SENATE—*Tuesday, June 18, 1991*

(Legislative day of Tuesday, June 11, 1991)

The Senate met at 9 a.m., on the expiration of the recess, and was called to order by the Honorable HERB KOHL, a Senator from the State of Wisconsin.

The PRESIDING OFFICER. Today's prayer will be offered by our guest chaplain, Benedictine Brother Boniface McLain, of Conception Abbey in Conception, MO. Brother Boniface is the son of George "Irish" McLain, who is the Doorkeeper of the Senate.

PRAYER

The guest chaplain offered the following prayer:

Let us pray:

Lord of all creation, source and sustainer of life, be present in the hearts and minds of these Senators as they again convene for service to the Nation. May they be upheld in their duties by Your wisdom. May Your Spirit guide them along the lighted path of justice and truth remembering that ultimately it is You alone who are in charge of the nations.

May an attitude of love be present in this Chamber and in our land, love for You and for one another so that we really are good news to each other and to the world. And whether we succeed or fail at the task at hand nothing separates us from Your love if we are faithful. You are as present in time of distress as in time of peace.

And while these leaders seek private lives which uphold public virtue in carrying out their responsibilities of office, may they be sustained by Your grace and a light heart. Amen.

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. BYRD].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, June 18, 1991.

To the Senate:

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

ROBERT C. BYRD,
President pro tempore.

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

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 10 a.m., with Senators permitted to speak therein, with the time to be under the control of the majority leader.

Mr. KENNEDY addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the majority leader's time be assigned to myself.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. KENNEDY. I yield such time as I might use.

STAY THE COURSE ON SANCTIONS AGAINST SOUTH AFRICA

Mr. KENNEDY. Mr. President, South Africa's action yesterday in repealing another of its apartheid laws has renewed the debate on whether to lift the United States economic sanctions enacted in the Comprehensive Anti-Apartheid Act of 1986.

Reports have been circulating for many weeks that the administration is preparing to terminate the sanctions in order to reward the South African Government for the progress made so far. Some have suggested that the administration may even do so in an "August surprise," by lifting the sanctions in early August, as soon as Congress leaves for the summer recess.

In my view, such unilateral action by the administration would be premature and irresponsible on the merits, and an especially serious insult to Congress as well, because the statutory conditions for lifting the sanctions have clearly not been fulfilled.

Since 1986, the United States has been the world's leader in the fight against apartheid. We have provided much-needed support for those in South Africa struggling to bring human rights and dignity to the majority of their fellow citizens. We should not undermine their courageous efforts now. America should stay the course on sanctions, not abandon the course to apartheid.

In addition, especially on this issue, the White House has no right to act unilaterally, without the support of Congress, in taking such a far-reaching step as ending the sanctions. There is strong disagreement with the administration's interpretation of the statutory conditions. If the President persists in this course, the validity of his action may have to be settled in court.

But before President Bush creates such an unnecessary confrontation, he should pause and consider how the sanctions came into being. They were enacted by Congress over President Reagan's veto in 1986. Congress initiated the sanctions, and we fought hard to put them in place, against the strong opposition of the Reagan administration. We do not intend to sit quietly now, while President Bush perpetuates President Reagan's so-called policy of constructive engagement and prematurely revokes the sanctions.

The important progress taking place in South Africa gives all of us hope that apartheid is coming to an end. U.S. sanctions have played a critical and essential role in making that progress possible. Indeed, without the pressure of international sanctions, and particularly United States sanctions, the Government of South Africa would not have begun to take the steps necessary to dismantle apartheid.

President de Klerk deserves credit for the steps he has taken, and he deserves support against the hard-line defenders of apartheid. But he does not deserve to have sanctions lifted at this time.

Our goal should be to ensure the complete and irreversible dismantlement of apartheid, and to keep the United States in the forefront of international pressure for further progress in South Africa. Our policy of the past 5 years is clearly working. To end sanctions prematurely would be a serious setback to the results achieved so far.

At the same time, there is no justification for attempting to retain the sanctions now in place if the terms of the 1986 act are fulfilled. Section 311(a) of the statute enacting the sanctions laid down five conditions for their termination. Just as it would be wrong for the administration to lift the sanctions before the conditions have been fairly met, it would also be wrong for opponents of apartheid to shift the goal posts against the South African Government by imposing new requirements before sanctions can be lifted.

The five conditions in the act require the South African Government to take

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

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the following steps before sanctions can be lifted:

(1) Release all persons persecuted for their political beliefs or detained unduly without trial, and release Nelson Mandela from prison;

(2) Repeal the state of emergency and release all detainees held under it;

(3) End the ban on democratic political parties and permit the free exercise by South Africans of all races of the right to form political parties, express political opinions, and participate in the political process;

(4) Repeal the Group Areas Act and the Population Registration Act and institute "no other measures with the same purposes"; and

(5) Agree to enter into good faith negotiations with truly representative members of the black majority, without preconditions.

Under section 311(b) of the 1986 act, President Bush has the authority to suspend or modify any of the sanctions, if he reports to Congress that condition (1) has been met, that three out of the remaining four conditions have also been met, and that substantial progress had been made toward dismantling the system of apartheid and establishing a nonracial democracy. Congress would then have 30 days under expedited procedures to enact a joint resolution disapproving the administration's action. President Bush could veto such a resolution of disapproval, and Congress could then override the veto by a two-thirds vote.

So far so good. The 1986 act specifies a clear allocation of power between Congress and the President with respect to modifying or suspending one or more of the sanctions, in circumstances where four of the five conditions have been met. But the statute is silent with respect to the appropriate procedure for terminating the sanctions when all the conditions have been met.

The Bush administration apparently intends to take the position that it has the unilateral power to lift the sanctions when it unilaterally determines that all five conditions have been met.

I reject that position, and I urge Congress to reject it too. Congress must be involved in determining when the South African Government has fully met the five conditions in the law, and I urge the administration to begin serious consultations on this issue. If it fails to interpret these conditions fairly, we may be obliged to ask the courts to settle the issue.

I hope that the President will agree to an appropriate role for Congress, and will refrain any unilateral effort to terminate the sanctions and bypass the proper role of Congress, particularly some "August surprise" when Congress is in recess.

There is no dispute that condition (1) relating to the release of political prisoners has not been met. The Bush administration confirmed only yesterday that this condition had not been met. It is true that Nelson Mandela has been released. But that dramatic gesture cannot obscure the fact that large numbers of political prisoners are still being held or detained without trial, in violation of this condition.

Last week, the respected South African Human Rights Commission listed 972 political prisoners who remain in jail. Even the Government admits that nearly 300 of those cases must be reviewed. The other cases will not be resolved until the two sides agree on the definition of a political prisoner.

Over 200 prisoners have recently engaged in a hunger strike to protest their continued incarceration. An estimated 1,400 individuals currently face political trials—including over 300 charged with illegal gathering, picketing, marching, singing or dancing in the streets. Nineteen political prisoners are on death row. Last month alone, hundreds more were arrested for participating in illegal demonstrations.

So long as political prisoners continue to be held and South Africans continue to be arrested and tried for political acts, condition (1) will be unfulfilled.

With respect to conditions (2), (3), (4), and (5), the Bush administration has stated that the South African Government has already met them. The danger is that the administration will seize upon some further gesture by the South African Government on political prisoners under condition (1), declare that all the conditions have been met, and terminate the sanctions.

In fact, condition (2) is the only condition that has been fully met so far—repeal of the state of emergency and release of those detained under it. Even if all political prisoners are released, other conditions remain to be met.

Condition (3), which requires that South Africans of all races must be free to participate in the political process, has not been met. It is true that political freedom in South Africa has increased dramatically in the past year. The Government has proposed amendments to its internal security laws, but those amendments retain many of the current repressive powers. Detention without trial or charge, or without access to lawyers or family will still be permitted for up to 14 days, and the authorities have the right to extend that period even further.

Such incommunicado detention is the time when abuses are most likely to occur, including forced confessions, intimidation, torture, and even murder. Of the 73 individuals who have died while in the custody of the South African security forces since 1963, over half died within the first 14 days, and many died within the first 5 days.

In addition, the Government has maintained the right to ban some organizations and public gatherings. It has yet to repeal the Public Safety Act, under which it continues to declare areas of unrest throughout the nation and retains the power to declare states of emergency.

In the past year, the Government has declared numerous townships as areas of unrest. Fourteen are currently classified as such areas. These powers have been used more to curtail civil and human rights than to prevent violence. In fact, much of the violence to date has occurred despite the declaration of unrest areas.

At a minimum, the Government should repeal section 29 of the Internal Security Act, which permits the security forces to detain individuals without charge or trial or access to lawyers or family, and it should repeal the Public Safety Act to eliminate it as a basis for violations of basic human and civil rights.

In addition, the issue of the return of the 40,000 exiles has yet to be resolved. The Government continues to refuse to grant full indemnity to those seeking to return home. Returning exiles continue to be arrested. The Government has permitted the U.N. High Commissioner for Refugees to participate in the repatriation of the exiles, but the Government's reluctance to provide full access to returned exiles by the UNHCR and the lack of progress on indemnity has prevented the UNHCR from concluding an agreement to work for their return.

A year ago, the South African Government made a series of pledges as part of its effort to enter negotiations with the ANC. In two documents, called the Groote Schuur Minute of May 3, 1990 and the Pretoria Minute of August 6, 1990, the Government committed itself to taking several key steps before negotiations could begin. It committed itself to the release of political prisoners, and to indemnity for exiles who wished to return to South Africa by April 30, 1991. That deadline came and went without agreement on the definition of political prisoners, or guarantees that returning exiles will not face imprisonment.

There are international standards for the UNHCR, not only to help and assist in the repatriation of exiles, but also, under time-tested procedures, they also retain the ability to have followup, to get assurance of the conditions of the various detainees. That has happened worldwide, but the South African Government refuses to permit UNHCR to follow that particular procedure in South Africa. They are willing to take the cloak and the mantle of the UNHCR to demonstrate that they have some willingness in terms of dealing with the exiles, but the UNHCR would effectively have to leave them at the border. They cannot have the followup which is so essential in ensuring the returning exiles are fully protected as

they return. This is especially important regarding South Africa where so many of the exiles have been in the vanguard of the movement to end apartheid, and the reason that some 40,000 of them are exiles is because of the fear of intimidation, torture, and even death, which had been a part of the process of apartheid for years.

In these "Minutes," the Government also agreed to review "security legislation and its application in order to ensure free political activity and with the view to introducing amending legislation at the next session of Parliament."

In this statement, the South African Government itself recognized the need to change its repressive security legislation so that political activity can be free. The United States should insist on no less a standard. So long as the Government fails to deal in good faith with all of these fundamental issues, South Africans will not be fully free to participate in the political process, and condition (3) will not be met.

With respect to condition (4), relating to the repeal of two key apartheid statutes, the South African Government has made important progress, but it is not yet clear that the condition has been met. The South African Parliament is to be commended for its repeal yesterday of the Population Registration Act, which requires all South Africans to register their race at birth and thus determines the rights to which they are entitled. But the repeal only applies to South Africans born after the repeal takes effect. The law passed yesterday explicitly states that, "The population register as compiled * * * shall remain in force and of effect until the repeal" of the South African Constitution. The South African Government suggested the timeframe of 1994–95. That means that for the time being, South African blacks will continue to live under the current race classifications. Only newborn babies will benefit from yesterday's action for the foreseeable future.

On June 5, the South African Parliament repealed the Group Areas Act and the related Land Acts of 1913 and 1936, and those repeals take effect on June 30. These acts, which use race to determine where South Africans are permitted to live, provided the legal basis for the expropriation of the land of 3.5 million blacks, and they relegate blacks to only 13 percent of South Africa's abundant land.

In repealing these acts, however, the Government is ambiguous about whether it plans to protect existing privilege created by the Group Areas Act. It has instituted in place of the Group Areas Act a new law to uphold "norms and standards" in neighborhoods—a policy which may well be used to continue racial exclusions.

Without consulting the black community, the Government rejected the principle of restitution of the land forcibly taken from millions of blacks. The Government also failed to consult with the black leadership when it put forth its new land policy. A good indication of the Government's intention to deal fairly and equitably with the land issue will be whether it decides in favor of or against the effort of the black farming community of Goedgevonden to return to its land in the Western Transvaal seized in 1948.

