gradually reduce the amount of money that could be paid out without an invoice and contract. As you know, this policy has been incorporated in the last five appropriations bills—fiscal years 1995, 1996, 1997, 1998, and 1999. We are now working on the fiscal year 2000 appropriations bill. It is my understanding that the committee supports the amendment again this year.

Under current law, the matching threshold is set at $1 million effective this month. This means that the Department of Defense disbursing officials must match each payment of $1 million or more with a corresponding obligation or contract before the payment is made. My pending amendment would continue the process of ratcheting down the threshold began 5 years ago. It would lower the threshold then from the $1 million in present law to $500,000. Reports of the General Accounting Office and inspectors general consistently show that this policy is helping to reduce DOD’s unmatched disbursement problems. As I understand it, the DOD has lowered the threshold to zero in most disbursing centers.

I thank the Department of Defense for having adopted a policy that every taxpayer would assume is a principle of good Government management, and that is that they would not pay out one penny without being able to show what they ordered and received for that penny. That has become a policy at some of the disbursing centers but not at all the centers. So we want to see the threshold lowered to zero at all locations because we think it is just sound business management that not one penny of the taxpayers’ dollars should be paid out if there is not an invoice and contract for what has been bought and received, either goods or services, for that amount of money.

So we are not quite at zero all over the country with all of the centers. Some Department of Defense disbursing centers still have problems.