These issues call into question the commitment of the Government to eliminate race-based restrictions in South Africa. Unless and until that commitment becomes clear, the proviso of condition (4)—that the Government "institutes no other measures with the same purposes" as the Group Areas Act and the Population Registration Act—has not been met.

The final condition—condition (5)—has also not been met. It requires the South African Government to agree to enter into good faith negotiations with truly representative members of the black majority without preconditions. Both sides continue to characterize the discussions to date as "talks about talks," not negotiations—and even these limited talks are currently suspended because of the tragic violence now occurring. Critical issues have yet to be addressed in the talks, such as who sits at the negotiating table, how decisionmaking power will be distributed, and what issues are to be negotiated.

Whether good faith negotiations are underway is still an open question. It would be jumping the gun to assert that the currently suspended "talks about talks" meet the requirements of condition (5).

For all these reasons, it would be unacceptable for the Bush administration to attempt to lift the sanctions before there is full compliance with the statutory conditions. The nations of the European Community have acted prematurely to lift their own sanctions, but we should not follow suit. The United States has always led the fight against apartheid and we must not stop now.

In speaking at the recent heads of state meeting of the Organization of African States in Nigeria, Nelson Mandela urged that sanctions be maintained and chastised those nations who have moved "with indecent haste to lift sanctions." He stated that, "The fundamental national interests of every country * * * are best served by the speedy elimination of the system of apartheid, an objective whose realisation requires the continued use of the sanctions weapon until victory is achieved."

For three decades, Nelson Mandela has been the conscience of South Africa. We must not turn a deaf ear to his pleas at this critical juncture.

Standing firm now will also reassure the majority in South Africa that the United States is not abandoning them in the struggle to end apartheid. Having joined the struggle in 1986, we have a responsibility to stay the course now, and keep the pressure on until the goal of a new South Africa is achieved.

Finally, in addition to the critical issue of retaining the sanctions, we must also begin to consider other ways to encourage the progress we seek. Our efforts should emphasize three broad areas: launching negotiations to end apartheid, ensuring that American tax dollars do not subsidize apartheid, and reaching out to assist the victims of apartheid.

Our immediate concern should be to end the intense violence in black townships and in Natal province, which cost 3,700 lives last year and an estimated 1,000 this year. Black leaders such as Gatsha Buthelezi and Nelson Mandela have a responsibility to do more to control their followers. But let us be clear that the de Klerk government has the principal responsibility for law and order, and its actions have been seriously inadequate. Time and again this year, armed factions have entered townships areas and murdered scores of unarmed men, women, and children in locations where Government police were on patrol yet failed to intervene to stop the killing.

In Alexandra township earlier this spring, hundreds of Zulus—armed with spears, axes, and knives—entered the ANC-dominated township and brutally hacked to death 15 mourners and wounded 18 others attending the funeral of a slain ANC supporter. Fearing such a conflict, the residents had requested police protection, but adequate security was not provided. Rather than arresting the murderers, the Government escorted them back to their hostels. To date, no one has been prosecuted for this shocking massacre.

Recently, a retired South African army major charged that the military has been supplying weapons and covert assistance to inflame the violence. The major said that the South African defense force had distributed AK–47's to Inkatha members and was helping them setup cells in black townships to give greater influence to Inkatha.

The major also identified two army units, the Military Intelligence Institute and the Specialized Communications Operations, that have tried to manipulate politics in Namibia and now have a similar mission in South Africa. These allegations are consistent with reports by human rights observers of South Africa, and they should be fully investigated without delay by an independent and credible body.

The Government also refuses to dismantle single-sex hostels where hundreds of young black workers are forced to live far from their families. These dilapidated, dirty, overcrowded structures have been the source of

much of the violence. Yet the Government still takes no action to address this inflammatory situation.

In addition, government security forces themselves have been implicated in much of the violence, yet no independent or credible investigations and prosecutions to end the abuses have taken place. The Government must also identify and remove from office those responsible for the culture of violence that permeates the South African security forces.

The Government must work more closely with local community leaders to prevent violence. It waited too long to include spears in its ban against carrying cultural weapons in areas of unrest, and only recently ordered such a ban under pressure from the ANC. The Government still refuses to institute a nationwide ban on the display of all weapons, especially the so-called traditional weapons used in much of the violence.

Second, we should make clear now, regardless of what happens to the sanctions, that the United States intends to go slow in extending credits or other U.S. economic aid to the apartheid government. Assistance from multilateral financial institutions, including the International Monetary Fund, should also be withheld, and the worldwide arms embargo should be maintained. As long as apartheid persists, economic aid and arms sales should remain off-limits to South Africa.

We should also make clear to the South African Government that we will not do business as usual with the apartheid regime. South African Government entities with which we resume commercial relations should be desegregated. The first South African Airways jet that lands in the United States should be operated by an integrated crew. The International Olympic Committee is insisting on progress on integrated sports teams and integrated organizational structures, before permitting South Africa to participate in the Olympic games. The United States Government should do no less in its own relations with South Africa.

Third, United States aid being channeled to South Africam blacks through private voluntary agencies should be increased from this year's level of $50 million. I intend to urge Congress to double the current level, with the increase allocated to housing, land acquisition, education, and health care for returning exiles and other victims of apartheid.

The vast majority of blacks in South Africa have seen their living conditions worsen in recent years. In education, $282 is spent for a black child, compared to $1,382 for a white child. The unemployment rate is 40 percent, and the illiteracy rate is 60 percent. Most blacks have little hope of finding jobs, even if they succeeded in overcoming the odds and successfully complete their education. Many are losing hope for a better life.

Although the U.N. High Commissioner for Refugees is attempting to arrange for the return of the 40,000 exiles, most of those who return will have neither a home nor a job when they get there. Blacks also continue to be confined to 13 percent of the land of their ancestors and lack the resources needed to take advantage of their newly granted right to purchase property throughout the country.

U.S. economic aid can make a modest difference now. But in the long run, once apartheid is ended and a new order is in place, the United States should take the lead in establishing a development bank for South Africa. That idea has already been welcomed by Nelson Mandela and a wide range of other South Africans. The bank would be similar to the European Bank for Reconstruction and Development, created by the Western European nations to assist the struggling economies of the newly free nations of Eastern Europe.

In sum, the steps taken in recent months hold great promise for South Africa. U.S. policy in the past 5 years has played a significant role in the achievements so far. Let us not abandon that role now, when we are closer than ever to the goal of a new South Africa for all the people of that nation.

Mr. President, just to review the various conditions and the status of these conditions, I have on this particular card the condition and also the status which I mentioned in my comments here on the floor of the Senate.

Condition one, release of all the persons persecuted for political beliefs or detained unduly without trial, and release Nelson Mandela. Mandela has been released but there are, according to the various human rights organizations, even according to the Bush administration, a number of political prisoners—human rights organizations list 972 political prisoners still being held. The administration has even admitted that there are a number, several hundred, of political prisoners.

So with regard to the status of that particular issue that condition has not been met.

The repeal of the state of emergency and release of all detainees held under it. This state of emergency applies to the actions that are being taken inside South Africa. That has been repealed, and those that have been detained have been released.

There has been some concern about the declaration of unrest areas which has been imposed at places where there has been local violence. Some charge that the Government is simply perpetuating the states of emergency under a different name. But I think a strong case probably can be made that the state of emergency has been lifted, and the essence of this condition has been met.

Third, to unban the democratic political parties, and to permit the free exercise by South Africans of all races of the right to form political parties and express political opinions. Certainly, there has been the unbanning of the ANC, even the Communist Party, and other political parties for all intents and purposes. But all South Africans are not free to participate in political process. Political prisoners must be freed if they are going to participate in the political process, and 40,000 exiles must be given indemnity to return, and allowed to return. The South African Government agreed to a general amnesty in Namibia and the process of reconciliation went forward with great success. But it still refuses to do so with respect to South African political prisoners and exiles.

And security laws need further repeal. I outline section 29 in the security laws which can be utilized and is being utilized to detain individuals incommunicado without the benefit of lawyers. Until these issues are resolved, this particular condition has not been met.

The fourth condition requires the repeal of the Group Areas Act and Population Registration Act, and that the Government institutes "no other measures with the same purpose." The acts have been repealed, but, as I mentioned, it has instituted other measures which are a source of concern. The "norms and standards" provision could be used to perpetuate residential restrictions and the racial classification system will remain in place until sometime off into the future. The Government estimates it will be in the mid 1990's. No one really knows when that will happen.

And what do those norms and standards really mean? I think there has to be a much greater clarification about how they are going to be implemented. I do not think it takes much of a political scientist to understand how they can, in effect, be implemented in such a way as to carry on the same kinds of repugnant policies that these two racist pieces of legislation imposed.

We hope there will certainly be a Constitution, and that the political process will move forward. But certainly while these restrictive measures remain, this condition has not been met.

Finally, the fifth condition requires the Government to agree to enter into good-faith negotiations with truly representative members of the black majority without preconditions. But the suspended "talks about talks" do not constitute an agreement to negotiate. The Government has yet to deal with many substantive issues. I think many of us believe that those issues are going to have to be resolved; the Gov-

ernment cannot simply agree to talk about it.

I think there has been at least a willingness by Mr. de Klerk to move forward. But you cannot have a movement toward the democratic process when you have the kinds of cycle of violence which I outlined in my comments and statements. I think the South African Government bears an important responsibility to provide adequate security, and to do the kinds of investigations necessary to get to the root cause of the crisis, especially where the security forces are implicated. The recent accusations that members of the South African security force have provided AK-47's to members of Inkatha and instigated violence must be fully investigated. To think that we are going to be able to get the kind of talks and negotiations moving forward without a resolution of the tragic issue of violence, is really quite unrealistic.

So finally, Mr. President, I want to again express my respect for the steps which have been taken to date by the Government of South Africa. I think they have been important and I think they have been impressive, but I do not think they have fulfilled the conditions which have been outlined in the legislation.

This legislation was fashioned by Congress over the opposition of the Reagan-Bush administration, over the veto of the Reagan-Bush administration, that believed in a continuation of constructive engagement. This Congress in a bipartisan way rejected that failed policy. The steps that have been taken by the United States as a leader of the free world, followed by other countries, have had an extraordinary impact in terms of the types of changes which have been made in South Africa.

All of us are filled with renewed hope that the new possibilities for a peaceful move toward the real building of democratic institutions, respect for human rights and individual rights, will be achieved. But any judgment and decision about whether these conditions have been met, given the historic position of the administration in the past, absolutely requires that the administration work with the Congress in making a final and ultimate judgment on this issue.

I urge the administration to do so. We are willing to work with the administration in seeking further progesss being made, and that there be a just and final outcome for this policy.

Finally, we must not shift the conditions or shift the goal posts. I believe that such an effort would not be justified. We set those conditions and debated those conditions.

I think it is appropriate that we address what clearly was the intention of those of us who were involved in the fashioning and shaping of the legislation. That effort was done in a bipartisan way, with our good friends, Senator CRANSTON of California, Senator SIMON of Illinois, the chairman then of the Foreign Relations Committee, Senator LUGAR of Indiana, Senator KASSEBAUM, Senator BOREN, and a number of others.

So we are ready to work in a constructive and positive way to carry on what I think has been one of the important successes in American foreign policy, and that is, ensuring that we are going to permit the forces within South Africa to shape and fashion their own democratic institutions and their own path toward a democracy. But we outside of South Africa are not going to be a part of a continuation of aiding and assisting apartheid. That had been the result of American policy for too many years.

With the enactment of this legislation, the United States said, "No, we are not going to be part of it." With that declaration and the support of countries around the world, we have seen these important and dramatic changes. We say it is too early to alter that course. We ought to stay the course. I believe that is in the best interest of all of the people of the United States and the people of South Africa. In debating this issue, it is important to keep in mind the conditions contained in the Anti-Apartheid Act of 1986 for lifting the sanctions, and I ask unanimous consent that the table to which I have referred may be printed at the conclusion of my remarks.

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

Condition	Status
(1) Release all persons persecuted for political beliefs or detained unduly without trial and release Nelson Mandela.	Mandela released but 972 political prisoners still held.
(2) Repeal state of emergency and release of all detainees held under it.	Been met.
(3) Unban democratic political parties and permit the free exercise by South Africans of all races of the right to form political parties, express political opinions, and participate in political processes.	Political prisoners must be freed, exiles given indemnity to return, security laws need further repeal.
(4) Repeal Group Areas Act and Population Registration Act and institute "no other measures with the same purpose".	Acts repealed, but gov't has instituted other restrictions in their place.
(5) Agree to enter into good faith negotiations with truly representative members of the black majority without preconditions.	Suspended "talks about talks" do not constitute agreement.

Mr. KENNEDY. I yield the floor.

Mr. CRANSTON addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from California.

Mr. CRANSTON. Mr. President, I want to thank my good friend and distinguished colleague from Massachusetts, Senator KENNEDY, for his leadership on this vitally important human issue, and for reserving time this morning so Senators may share their view on South Africa's progress in dismantling apartheid. I commend Senator KENNEDY for his unwavering leadership on this issue, and I commend the Senator from Illinois, Senator SIMON, the chairman of the African Affairs Subcommittee, for his leadership role, as well.

THE CASE FOR MAINTAINING SANCTIONS AGAINST SOUTH AFRICA

Mr. CRANSTON. Mr. President, during the past year, the world has seen unprecedented progress in the movement toward nonracial democracy in South Africa. Nelson Mandela and other political prisoners were released, opposition groups were unbanned, and President de Klerk has shown a willingness to talk directly with the leaders of the black majority. The de Klerk government has repealed the Group Areas Act, land acts, and, just yesterday, the Population Registration Act. At a glance, these reforms look promising, but examined carefully they indicate a pattern of two steps forward and then one back.

As framers of the sanctions legislation, Members of Congress must be involved in any decision to certify or to determine that any or all of the conditions for lifting sanctions have been met. Therefore, let us look closely at the degree of progress that the South African Government has made in fulfilling the law's conditions.

The world cheered in February 1990 when Nelson Mandela—the unbowed champion of the antiapartheid struggle—was released after 28 years of imprisonment. A number of other political prisoners were freed before and after Mr. Mandela's release. However, these very symbolic acts are diminished by the fact that, according to the U.N. High Commissioner for Refugees, 20,000 to 40,000 South Africans remain in exile without any clear picture of their future in South Africa.

Further, there is disagreement within South Africa on the definition of political prisoner. The Johannesburg-based, independent Human Rights Commission holds that over 1,500 political prisoners are still in detention. Earlier this month, South African Justice Minister Coetse announced 1,022 prisoner releases. At the same time, he claimed that the remainder were ineligible for release. Thus, the South African Government did not meet the April 30, 1991, deadline for the release of all political prisoners that it agreed to in the Pretoria Minute, the accord reached between the South African Government and the African National Congress on the release of political prisoners and the granting of indemnity.

Let us be clear at the outset that—until all exiles are allowed to return to their homeland without fear of incarceration, and until all political prisoners are released—part of the first requirement for lifting sanctions, the release of all persons persecuted for their

political beliefs or detained unduly without trial, remains unsatisfied.

The de Klerk government has met the letter of the second condition of the sanctions law, by ending the state of emergency in South Africa. It is important to note, however, that the Government continues to impose the status of unrest areas on a number of black residential neighborhoods. This condition provides the same powers as under the state of emergency, and the ministry of law and order has announced recently that this will remain in force for another 3 months.

The South African Government no longer bans political parties. The African National Congress, the Pan Africanist Congress, the South African Communist Party, and the United Democratic Front are now allowed to meet in South Africa and to organize protests. Yet, the question remains as to whether the Government has truly guaranteed South Africans of all races the right to express political opinions and otherwise participate in the political process.

I believe strongly, as any American who loves our Bill of Rights must, that full participation in the political process occurs only when all citizens are able to freely exercise the right to vote. The South African Government must therefore remove any obstacle which prevents black South Africans from voting. A free political environment will not be secured until the ability to vote is guaranteed.

President de Klerk's record of two steps forward, then one back, is also clear in another area of concern. The Group Areas Act and four other land bills have been repealed, but, it appears that another measure—the Abolition of Racially Based Land Measures Act—has been implemented. This act maintains some of the worst aspects of these restrictive land provisions, one substituted for another.

This new measure maintains the status quo in white residential areas. It prohibits any change in existing "norms and standards" in these communities. Essentially, residents will be able to define their own "norms and standards" through local authorities that have the power to issue bylaws regarding the use, maintenance, and appearance of residential property. Although this measure prohibits reference to race, the "norms and standards" provision will grant powers to white residents that may be used to enforce the same policy of racial separation as upheld by the Group Areas Act of 1966.

The new law repeals the ban on the purchase of land in areas controlled by the white minority in South Africa. The extremely low income of the majority of black South Africans makes it unlikely, however, that many will be able to purchase land in these ostensibly newly accessible areas. Therefore, 87 percent of land in South Africa will remain in the possession of white South Africans. South Africa's new land policy does not address the rights of black people and communities who were forcibly removed from their land for the creation of land reserves for the white majority—forcibly removed and given no opportunity to come back.

The law requires that the South African Government not only repeal the Group Areas Act. It also states clearly that it must not institute any other measure for the same purposes. It is apparent that the "norms and standards" provision and the absence of reparations for forced removal have much of the same intent as the Group Areas Act.

The Population Registration Act was repealed yesterday in South Africa by an overwhelming vote. A new measure was approved by the South African Parliament that ends all new race classifications and removes race references that remained in other laws. However, people already classified will continue to be classified until a new constitution is adopted. The fourth condition in the sanctions law explicitly calls for the repeal of both the Group Areas Act and the Population Registration Act. It is obvious that these requirements will not be satisfied fully until a new constitution is negotiated.

The Comprehensive Anti-Apartheid Act also stipulates that the South African Government must agree to enter good faith negotiations with truly representative members of the black majority without preconditions. President de Klerk has expressed a clear interest in negotiations and has agreed to enter them in principle. However, the good faith of the South African Government continues to be questioned because of inconsistencies in its actions, most notably, its breaking of promises on the release of political prisoners and by its implemention of half measures of reform.

Further, a former South African military officer, Nico Basson, recently told a group of journalists, including a New York Times reporter, that the South African defense force has been supplying weapons and covert assistance to members of the Inkatha Freedom Party. According to Basson, weapons and other assistance have been used to attack and weaken the African National Congress by fighting its followers and inciting rivalries among blacks. These strong allegations cast additional doubt on the good faith of the de Klerk government.

Today, South Africa struggles with the question of the representative nature of its negotiating parties. President de Klerk insists that his Government must remain South Africa's legal authority until a new constitution is adopted. This position clearly sets a precondition to negotiations. On the other hand, South Africa's antiapartheid community demands that negotiators be elected representatives whose weight at the negotiating table be linked to their constituent strength. Given this disparity of views, it is premature to claim that negotiations are underway. The United Nations has presented South Africa with guidelines calling for an agreement on a mechanism for drafting a democratic constitution, and for the role of the international community. These guidelines also describe how democratic transition may unfold. An all-party conference in South Africa is scheduled for September. The success of this conference will indicate how soon genuine negotiations can begin.

Mr. President, when Congress began the Herculean task of drafting and passing legislation on South African sanctions, it did so to give voice and legislative meaning to American's repugnance of apartheid. We must not abandon that intention. We must not forget that it was the Reagan administration's abject failure to act justly on this issue that led the Congress to enact, by veto override, the Comprehensive Anti-Apartheid Act of 1986.

I have said many times in this Chamber that we, in the United States, are morally obligated to do our utmost to convince the South African Government to end its oppression of South Africa's black majority and to end the abhorrent system of apartheid. Sanctions have represented the U.S. commitment to ending apartheid. Maintaining these sanctions, until the conditions for withdrawal are fully complied with, reinforces our promise to the people of South Africa that the United States fully supports their struggle for freedom and democracy.

Mr. President, I am delighted that Senator PAUL SIMON, chairman of the subcommittee that deals with this part of the world in the Foreign Relations Committee and a leader in this effort regarding apartheid, is now on the floor and I know he will ask to speak.

The ACTING PRESIDENT pro tempore. The Chair recognizes the Senator from Illinois.

Mr. SIMON. Mr. President, I do join my colleagues, Senator KENNEDY and Senator CRANSTON, in saying, first, we applaud the steps taken by President de Klerk and the Government of South Africa. There is no question—it is very, very encouraging.

If I may make an analogy. It is a little like the Berlin Wall coming down, and in the steps that have been taken with the release of Nelson Mandela and the signing and the passage yesterday by the parliament of the bill on population classification, we are very much encouraged. But just like when the Berlin Wall came down, there was a temporary euphoria. But a lot of problems remain.

So in South Africa today, there is great progress and we applaud the

progress of the Government and the fine statement yesterday by President de Klerk. But there are significant problems that remain.

I think it is important that the United States not rush to suddenly taking off sanctions. My hope is that Congress and the administration can work together. I have been very much impressed by the work of Assistant Secretary of State Herman Cohen, better known as "Hank Cohen," on Africa and what has been done in Angola, and the efforts there are encouraging, and what is happening in Ethiopia. But South Africa is, beyond any question, the key to what is happening in that whole southern tier of countries.

It is extremely important that the United States stick to the letter of the law in terms of full compliance before sanctions are withdrawn. And even beyond that, my hope is that the Congress and the administration would work together closely before sanctions are withdrawn. It is a fine line that we have to draw.

We have to encourage the Government of South Africa and applaud what they have done and it is a whole series of things that they have done. President de Klerk has shown amazing courage. One of the encouraging things for me, frankly, personally, is that there is a respect on the part of President de Klerk for Nelson Mandela and on the part of Nelson Mandela for President de Klerk.

Mr. Buthelezi is in the country right now, and I and some others will be meeting with him this afternoon. My hope is that the pieces will fall together and fall together fairly quickly and that serious negotiations can commence soon. But my hope is, also, that the administration will go with some of what the U.S. Supreme Court said "with all due deliberate speed," and in the case of integration that meant very, very slowly.

I am not suggesting that we go with agonizing slowness as we did with desegregation of the schools. But I think we should not send any signals that the battle is over. It is a long way from over. Negotiations, I hope, will commence soon.

The other steps that are required under the sanctions law I hope will be taken and my hope is that the administration and the Congress can work together in a coordinated way to continue to send a signal to South Africa, yes, we applaud what you are doing; yes, some additional steps are needed; yes, we hope negotiations can get going; and we look forward to the day when we can work cooperatively with you and the other nations of the southern tier there in Africa to really developing that area of the world. Everyone is ahead when that happens.

But again I think a word of caution is in order at this point so that the administration does not rush into a policy change that is at this point a bit premature.

Mr. President, during the past year, South Africa has witnessed an unprecedented move toward nonracial democracy. Opposition groups have been unbanned, African National Congress leader Nelson Mandela has been released and talks have started between the African National Congress and the South African Government. Most recently, South African State President F.W. de Klerk has led the repeal of the Group Areas Act and the land acts. Just yesterday, the Population Registration Act was repealed by the South African Parliament.

Despite these promising moves, the situation in South Africa remains troubling. The issue of violence and the Government's response has become a central issue in the disruption of the talks. There are numerous credible reports that a "third force" is actively instigating, exploiting and exacerbating the violence. The African National Congress [ANC] and many other black South Africans believe that some people in the Government are involved. Recently, the New York Times reported allegations that the South African defense force has been involved in supporting and supplying weapons to antiapartheid opposition forces.

The Africa National Congress [ANC] has pulled out of the talks until the Government takes serious action to end the violence. The Government does have a responsibility to utilize its resources to halt this violence. It is unconscionable that a Government would allow hundreds of people to be slaughtered without bringing in Government resources to prevent ongoing killings.

The violence is indeed disturbing—hundreds have been killed, thousands wounded, and numerous communities have been terrorized by brutal attacks. The recent patterns of violence are just too similar to be haphazard events. We are concerned that the Government has been slow to adequately respond to this heinous campaign. It is critical to the reestablishment of the talks that the Government is perceived as placing a high priority on seriously addressing this situation.

We have viewed this ongoing violence with great distress. It is my view that in order to renew confidence in the current process, the authorities must adopt effective measures to end the recurring violence.

With regard to the Comprehensive Anti-Apartheid Act of 1986, there is a great deal of debate on whether the South Africans have met or will soon meet all of the conditions contained in the act.

The administration, is on record as claiming that at least four conditions have been met and that the Government is likely to meet all five conditions by the end of the parliament session. There is clearly some concern that while the conditions have been partially met, the full letter of the law has not and we should move with extreme caution in our decision to lift sanctions.

While political parties have been unbanned, all South Africans are not free to participate in the evolving political process. Demonstrations have been banned and political activities curtailed, especially in the homelands, directly under South African control.

Political prisoners remain in jail, and security legislation remains in place, creating the potential that those incarcerated may be joined by others. The South Africa Government has altered its early agreements on the definition of a political prisoner and the process by which individual cases would be examined. The Human Rights Commission, a credible South African organization maintains that close to 2,000 political prisoners remain. They have identified 972 political prisoners and expect up to 1,000 unidentified remain incarcerated. Today, a total of 160 prisoners are on a hunger strike. It is critical that they solve this issue, realizing that until all political prisoners have been released, the condition has not been fully met.

Political exiles, possibly numbering up to 40,000, are still languishing outside the country, many ready to return but not without guarantees that they will not be jailed. During the Namibian independence process in 1989, the South African Government permitted 44,000 Namibian exiles to return under an automatic and comprehensive indemnity characterized by a minimum of bureaucratic fuss. We encourage the South African Government to consider the adoption of this policy in South Africa to allow for easy return of exiles.

Congress has a clear history on the creation of comprehensive sanctions against South Africa. We continue to be concerned that we do not send the wrong signal to the people of South Africa and to Americans who are concerned with this issue. To this end, we urge the administration to be mindful of congressional concern. We hope and expect that the administration will continue its policy of consultation with Congress. Consultation will allow congressional input into any decision made.

I urge my colleagues and the administration to use caution in the lifting of sanctions. The timing is not right. The breakdown in the talks is real. We must be encouraging all parties to work toward creating a climate conducive to negotiations. Lifting of sanctions at this time is not the answer to getting the talks back on track.

Mr. President, I see the Senator from Maryland on the floor and I will yield the floor to him.

Mr. SARBANES. I thank my colleague for yielding.

Mr. President, I want to address briefly the steps which have taken

place in South Africa and the path that lies ahead of us.

First of all, let me say that significant changes are underway in South Africa, and we welcome those changes. We commend all the parties that have been engaged in putting them into place.

The Congress passed, over a Presidential veto, the Comprehensive Anti-Apartheid Act of 1986. It is not easy to pass legislation over a Presidential veto, and that legislation reflected a very strong feeling in this country with respect to the apartheid system which has prevailed in South Africa, and to its total and complete unacceptability to anyone who has any concern for an understanding of basic human rights and human dignity.

I dare say that if most Americans could actually experience the workings of the apartheid system, the uproar and outrage in this county would be far, far greater than it in fact has been. People have had to be made to understand how this abhorrent system worked. Had they actually experienced it, I think most Americans would be absolutely horrified by the existence of such a system and what it represents.

To the credit of the de Klerk government, South Africa has been moving to lift the statutory framework of apartheid. I welcome that development and I urge its continuation.

The more specific question is whether sanctions should be lifted, and of course that is to a significant degree covered by the language of the Anti-Apartheid Act itself. As the repeals of apartheid laws take place, people are beginning to say "Well, apartheid is over and done with." Mr. President, it is not over and done with. Even the conditions in the statute are not over and done with.

Let me mention three very important items. First of all, the first condition of the Anti-Apartheid Act requires that all those who have been persecuted for their political beliefs be released from prison. This is a mandatory condition; it is one that must be met. It specifically mentions the release of Nelson Mandela, and that, in fact, has been done. However, the condition involves not only the release of Nelson Mandela, but the release of all persons persecuted for their political beliefs or detained unduly without trial. That has clearly not yet been accomplished.

Now, there is a significant difference between the number of political prisoners which the South African Government asserts remain to be dealt with and the number asserted by the ANC. I find it very difficult to explain the gap in their estimation of numbers. It seems to me the Government, which is, after all, the one holding and detaining these people, has a special burden and obligation to examine their situation and to move them out of prisons.

Yet they seem to have placed the burden on the ANC to address that issue. It is not quite clear to me why that should be the case when the Government is itself the detainer of these people who have been held for their political beliefs.

Second, another one of the conditions is to permit the free exercise by South Africans of all races of the right to form political parties, express political opinions, and otherwise participate in the political process.

Mr. President, there are tens of thousands of exiles who have not yet been permitted to return to South Africa. These are South Africans whom any of us would consider citizens of that country, although under the apartheid legislation they are denied the basic rights of citizenship simply because of their color. They are people who left the country, in many instances under threat of punishment, have resided abroad—some in this country, some in Europe, some elsewhere in Africa, and in other places in the world—and now wish to return to their country. Yet they have not been admitted back into South Africa with any assurance of their safety from arrest or Government harassment.

Many of these exiles represent the leadership of the elements in South Africa that were seeking to gain access to participation in the political and economic processes of that country. And while the U.N. High Commissioner has been involved in helping to make it possible for these people to return home, the U.N. High Commissioner has not been given authority by the South African Government to play the same role that the High Commissioner has played in comparable instances elsewhere in the world. Therefore, the reintegration of these people back into South African society has been delayed. Clearly, they should be allowed to come back in and participate in the political process.

The fact that the South African Government is still holding political prisoners presents an additional complication for those desiring to return from exile. In other words, there are two problems. First, the Government has failed to meet its own deadline of April 30, 1991, for the release of all political prisoners. Independent human rights commissions have estimated that significant numbers still remain as political prisoners, and have not yet been released from jail. Second, the condition on full participation cannot be considered to have been met until these tens of thousands of exiles—estimated now at about 40,000 to 50,000—are provided full indemnity and allowed to come back into the country.

Another one of the conditions in the statute calls for the repeal of the Group Areas Act and the Population Registration Act, and—just as importantly—that no other measure be instituted for the same purpose.

Mr. President, this is going to take some very careful examination because there is some reason for concern that while the Group Areas Act—the act that defines where people of different colors can live—was repealed, other legislation was put into place which may indirectly continue the system which the Group Areas Act had instituted in the first place. So the repeal of the Group Areas Act, while on its face a very welcome step, was accompanied by the passage of other legislation which may in practice allow the same situation to continue.

In particular, there is a very deep concern that no effort has been made to allow people to return to lands from which they were forcibly evicted under apartheid, laws, and that new legislation has been passed which will enable people to maintain the status quo despite the repeal of the Group Areas Act.

So, Mr. President, the caution I am sounding is that despite the steps that have been taken by the de Klerk government to repeal the legal framework of apartheid, we are still left with the fact that the practical situation has not yet met the conditions contained in the Anti-Apartheid Act.

As another example, the Population Registration Act has just been repealed, but only with respect to births yet to take place. The registration continues in existence for those who have already been registered.

Of course, the current constitutional system depends on such registration, since South Africa has a parliament for whites, a parliament for Indians, and a parliament for Coloreds, but no parliament whatsoever for Blacks—none at all, no participation whatever in the political process.

Moreover, there are many who believe the participation accorded to Indians and Coloreds under this scheme also represents no or very minimal participation in the political process. But the continuation of official racial classification for those who have already been registered, which is of course everyone except those yet to be born, means that the basic foundations of the Population Registration Act will remain in effect until a new constitution is put into place.

So in spite of the repeal of the Population Registration Act, its workings continue and will continue until a new constitution is put into place.

The fifth condition of the Anti-Apartheid Act is that the Government of South Africa "agrees to enter into good faith negotiations with truly representative members of the black majority without preconditions." These negotiations have been agreed to, in a sense, in the abstract. In other words, the South African Government has issued statements saying they intend to

do this, that this is what they are trying to do. But a negotiating process has not yet been established that would in fact hold open the prospect of moving South Africa to a nonracial democracy.

There have been talks about talks, but they do not yet have in place a process for good-faith negotiations that would lead to a new constitution establishing a nonracial democracy in South Africa, which is stated objective of President de Klerk and of Nelson Mandela and of most of the other parties in South Africa.

So, Mr. President, while we welcome much of what is taking place, I think it is clear that the movement has not yet reached the point where it has met the conditions that are contained in the legislation. We need to sustain the pressure in order to help move this process forward.

I believe the sanctions have made a significant contribution in helping to bring about change in South Africa. We still need further change in South Africa, and thus I think we need to sustain this pressure in order to encourage even further progress—in order to ensure that a nonracial democracy is in fact, established in South Africa.

Mr. President, I yield the floor.

I suggest the absence of a quorum.

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

The assistant legislative clerk proceeded to call the roll.

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

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXTENSION OF MORNING BUSINESS

Mr. EXON. Mr. President, I ask unanimous consent that morning business be extended to accommodate some remarks by the Senator from Nebraska.

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

THE BANK BILL

Mr. EXON. Mr. President, I wish to bring to the attention of the Nation, the U.S. Senate and the House of Representatives a widely circulated news story that I suspect has been accurately reported in more than one of our daily newspapers.

I reference, Mr. President, a headline in the business section of this morning's Washington Post that has been widely circulated in the electronic media. The referenced article, Mr. President, says "Brady:"—Brady being the czar of the whole financial institution in the United States—"Brady: Bailout Possible if Bank Bill Fails."

The story goes on, and I thought one of the most interesting quotes that came out of all of this was the Secretary had this to say:

> Suggesting that Congress will be to blame if a bank bailout is needed, Brady told a group of reporters, "If we have a reasonable economy and a strong, comprehensive banking reform bill, I believe the banking industry will be able to take care of the problem without a taxpayer bailout."

Reading from the story:

> He stopped short of specifically saying that taxpayer funds would be needed, but, questioned repeatedly, he said the only hope of avoiding a resort to public funds for the banking system is passage of the administration's bank bill.

He goes on in the story to say that failure of the Congress to pass the administration's bill will be the fault, or the blame, of Congress for the mess of the commercial banking system.

I think it is about time for the Congress of the United States, Democrats and Republicans alike, to quit playing politics with the solvency of the banking system in the United States. We have witnessed, very clearly, a mismanagement of the fiscal affairs of this Nation under this administration that followed in the footsteps of the previous administration that sold the banking and financial systems of the United States down the tubes. I wonder how many of the people in the United States fully understand that.

Now this Secretary of the Treasury is saying that, unless we pass the administration's banking reform bill as it currently stands, the Congress will be blamed for any future bailouts that are necessary of the banking system.

History seems to repeat itself. I believe almost the same words were used a few years ago by the then Reagan administration Secretary of the Treasury, when he said unless we pass the S&L refinance and reform system, all would be lost, and we might have to go to taxpayer bailout of the savings and loan industry.

This is one Senator who bought into that, and I voted for reform in the S&L industry. I was led to believe by the statements made by the then executive branch of Government, which holds not only the responsibility for making the inspections to determine the solvency of our banking institutions, but has the direct responsibility to carry out any reforms that are necessary—they misled us. They led us down that golden road to a path of success, "If you just go along with our S&L bill."

We did, and look what happened: Absolute disaster in the savings and loan industry.

Now we have a Secretary of the Treasury who is setting up the Congress once again, trying to make the American people believe that if we do not endorse and embrace every part and every syllable of the so-called bank reform legislation advanced by the Secretary of the Treasury and the President, that unless we do that, then we will be to blame for any future taxpayer bailout of the banking industry.

At the same time, the Secretary of the Treasury, the czar of our whole financial empire—out of Wall Street, I might add, which makes him suspect—is saying that he does not know and cannot predict at this time how much taxpayer money will be necessary in the future to bail out the banking system. They cannot even tell us when they expect the present fund behind the banks will reach this point of no return, or zero.

Within the last week or 10 days, we have finally had the Secretary of the Treasury be honest with the American people—for the first time, I suggest, Mr. President—by coming up with more reasonable and startling figures on the amount of taxpayer money that is going to have to go in to bail out the savings and loan industry, which has been consistently—and, I charge, by premeditated planning—fooling the American public as to how much it is going to cost them for the mismanagement of our fiscal houses in the United States of America by the previous Reagan administration, and now by this Bush administration.

It is time, I suggest, Mr. President, for us to take a very detailed look at what is going on and what is not going on. As one Senator, I cannot and will not support this latest shenanigan by the Bush administration and pass their version of a bank reform act because it would do great violence to the stability of the relatively small-sized banks in the central part of these United States, including Nebraska.

Mr. President, I think we have another major problem brewing right here, and I think that the Senate and the American people should be notified and should understand exactly how they are being taken advantage of, once again, if you will, and at the same time the Secretary of the Treasury blatantly saying that, if we do not pass the administration's bank reform package, then it will be the Congress that will be to blame for the mess. Hogwash. We are not talking about finding fault, but it certainly does disturb this Senator when I see a former Member of this body, the Secretary of the Treasury, out of Wall Street, who knows well the operations of the U.S. Senate, taking the political course of already setting up the Congress to take the blame for the potential coming disaster.

Mr. President, I ask unanimous consent that at the conclusion of my remarks the entire article from the Tuesday, June 18, Washington Post be printed in the RECORD.

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

(See exhibit 1.)

Mr. EXON. Mr. President, I certainly say at this time unless the Banking

Committees of the House and the Senate can get the Secretary of the Treasury, the main spokesman for the Bush administration on the financial soundness or lack thereof of our institutions, to come forth and give us an honest appraisal and to come forth with some meaningful changes, then I suggest that it might be appropriate—and I may well introduce at some later date or some sooner date a sense of the Senate, if you will, on the lack of faith in the ability of the present Secretary of the Treasury to perform his duties. After all, he was confirmed by this body, and I voted for him.

I thank the Chair, and I yield the floor.

EXHIBIT 1

[From the Washington Post, June 18, 1991]

BRADY: BAILOUT POSSIBLE IF BANK BILL FAILS

(By Jerry Knight and Susan Schmidt)

Treasury Secretary Nicholas F. Brady warned yesterday that taxpayers may have to bail out the banking system unless the nation's economy rebounds and Congress passes "a strong, comprehensive banking reform bill."

Brady's renewed effort on behalf of the administration's bank restructuring package is in response to increasing congressional concern that the costs of bank and savings and loan failures may be spinning out of control.

He stopped short of specifically saying that taxpayer funds would be needed, but, questioned repeatedly, he said the only hope of avoiding a resort to public funds for the banking system is passage of the administration's bank bill.

Suggesting that Congress will be to blame if a bank bailout is needed, Brady told a group of reporters, "If we have a reasonable economy and a strong, comprehensive banking reform bill, I believe the banking industry will be able to take care of the problem without a taxpayer bailout."

Bank failures to date already have nearly depleted the fund that insures deposits, and Federal Deposit Insurance Corp. Chairman L. William Seidman said he foresees another 300 bank failures by the end of next year, even if the recession ends soon.

The government's chief accountant, Comptroller General Charles A. Bowsher, also warned last week that if the pace of bank failures continues, taxpayer money will be needed to bolster the insurance fund, which now is made up of contributions by the banks themselves.

In addition, Bowsher said more taxpayer money will be needed for the cleanup of the nation's savings and loan industry, pushing the total tab for the thrift crisis toward an estimated $500 billion over 40 years, including interest.

House Banking Committee Chairman Henry B. Gonzalez (D-Tex.), Rep. John D. Dingell (D-Mich.), chairman of the Energy and Commerce Committee, and Rep. Edward J. Markey (D-N.Y.), chairman of the telecommunications and finance subcommittee, all have warned that the banking reform debate is becoming too complex to be completed by this fall, when more money will be needed for the thrift cleanup and the FDIC.

Gonzalez's committee is scheduled to resume work tomorrow on the administration's bill granting banks broad new powers, but prospects for its passage have dimmed because of new evidence that the administration's regulators can barely keep track of problems in the bank and thrift industries. In the past week, government officials have admitted they cannot predict how much bank failures will cost after next year, do not know with certainty when the FDIC will run out of money and cannot put a firm price tag on the S&L cleanup.

At the same time, the actions of banking regulatory agencies, generally among the nation's more respected governmental institutions, are being questioned.

The Federal Reserve Board has been caught up in the Bank of Credit and Commerce International scandal, with questions being raised about why the Fed allowed the Middle Eastern bank to secretly gain control of the First American banks in Washington. The Office of the Comptroller of the Currency has been criticized for failing to halt risky lending practices at Washington's Madison National Bank and at the Boston-based Bank of New England Corp. The Office of Thrift Supervision has come under fire for suggesting that weak thrifts should be kept open rather than closed. And the FDIC has faced sharp questioning because of its repeated revisions in estimates of the cost of bank failures.

While many of these developments are not directly related to the administration's bank reform bill—which is designed to restructure the banking industry and make it stronger—the threat of a bank bailout is beginning to dominate the debate over the proposal. The bill, which would allow banks to open branches nationwide and to expand into the securities and insurance businesses, also has a provision that would replenish the bank insurance fund with up to $70 billion to be borrowed from the Treasury and repaid by the banking industry.

Further complicating the course the banking bill must travel, Brady is expected to ask Congress next week for an additional $100 billion for the thrift cleanup—$50 billion to cover losses of failed S&Ls and another $50 billion to cover depositors' accounts until the assets of failed thrifts can be sold. Until now, the problems in the banking and savings and loan industries have been treated as separate issues, and one of the major changes that seems to be taking place in Congress is the linking of the two.

The $100 billion for the thrift cleanup and the $70 billion for banks adds up to "a big mountain to climb," said Senate Banking Committee Chairman Donald W. Riegle Jr. (D-Mich.). Noting that the administration originally told Congress $50 billion would be sufficient to clean up the S&L mess, Riegle said, "When you look at those numbers in reference to what they are asking for and what they projected, it's just stunning."

As for how much it might cost to rescue the banks, Riegle added, "No one is quite certain about how big it might get."

Riegle met privately last Thursday with Brady, President Bush and White House Chief of Staff John H. Sununu and cautioned them that "to get the approval of additional funding levels, there have to be improvements made" in the operations of the Resolution Trust Corp., the federal agency created to clean up the S&L industry.

The administration is willing to add RTC reforms to its banking legislation, but so far it has not come up with any specific plans, Brady said yesterday.

Repeatedly making the point that the legislation is essential to avoiding a taxpayer bailout for the banking system, Brady said that comparisons with the thrift crisis complicate prospects for the administration's banking plan.

"Any time you get into the subject of the S&L bailout, it is a subject that is extremely unpopular with the American people and especially so in Congress," he said.

Brady insisted the problems of the bank and thrift industries are much different because the banks are better regulated and are much stronger financially than the thrifts were. The similarity, he said, is that the problems in both industries were caused by bad loans that financed a massive overbuilding of commercial real estate.

"There is almost a one-to-one ratio between a lousy real estate market and a weak banking system," Brady said, and the banks' problems will not end until the real estate market improves.

There is no sign of that happening, FDIC Chairman Seidman said last week in his latest update on the health of the banking system.

Mr. KERREY addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

AN HONEST RESPONSE TO DISHONEST STATEMENTS

Mr. KERREY. Mr. President, I rise to commend the distinguished senior Senator from Nebraska for what I have come to know as an honest response to dishonest statements. I have known him for many years now, and of all the things that I admire him for, the one which I admire him the greatest is his willingness, in the face sometimes of considerable opposition, simply to say that something that is going on in our country just is not right, that it does not smell right, that it is wrong.

In this particular case, Mr. President, what the senior Senator from Nebraska has responded to is, in fact, a dishonest statement by the Secretary of the Treasury saying that Congress will be to blame if we do not pass the President's banking reform bill; we will be to blame for a taxpayer bailout of the FDIC.

Mr. President, almost everyone who has looked at the FDIC in the past 12 months has already concluded that it is likely that taxpayers will be called upon to make an injection of money in order to restore solvency to the bank insurance fund. Almost everyone who has looked at the FDIC has reached the conclusion that the forecasts for the solvency of the FDIC have been overly optimistic and that, though it is unlikely we will face a bailout on the scale of the savings and loan, it is likely that some taxpayer money will be required. For the Treasury Secretary to assert that that bailout is going to be connected with the speed with which we pass the President's bank legislation just is not true. It is not true, Mr. President.

The response, the emotional response, of the distinguished senior Senator from Nebraska, not just on behalf of taxpayers, Mr. President, which I believe to be the case, but on behalf of people who are borrowing money as well because, though the discount rate

has been lowered in the past 15 months by the Federal marketing committee—the Federal Reserve has lowered the discount rate for banks in the United States of America—though that lowering has occurred, there is still a capital shortage for many Americans and not, Mr. President, just as a consequence of the lack of response by banks in lowering the prime interest rates in accordance with the discount rate. In fact, the prime would be 7.5 percent today had the banks responded to that lowering. Instead of responding to that lowering, they have used that margin to reduce some losses, particularly the larger banks have, they experienced as a consequence of bad loans that they made in the 1980's

What we already have is the Treasury Secretary allowing the banks to take advantage of this wider margin, not take advantage of it to lower interest rates to commercial borrowers and to home borrowers; rather than doing that, the Treasury Secretary has allowed them to use that margin to cover previous losses.

In addition to that, Mr. President, we saw recently that over 50 percent of Americans today would not be able to afford a home in the current market as a consequence of their flat and declining, in many cases, standard of living, as a consequence of the cost of houses, and as a consequence of the cost of money and the unavailability of capital.

What the distinguished senior Senator from Nebraska is responding to is not just a situation where the Treasury Secretary is trying to shift the burden of responsibility to Congress, he is not just responding to, at the very least, a misrepresentation of fact; he is responding to taxpayers' concern that their money is not being spent well; and, I believe, most important, he is responding to American borrowers who are unable to get affordable home loans, who are unable, as well, to get the money that they need for small and startup businesses, or unable to get the capital that they need to make productive investments.

Mr. President, again, I am very proud this morning that the distinguished senior Senator from Nebraska has responded in the way that he has. I think he not only engaged the Treasury Secretary in a manner he deserves to be engaged, but he has sounded a warning bell in the Congress that we simply are not going to vote every single time they send down a piece of legislation; that we are not simply going to roll over every time a new request comes for funding, and they will have at least a request for another $100 billion of cash from the taxpayers for the savings and loans and the banks come this fall; that we simply are not going to roll over every single time a request comes our way, because we see capital shortages and borrowers in our States that are in a great deal of difficulty and we see taxpayers angry at the way they have managed it thus far.

Mr. President, I yield the floor.

VOLUNTARY AGENCIES STATEMENT ON VIETNAM

Mr. KENNEDY. Mr. President, the office of the U.N. High Commissioner for Refugees recently sponsored a visit to Southeast Asia by a distinguished group of voluntary agencies—they call them nongovernmental organizations in the United Nations—to evaluate the progress in the implementation of the internationally, negotiated "Comprehensive Plan of Action" for Indochinese refugees.

They recently returned and issued a very thoughtful report on their observations and recommendations regarding the continuing question of how to deal with the flow of people from Vietnam. On the crucial question of repatriation, they found, for example:

> That contrary to prevalent understanding in their home countries of the United States, Canada and Australia, conditions in Vietnam are actually favorable for repatriation.

In addition, Mr. President, the delegation found that the motives for departing Vietnam were "for a variety of reasons but not political persecution"—which is the essential basis for deciding who is a refugee and who is not. And on repatriation to Vietnam, the delegation "heard no evidence to indicate that returnees suffer harassment, maltreatment, or discrimination on return."

The findings and observations of this delegation are all the more important because of its composition—representing some of the most distinguished leaders of the voluntary and church agencies long involved in the Indochina refugee program.

Mr. President, I commend to the attention of the Senate the important statement issued by this delegation, and ask that it be printed at this point in the RECORD.

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

[From Monday, a weekly newsletter on refugee and immigration issues, Vol. 10, No. 12. June 10, 1991]

NGO'S SUPPORT PROGRESS FOR THE COMPREHENSIVE PLAN OF ACTION FOLLOWING UNHCR SPONSORED VISIT TO VIET NAM

A UNHCR sponsored group of Non-Governmental Organization (NGO) representatives visited Viet Nam and its environs May 14–21 in support of voluntary repatriation as proffered by the Comprehensive Plan of Action. CWS/IRP Director, Mr. Dale S. de Haan, led the NGO delegation of six, including Le Xuan Khoa, Indochina Resource Action Center, Burgess Carr, Episcopal Migration Ministries, Ralston Deffenbaugh, Lutheran Immigration and Refugee Service, Tom Clark, Canadian Interchurch Committee for Refugees, and Russell Rollason, Australian Council for Overseas Aid. The observers visited Bangkok, Hanoi, Hai Phong, the province of Quang Ninh and Ho Chi Minh City. Five members of the delegation visited refugee camps in Hong Kong, and Mr. de Haan visited the CWS/IRP administered Joint Voluntary Agency in Kuala Lumpur. The visitors spoke freely and frequently with returnees, interviewing over 60 repatriates without Government or UN officials present.

OBSERVATIONS

The NGO team assessed that contrary to prevalent understanding in their home countries of the United States, Canada and Australia, conditions in Viet Nam are actually favorable for repatriation. The delegation released a statement (see attached) citing progress towards a free and open Vietnamese society with rises in personal freedom in conjunction with private entrepreneurship and some economic buoyancy. There have been no reports of abuse of returnees upon return. The observers learned from voluntary returnees that they had originally fled for reasons other than political persecution. Observers concluded that the UNHCR, with the Socialist Republic of Viet Nam (SRV), is in good faith complying with the terms of the Memorandum of Understanding between SRV and the UNHCR, drawn in 1988, providing for the safe and dignified voluntary return of refugees from countries of first asylum.

RECOMMENDATIONS

NGO representatives lauded the UNHCR's dedicated efforts in carrying out the CPA. Recommendations were made for the overall effectiveness of the program which involved continued attention to the more efficient flow of information into and out of Viet Nam, as well as increased international efforts to integrate Viet Nam into the global economy. The need for timely delivery of funds promised by CPA-participating countries to returnees upon return was stressed. The Vietnamese government was asked to support returnees by not harming family leaders who initiated proceedings to return home and by prompt restoration of confiscated properties. The NGOs appreciated the trust and willingness of the Government of the Socialist Republic of Viet Nam to receive more interested visitors in support of a brighter future for Viet Nam and its people in the global community.

OBSERVATIONS AND COMMENTS FROM THE NON-GOVERNMENTAL ORGANIZATION VISIT TO VIET NAM, MAY 14–21, 1991

1. A team of six representatives from Non-Governmental Organizations in the USA, Canada and Australia visited Viet Nam from May 14–21, 1991 to assess the situation of people who have returned under the voluntary repatriation program established by the Comprehensive Plan of Action for Indochinese refugees.

The visit took place following the May 1991 meeting of the Steering Committee of the Comprehensive Plan of Action at which governments made a renewed and stronger commitment to the Plan.

The team visited Bangkok (Phanat Nikhom), Hanoi, Hai Phong, Hong Gai in the province of Quang Ninh and Ho Chi Minh City, with one going to visit Kuala Lumpur and four visiting the refugee camps in Hong Kong.

2. The team is grateful for the assistance provided by UNHCR for arranging our program; to the various Ministries of the Government of the Socialist Republic of Viet Nam for their hospitality and briefings and the Peoples Committees in Hanoi, Hai Phong, Quang Ninh and Ho Chi Minh City for

their hospitality and assistance. In particular, the team thanks all the returnees who spontaneously granted us interviews and answered our questions.

3. Those among the team who had visited Viet Nam previously remarked how they were surprised and impressed with the considerable progress the country was making toward becoming a more open society.

We sensed a strong desire amongst the people to see further progress towards a free and open society. Private entrepreneurship is vigorous and there is evidence of economic buoyancy that is nurturing the increase in personal freedom.

We experienced unhindered access to the people with whom we wished to talk and freedom to ask any questions with or without the presence of Government representatives. On several occasions we selected returnees and met with them without the presence of either Government or UNHCR officials.

4. *Departures*. In our conversations with the returnees we heard that people had left Viet Nam for a variety of reasons but not political persecution.

5. *Screening*. Most of the returnees we interviewed said they were not aware of the screening process before their departure. After learning of the screening process and conditions to be granted refugee status, many did not think that they had a sufficient claim to be "screened-in" and so chose to return to Viet Nam before screening.

6. *Returning*. In our interviews with returnees and discussions with a variety of sources (international NGO staff, diplomats, journalists, EC and UNHCR officials) we heard no evidence to indicate that returnees suffer harassment, maltreatment or discrimination on return.

We have concluded that UNHCR and SRV are in good faith complying with the terms of the Memorandum of Understanding between SRV and UNHCR (December 13, 1988) which provides for the voluntary return from countries of first asylum in conditions of safety and dignity.

The departure of several family groups or groups of close friends appear to have been organized by the head of the household or a "leader" within the group. In order to facilitate further voluntary return, it is important that no action be taken by Vietnamese authorities against such family/group based organizers of illegal departures who have no previous criminal record.

Similarly, voluntary return will be encouraged by consistent and generous restoration of confiscated property to returning, previous owners.

7. *Monitoring*. It is clear that there is an informal and effective network for communication in Viet Nam and with the international Vietnamese refugee community. News travels fast and travels with ease to all parts of the world.

Monitoring occurs in this context and must be seen in this context. Not all returnees are visited on a systematic and regular basis but rather on a random basis.

The increasing presence of international NGO staff in both urban and rural areas contributes to the increased flow of information and thus enhances the confidence in the monitoring process.

Given available resources, we are satisfied that UNHCR is adequately fulfilling its monitoring responsibilities in Viet Nam.

8. *Resources*. We regret that CPA donor governments have been slow in making their pledged contributions for 1991. The result is that returnees have had to wait for up to three months for their first quarterly payment of their return assistance. This is an unacceptable delay considering these people by-and-large return with nothing.

Payment to returnees must be made promptly or the process is put at risk. Donor governments, must ensure the necessary funds are available as required.

As numbers increase, it is incumbent on governments to make available the necessary resources to UNHCR in a timely manner to ensure all aspects of the Plan, including information, monitoring and screening payments, are adequately addressed.

We express appreciation for the speedy contribution from the US Government to the CPA, but urge the US Government to revise its policies to allow its contributions to be spent in Viet Nam.

9. *EC Assistance Program*. We were impressed with the sense of urgency the Program Director showed in discussions on progress made in implementing the EC program of assistance. We welcome the substantial NGO involvement in the implementation of the program.

We note in particular that 60% of available loan funds are for nonreturnees indicating that it is not necessary to leave Viet Nam and be returned in order to access these funds.

10. *Information and Communication*. Ready access to accurate information remains the critical need for effective implementation of the CPA. Rumors inspire people to leave, cause people to fear return and in some cases lead people to choose to return. Rumors hinder a speedy and fair process.

All interested parties must ensure that accurate and up-to-date information is more readily available. The communication procedures must be better organized. More resources and greater attention must be applied to this issue both in the camps in countries of asylum through counselling and other programs, as well as in Viet Nam and internationally.

11. *Orderly Departure Program (Family Reunion)*. We met the US Orderly Departure Program interview team in Ho Chi Minh City which has begun processing at an increased rate. Persons with close relatives in the US (and in similar programs for Australia, Canada and Europe) can seek to immigrate directly from Viet Nam. This program is increasingly becoming a viable alternative for eligible persons wishing to leave.

12. *Development*. At the heart of the human tragedy that has seen thousands of Vietnamese leave on unsafe boats in search of a better future is the combination of social, economic and political conditions in Viet Nam and the constraints stopping development assistance from the IMF, World Bank and major western donor governments. It is deeply regrettable that Viet Nam's participation in the global economy continues to be hampered because of difficulties in its bilateral relationship with the United States of America. Viet Nam needs and wants development assistance.

It is time to allow and encourage Viet Nam to participate fully in the international community with all the concomitant rights and responsibilities of states with progressive realization of human rights. We urge our NGO colleagues to support and advocate the necessary policy changes.

13. *Visits*. We note the openness of the Government of the Socialist Republic of Viet Nam to receive additional delegations, and we encourage other concerned individuals and groups to visit Viet Nam to experience the situation firsthand.

14. *Trust*. In conclusion, we wish to pay tribute to the UNHCR officials we met, responsible for the implementation of this program. We have been impressed by their dedication and integrity, in spite of the sometimes difficult circumstances in which they work.

We believe that further cooperation between UNHCR and NGOs will consolidate the trust the international community has placed in UNHCR.

Le Xuan Khoa, President, Indochina Resource Action Center, Washington

Burgess Carr, Executive Director, Episcopal Migration Ministries, New York

Dale de Haan, Executive Director, Immigration and Refugee Program, Church World Service, New York

Ralston Deffenbaugh, Executive Director, Lutheran Immigration and Refugee Service, New York

Tom Clark, Co-ordinator, Interchurch Committee for Refugees, Toronto

Russell Rollason, Executive Director, Australian Council for Overseas Adi, Canberra

HONG KONG, *May 23, 1991*.

TRIBUTE TO DR. WILLIAM O. FARBER

Mr. PRESSLER. Mr. President, I want to take this time to honor my undergraduate college mentor, Dr. William O. Farber. This University of South Dakota political science professor is best known for taking students who may lack direction and providing them with helpful encouragement. He has been a role model for myself and hundreds of other University of South Dakota students.

Dr. Farber established the Farber Student Internship Fund, which helps pay travel expenses for students to attend special seminars and to take part in overseas study trips, as well as other educational activities here in the United States. He has also written many books on the history of South Dakota government and is now working on his memoirs to be entitled "Footprints on the Prairie."

Mr. President, I ask unanimous consent that the Yankton Daily Press articles about Dr. Farber be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

RETIRED PROFESSOR STILL BUSY

(By Sue Ivey)

VERMILLION—For Dr. William O. Farber, advising students can begin over a plate of cookies in his living room and continue with a trip to London.

This University of South Dakota political science professor emeritus is well-known for taking bright students—especially bright students that may lack direction—under his wing. He provides the encouragement they need, says long time friend and colleague Dr. Loren Carlson.

NBC Nightly News' anchor and Yankton native Tom Brokaw, South Dakota Sen. Larry Pressler, USA Today founder Allen Neuharth of Gannett and CBS Sports' host Pat O'Brien are a few of Farber's more well-known students that consider him their mentor.

Farber, 80, official retired in 1976, but unofficially he says he'll keep working as long as his health allows.

Today he and Carlson are speaking with students at Boys State about South Dakota county government. They wrote the book on our state's government, literally. And now they're revising it for the fourth edition.

Farber came to USD after earning his doctorate at the University of Wisconsin in 1935 at the age of 25. Vermillion became his home and his students became his family.

Since retiring he continues to advise students, revise books, enjoy the Emeritus Club, write students letters of recommendation and spend a good deal of time going to their weddings, their children's christenings and still finds time to testify at committee hearings on state reapportionment in Pierre and administer the Farber Student Internship Fund.

His commitment to good government is at the center of it all.

"What art could be accomplished, what music could be accomplished, what science could be accomplished without good government? The first requirement for progress in civilization is good government."

VERMILLION.—Fifteen years after retiring from the University of South Dakota, Professor Emeritus William O. Farber is still setting fires under young political science majors.

Just two weeks ago, he invited a dozen to his home near campus—Farber Hall, it's called—to meet CBS sports host and his former student Pat O'Brien, who was being honored at spring graduation with an honorary Doctor of Laws degree.

"I think when you have people like that, there's no point in sharing them with faculty and administrators," Farber says. "The important thing is to get the students here to see these role models."

Farber himself has been a role model for USD students. He came to teach in Vermillion after earning his doctorate from the University of Wisconsin in 1935 and, although he was at first inclined to concentrate strictly on the subject matter, he was soon involved in the practical side of government and it has enriched his teaching.

He became administrator of the price control program for South Dakota in 1941, was a warrant officer in the U.S. Air Force during WWII, worked on the Regional Loyalty Board after the war, and became the first director for the state's Legislative Research Council from 1951–55.

He was a visiting professor at the University of Wisconsin, Northwestern University and Seoul National University in Korea, all the time serving as department head and mailing recorded lectures to USD.

Then he was minority counsel for the U.S. Senate Committee on National Policy Machinery, and from 1967–1970, secretary for the Committee on Education, Cultural Affairs and Information with the North Atlantic Assembly, helping at the request of Sen. Karl Mundt to set up a seminar on public administration that taught the principles of democracy to representatives from NATO countries.

He was a member of the State Constitutional Revision Commission, formed by Gov. Frank Farrar and spent 10 years as chairman of the Vermillion Planning Commission. He combined each of these responsibilities with his university teaching.

"He just is one of those guys who makes time," said friend and colleague Dr. Loren Carlson.

Farber knows leaders at every level of government and business, and that knowledge proved invaluable in providing connections and practical experience for his students.

For example, in 1969, Farber took O'Brien to a conference in the Soviet Union where he was one of a number of students who spoke about their countries. O'Brien talked about the youth protest movement of the 1960s.

"He has never forgotten this. It's opened his eyes to what he can do," Farber said.

This has been one of Farber's special gifts through the years and he continues to help students "without fanfare," Carlson said.

"I've taken a number of students with me on trips. What it does is to broaden their horizons and especially to see that it's not impossible for them to be part of a bigger picture," Farber said. "Suddenly they realize that they are not inferior in a competitive way, that they are equal, if not superior to many of the students from larger, Eastern schools. They realize that there are important positions they can occupy with proper training."

Part of his work is with the Farber Student Internship Fund, which was started in the 1970s. It helps pay for students to travel to special seminars and to take part in tours.

USD Foundation Director Ken Grover said the endowed fund now has more than $500,000 in contributions and provides about $25,000 per year to students. Ten students returned this week from a week-long trip to Washington, D.C. where they talked with congressmen and visited national institutions most had never before seen.

Another 20 students are in Great Britain for a study tour this month. The fund also helps students attend an annual model United Nations gathering with students from universities across the country and some attend the moot court competition in Des Moines, Iowa, as well.

In between attending weddings of former students and writing letters of recommendation, he has been revising the book, "Government of South Dakota," with Carlson. He testified at recent legislative committee hearing on reapportionment and received a certificate honoring him from the State Historical Society.

He has been writing an outline for his memoirs, to be entitled "Footprints On The Prairie," Here, too, a recent graduate of the University of Minnesota School of Law has volunteered his time to help Farber in compiling the 12 chapters that will detail his experiences.

Visitors find a box of recent correspondence to answer on Farber's workroom desk. He keeps a wastepaper basket under his mail slot to collect the many incoming letters and periodicals.

Still, this week he got a call from those organizing Boys State in Aberdeen, asking him to speak to some 600 boys on county government, Carlson said, Farber asked Carlson to go too.

"He just dropped everything. I went over there and he was sitting there with the computer, getting materials together," Carlson said.

"That's just typical of how things go."

TRIBUTE TO SENATOR JOHN HEINZ

Mr. LEAHY. Mr. President, John Heinz made his last floor statements here on March 21. Among them were praise for the concluded war effort, the President and returning troops; a discourse on consumer protection against criminal fraud; a treatise on the international computer chip war; and a study request to clarify aspects of tax law.

That was business.

I have wondered what our departed friend might have said had he known he was addressing us for the last time.

I have thought about this often since his untimely and tragic death. Senator Heinz has been eulogized by associates and friends who knew him far better than I.

But I knew Senator Heinz best, as I know most of my fellow Senators, through our association here in the U.S. Senate.

My solace in his passing was this small group of men and women, bound so closely by tradition, history, and public service.

And it came to me that John Heinz would have ended his Senate career with an expression of admiration for this institution, a sense of awe for having been given the honor to serve, and an expression of appreciation to the public who gave him the opportunity to serve.

And he would have flashed his famous smile—and told us to carry on.

Marcelle and I share the deepest sympathy for his wife, Teresa and the lovely children.

The institution endures, and grows stronger because of men and women like John Heinz. And it carries on, as he would wish. It was improved by his presence and diminished by his leaving.

FORMER SOUTH DAKOTA CONGRESSMAN BEN REIFEL

Mr. PRESSLER. Mr. President, my State of South Dakota lost one of its great leaders when Ben Reifel died last year. As the first Sioux Indian to be elected to the U.S. House of Representatives, he had a great impact on those who knew him and worked with him.

Last year, I introduced an amendment to the fiscal year 1991 Department of the Interior appropriations bill to rename the Cedar Pass Visitor Center in the Badlands National Park as the Ben Reifel Visitor Center. On May 11 of this year, the Badlands National Park in South Dakota hosted a Ben Reifel Day, which included the official dedication of the Ben Reifel Visitor Center.

When I introduced the amendment to rename the Cedar Pass Visitor Center in his honor, other Senators who had worked with Ben rose to pay tribute to his unimpeachable character and his distinguished career in the U.S. Congress. I was pleased that other Senators acknowledged the work of this great statesman from South Dakota.

Mr. President, I ask unanimous consent that an article by Ben Reifel's daughter, Loyce Reifel Anderson, from the June 5, 1991, Sisseton, SD, Courier

be printed in the RECORD immediately following my remarks.

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

[From the Sisseton (SD) Courier, June 5, 1991]

CONGRESSMAN BEN REIFEL REMEMBERED BY DAUGHTER

(By Loyce Reifel Anderson)

Ever since I was first asked to say a few things about Dad several weeks ago, I have spent many hours reflecting on his life.

My father would be so pleased for this visitors' center to be named in his honor. The Badlands National Park was not only his favorite spot in South Dakota, but his favorite national park.

Basically he was not a complex person but a people person. He enjoyed fishing, hunting, going to the circus, visiting with people, watching the sunset and being in the Badlands during a thunderstorm and watching the sheet lightning. He believed in God, his country, his fellow men and himself. He worked hard trying to bring about changes from within and with dignity.

He was born in a log cabin at Cut Meat, the eldest of five boys, and raised by a devoted mother. She was born not long after the Battle of Little Big Horn and became a Christian at 12. He was also greatly influenced by his grandmother who lived with them. This grandmother, WeWela, was a member of Spotted Horse's Band of Lower Brule and belonged to the sub-band of Black Crown and Hollow Horn Bear. He told of going out on the prairie to help her dig for wild turnips, carrying their lunch in a flower sack; and before they ate, WeWela would give her offering to the Four Winds.

He was a school "dropout" until an interested teacher helped him to finish the seventh and eighth grades at the age of 16. Dad would tell us with a twinkle in his eyes that he got the highest mark in the county for his eighth grade exam. He was also the ONLY eighth grade graduate in the county that year!

He was always ready to try new things and new ideas. Probably the most challenging event was leaving home and the reservation at the age of 19 to attend "Aggie School" in Brookings. (Aggie School was a five-month boarding high school program designed for farm and ranch students where there were in high schools available and was part of the Land Grant College program).

This was his first time away from the reservation and his family—first train ride, going completely alone to a place he knew nothing about and to live in an all-white world. Although he later would have degrees from South Dakota State University and Harvard, he would always very proudly say, "I learned that in Aggie School!"

He was known as Ben by everyone, including me. In fact, it was when he was in the Army and had to be addressed by rank and last name only that I finally started calling him Dad because no one knew who Ben was. He was able to run for Congress using only his given name.

By the time he ran for that first primary election, he was only two years from retirement from the Bureau of Indian Affairs.

He once commented that he had lived one-third of the life of the United States. In those 83 years he walked many paths, always trying to make things better for his people and others.

Once when I was about eight months old, we took a trip a visit friends in Montana and to see Glacier and Yellowstone national parks. My mother never called it a vacation, as traveling with an infant over 50 years ago was not as easy as it is today. Pasteurized milk was not available in every community. As we neared Sheridan, WY, I was hungry, and with a crying infant Dad drove into town to find a grocery. What he found were signs saying, "no dogs or Indians allowed." My blond, green-eyed mother tried to keep me quiet till we found another community to shop in. Dad vowed never to stop in Sheridan again, but we did 20 years later when All American Indian Days Celebration was held there, and Dad was honored as the Outstanding American Indian of the year.

He went from lunch on the prairie to dinner at the White House. From spiffy new bib overalls and high-top tennis shoes ordered from Sears and Roebuck to attend and call at a community square dance to black tie dinners in Washington, D.C. He was most comfortable in his fishing clothes—and having the opportunity of teaching his three granddaughters the fine art of getting that worm on a hook and catching the "big one."

He bridged that generation gap that somehow only grandfathers can. These three young women learned about honor, trust and a deep respect for their heritage from him. They also learned the difference between a full house, a flush and a straight. And any story they felt Mom and Dad's ears shouldn't hear, they couldn't wait to tell their grandfather. At their weddings he gave the benediction in Lakota and was as nervous as the groom and as proud as their father.

He did not leave many material things, but a legacy rich with friends and deep family love and responsibility. Thank you for remembering him in this way—he would be so proud.

TRIBUTE TO A.B. "HAPPY" CHANDLER

Mr. FORD. Mr. President, as we conduct our business here today, a former Member of the Senate and one of Kentucky's must beloved sons, A.B. "Happy" Chandler, is being remembered and memorialized across our great State. It was with a great deal of sadness that I learned of the death of Happy this past Saturday, and I regret that my required presence in Washington does not allow me to personally pay my final respects to him.

Mr. President, there will never be another like Happy Chandler, who would have turned 93 years of age on July 14. He was a remarkable man that rose from the humblest beginnings to the halls of great power, while at the same time never forgetting a name, never forgetting a face or never forgetting his special rural Kentucky roots. Without a doubt, Happy is, and will always be, a Kentucky legend. He was a statesman, a showman, and an administrator, and above all was a fighter for the causes he believed were right.

A.B. "Happy' Chandler, was born on July 14, 1898, in Corydon, KY. He graduated from Transylvania College in 1921, and went on to earn his law degree from the University of Kentucky. He opened his law practice in Versailles at the young age of 26. He served Kentucky as State Senator, Lieutenant Governor, and two terms as Governor in 1935 and 1955. He was elected to this body in 1939 and served through 1945, when he resigned to take the position of Commissioner of Baseball. In 1982, he was elected to the Baseball Hall of Fame for his role in the integration of major league baseball.

Happy Chandler had a special hold on the citizens of Kentucky, unlike any public figure before him or since, Mr. President. To watch Happy give a speech to an overflow crowd of supporters was to watch a man who knew how to communicate to them and had the special gift of touching people's hearts. During today's ceremony in Kentucky, there will be no more fitting tribute to him than the playing of Happy's own special rendition of our beloved State song, "My Old Kentucky Home." It will serve as a lasting reminder of Happy's genuine affection and love of Kentucky and the special place he will always hold in the hearts of all Kentuckians.

My thoughts and prayer go out to Happy's lovely wife of 66 years, Mildred, affectionately known to Happy and all Kentuckians as "Mama," their children, grandchildren and great-grandchildren, and their extended family during this difficult time.

Happy Chandler was often fond of saying that he came a long way for a boy from the country who was dropping tobacco plants for 25 cents an hour. Yes, Happy, you did come a long way, and we are all better for having the distinct pleasure of having known you and having you touch our lives.

A TRIBUTE TO JAMES A. PARSONS

Mr. BURNS. Mr. President, as we complete debate on Federal highway legislation I want to add a personal note, that of the tragic death of one of my staff, Mr. James Parsons who was struck and killed by a hit-and-run motorist last Friday evening. He will be buried this coming Saturday.

Although what happened is a terrible tragedy and we will all miss James, my staff and I don't want to mourn his passing as much as we would like to celebrate his being here with us for at least a short time. James was only 24 years old when he died but he had already accomplished a great deal in that short time.

My association with James began on day one when he began the task of putting together a computer system for my office here in Washington and in our field offices in Montana. That system became a model for the U.S. Senate. We had faith in James because he was the kind of "can do" person that the Senate can't do without.

James had just completed his first year of law school at George Mason University where he studied at night. His goal was to be a lawyer and perhaps even a judge. I don't doubt that he

would have achieved that goal or any other that he set out to achieve.

In Montana, we have an expression that we use when we agree to do something. In a State where a handshake is an agreement, the words "you bet" are its signature. To James the words "you bet" meant that he would deliver. He never failed me or the others around him. He delivered.

Will he be missed? You bet he will.

ADAMHA REORGANIZATION ACT

Mr. KENNEDY. Mr. President, yesterday Senator HATCH and I introduced S. 1306, the ADAMHA Reorganization Act of 1991. I ask unanimous consent that a section-by-section analysis of the bill be printed in the RECORD at this point.

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

SECTION-BY-SECTION ANALYSIS OF S. 1306—THE ADAMHA REORGANIZATION ACT OF 1991

TITLE I

Title I reorganizes the Alcohol, Drug Abuse and Mental Health Administration (ADAMHA) by separating the research and service-related functions of the agency. The reorganization is accomplished by transferring the three ADAMHA research institutes—the National Institute on Alcohol Abuse and Alcoholism (NIAAA), the National Institute on Drug Abuse (NIDA) and the National Institute of Mental Health (NIMH)—to the National Institutes of Health (NIH). ADAMHA is then reconstituted as ADAMHSA, the Alcohol, Drug, Abuse and Mental Health Services Administration.

Subtitle A. Restructuring

Section 101. Restructuring:

This section restructures ADAMHA as ADAMHSA. Obsolete portions of Title V of the Public Health Services Act are deleted and replaced by provisions authorizing ADAMHSA. This section-by-section analysis will briefly describe each of the newly created sections of Title V.

"Subpart 1":

"Sec. 501" establishes the Services Administration and sets forth the duties of the Adminstrator, a Presidential appointee. There are to be Associate Administrators for Mental Health and Substance Abuse, respectively. The Administrator shall have authority to create agencies within the Administration, including an Office for Substance Abuse Prevention, and Office for Treatment Improvement, and an Office for Mental Health Services.

"Sec. 502" describes the activities of the Administrator that will support the provision of treatment and prevention services. The Administrator will collaborate with the Directors of the research institutes on matters of mutual concern. The Administrator will carry out all grant programs that support treatment and prevention services, including the block grant.

"Subpart 2" authorizes or reauthorizes a series of treatment and prevention programs:

"Sec. 505" reauthorizes the High Risk Youth Grant Program.

"Sec. 506" reauthorizes and improves the ancillary services of the Maternal Substance Abuse Grant Program.

"Sec. 507" reauthorizes and improves a program for Grants of National Significance.

"Sec. 508" authorizes a grant program for substance abuse treatment in criminal justice systems.

"Sec. 509" authorizes a program of treatment and prevention training grants.

"Sec. 510" authorizes the Substance Abuse Treatment Capacity Expansion Program.

"Sec. 511" authorizes AIDS outreach grants and grants for homeless individuals.

"Sec. 512" reauthorizes the Community Partnership Grant Program.

"Sec. 513" reauthorizes demonstration projects for support of community mental health services.

"Subpart 3" addresses administrative matters relevant to the Services Administration.

"Sec. 515" requires the appointment of one or more advisory councils for the Services Administration.

"Sec. 516" provides for peer review of services grants.

"Sec. 517" requires that applications for grants be made in a form prescribed by the Secretary and contain assurances of compliance satisfactory to the Secretary.

"Sec. 518" requires the Administrator to establish procedures for misconduct with respect to the funds expended by the Administration.

"Sec. 519" authorizes the Administrator to obtain the services of up to twenty experts or consultants in accordance with current law.

"Sec. 520" establishes an Office for Special Populations within the Administration to address the needs of women, minorities and the elderly with respect to treatment and prevention services.

Section 102: National Institutes.

This section establishes the three research institutes (NIAAA, NIDA and NIMH) within the National Institutes of Health. The section creates a new subpart IV in title IV of the Public Health Services Act.

"Chapter 1":

"Sec. 486A" establishes the National Institute on Alcohol Abuse and Alcoholism.

"Sec. 486B" establishes the National Institute on Drug Abuse.

"Sec. 486C" establishes the National Institute of Mental Health.

"Chapter 2";

"Sec. 486H" sets forth the research mission of the three institutes and describes the means by which research may be carried out, including the establishment of intramural programs.

"Sec. 486I" establishes National Mental Health and Substance Abuse Education Programs, to be carried out by the institutes, for the dissemination of research findings on these subjects.

"Sec. 486J" authorizes the establishment of National Substance Abuse Research Centers.

"Sec. 486K" establishes a Medications Development Program within NIDA to promote and encourage the development, approval and marketing of anti-addiction medications.

Subtitle B. Miscellaneous alcohol and drug abuse provisions

Section 111: Miscellaneous Provisions.

This section largely duplicates existing title V authority regarding miscellaneous substance abuse provisions. Certain provisions in current law apply identically to alcohol and drugs—these have been consolidated under the heading of substance abuse in the revised Title V.

"Sec. 541" authorizes the Secretary to provide technical assistance to state and local agencies with respect to the management of their treatment and prevention activities.

"Sec. 542" authorizes the Administrator to foster and encourage substance abuse treatment and prevention activities in government agencies and in private industry through the development of model programs and the dissemination of information. Subsection (b) of this section protects recovering substance abusers from employment discrimination, with certain enumerated exceptions.

"Sec. 543" protects substance abusers from discrimination in admission to hospitals and other facilities.

"Sec. 544" establishes the confidentiality of medical records regarding substance abuse. The circumstances under which confidentiality does not apply are set forth in subsection (b).

"Sec. 545" describes the duty of the Secretary to collect various data on substance abuse and mental health. The data that must be collected on mental health is set forth in subsection (b), and the data that must be collected on substance abuse is set forth in subsection (c). Some of the data collection activity to be undertaken pursuant to this section is properly within the realm of research and other activity is properly within the realm of services. Therefore, all of the data collection activity is assigned to the Secretary, who must act through the institute directors or the services administrator, as appropriate. Subsection (d) mandates certain studies pertaining to drug exposed infants.

"Sec. 546" authorizes the Secretary, acting through the Administrator to respond to public health emergencies with appropriate services. Parallel authority already exists in Title IV to enable the Secretary to respond to public health emergencies with appropriate research.

Subtitle C. Transfer provisions

This subtitle contains standard legislative language to address the practical and legal consequences of transferring the research institutes and reconstituting ADAMHA as ADAMHSA.

Section 121. Transfers. Services authority is transferred to the ADAMHSA Administrator, research authority is transferred to the three institute directors, and adequate personnel and resources during the transfer are required.

Section 122. Delegation and Assignment. Both the ADAMHSA Administrator and the institute directors are authorized to delegate authority as appropriate.

Section 123. Transfer and Allocation of Appropriations and Personnel. Appropriations and personnel utilized for research are transferred to NIH with the research institutes, and appropriations and personnel utilized for services are transferred to ADAMHSA.

Section 124. Incidental Transfers. The Secretary is authorized to make determinations and incidental transfers with respect to personnel, appropriations, etc.

Section 125. Effect on Personnel. Employees of ADAMHA are afforded specified protections from adverse consequences as a result of reorganization.

Section 126. Savings Provision. The status of previous ADAMHA determinations (*e.g.*, rules and regulations) and pending legal proceedings are set forth in this section.

Section 127. Separability. Invalid provisions of this subtitle do not invalidate the Act.

Section 128. Transition. The ADAMHSA Administrator and the institute directors are authorized to use HHS personnel to effect the reorganization.

Section 129. References. References to ADAMHA in law are deemed to apply to ADAMHSA.

Subtitle D. Conforming Amendments

Subtitle E. Miscellaneous Provisions

Section 141. Alternative Sources of Funding for Certain Grantees. The Secretary is required to make diligent efforts to find alternative sources of funding for programs receiving funding under the current Community Youth Program, which is not reauthorized. One possible source of funds is the High Risk Youth Grant Program.

Section 142. Peer Review. The same peer review systems, advisory councils and scientific advisory committees utilized by the three ADAMHA institutes are to be utilized by them after the transfer to NIH.

TITLE II

Title II reauthorizes and improves the Alcohol, Drug Abuse and Mental Health Services Block Grant Program. The block grant will be administered by the new Services Administration.

Section 201. Authorization of Appropriations. The block grant is authorized at $1.5 billion in FY92 and such sums for two fiscal years thereafter. Not more than 5% may be used by ADAMHSA for technical assistance, monitoring, evaluation and the state treatment plan requirement.

Section 202. Revision of Block Grant Formula. The formula by which block grant funds are apportioned among the states is revised in five signficant respects. The new formula:

(1) eliminates the urban weight component of the current formula but double-counts each state's population of urban 18–24 year olds to reflect the fact that drug abuse within this age group is twice as prevalent in urban areas;

(2) inserts in the formula a "cost of services" index, constrained to within 10% of the national average, that reflects the higher cost of providing services in urban areas;

(3) provides a small state minimum under which states that received $7 million or less in FY89 will receive no less than a percent increase equal to 25% of the cumulative percentage increase in the total block grant allocation since FY89;

(4) ensures that no state loses money between FY91 and FY92, and ensures that after FY92, no state may lose more than 5% of their block grant allocation in a single year;

(5) provides that no state may gain more than $20 million in a single year unless the total block grant appropriation increases by more than $200 million.

A chart at the end of this section-by-section analysis sets forth the impact of the new formula on each state, assuming funding increases.

Section 203. Use of Unobligated Funds by States. States are permitted to use unobligated funds in a subsequent fiscal year, if the funds were obligated but rendered unobligated due to the state's diligence in carrying out the purposes of the block grant program. Under current law, all unobligated funds revert to the U.S. Treasury.

Section 204. Revision of Intravenous Drug Set-Aside. The Secretary is required to grant a waiver from the 50% IV drug user set-aside if he makes a finding that the incidence of IV drug use in the state does not warrant the level of funding that would result from a 50% set-aside. Under current law, the Secretary "may" grant a waiver after making such a finding.

Section 205. Use of allotments. This section makes several changes in the provision describing the permissive use of block grant funds. The term "chronically mentally ill" is replaced by the current usage, "seriously mentally ill." The authority of states to use block grant funds for treating mentally ill individuals and substance abusers in correctional facilities is made explicit. The authority of states to use block grant funds for renovation of facilities, including the removal of hazardous conditions and providing for access to disabled persons, is broadened. The prohibition on programs is conformed to the prohibitions placed on funds expended under the Health Omnibus Programs Extension of 1988. Administrative expenses, except for training, are capped at 5%. Discrimination against the dually diagnosed (mentally ill substance abusers) is prohibited.

Section 206. Maintenance of Effort. States are required to maintain their own expenditures for substance abuse and mental health programs. Current law does not require that each component of ADMS expenditures be maintained.

Section 207. Requirement of Statewide Substance Abuse Prevention and Treatment Plans. To receive its block grant allotment, each state will be required to submit a statewide plan for expending the allotment. The required contents of the plan are set forth in detail.

TITLE III

Title III requires certain studies (and includes one Sense of Congress provision) relevant to various aspects of the Act. Sections 301 to 304 are part of the Biden/Kennedy Pharmacotherapy Development Act—Section 486K of the Public Health Services Act (as created within section 102 of this bill) authorizes a medications development program at NIDA, and the first four provisions of this title are related to that initiative.

Section 301. Study on Private Sector Development of Pharmacotherapeutics. Within one year, NIDA shall prepare a report on the role of the private sector in the development of anti-addiction medications.

Section 302. Study on Medications Review Process Reform. Within one year, the Food and Drug Administration, in consultation with NIDA, shall prepare a report on the process by which anti-addiction medications receive marketing approval from the FDA.

Section 303. Sense of Congress. This section sets forth the Sense of Congress with respect to the priorities of the Medications Development Division.

Section 304. Report by the Institute of Medicine. By January 1, 1993, the Institute of Medicine shall prepare a report on the nation's progress toward the development of safe, efficacious pharmacological treatments for addiction.

Section 305. Definition of Serious Mental Illness. Within one year, the Secretary shall develop a recommendation to Congress on a uniform definition of serious mental illness.

Section 306. Provision of Mental Health Services to Individuals in Correctional Facilities. Within one year, the ADAMHSA Administrator, acting jointly with the Director of NIMH, shall prepare a report on effective methods of and obstacles to providing mental health services to individuals in correctional facilities.

TABLE 1.—ADMS ALLOTMENTS: FISCAL YEARS 1988–91, S. 1306; FISCAL YEARS 1992–93, PROJECTED FUNDING INCREASED

State	Fiscal year—				S. 1306, fiscal year 1992	S. 1306, fiscal year 1993
	1988	1989	1990	1991		
Alabama	11,491,000	12,953,000	18,006,000	18,732,000	18,732,000	20,310,050
Alaska	2,604,000	2,734,000	2,734,000	2,734,000	3,211,737	3,296,582
Arizona	11,232,000	12,497,000	17,519,000	18,002,000	18,741,696	−20,817,227
Arkansas	7,746,000	7,000,000	8,380,000	8,417,000	9,282,042	10,309,973
California	64,804,000	87,351,000	140,169,000	151,410,000	171,410,000	191,410,000
Colorado	9,582,000	11,165,000	16,414,000	17,518,000	19,268,963	21,402,886
Connecticut	9,039,000	10,941,000	16,027,000	16,576,000	16,576,000	17,230,035
Delaware	1,859,000	2,125,000	3,073,000	3,213,000	3,420,673	3,799,492
District of Columbia	3,146,000	3,444,000	4,770,000	4,896,000	4,896,000	4,651,200
Florida	30,795,000	39,620,000	59,657,000	63,093,000	63,093,000	60,155,883
Georgia	15,113,000	15,837,000	23,701,000	24,845,000	27,792,521	30,870,378
Hawaii	3,408,000	4,095,000	5,827,000	6,078,000	6,813,226	7,567,750
Idaho	2,270,000	2,383,000	2,600,000	2,775,000	4,173,010	4,635,146
Illinois	25,806,000	35,699,000	57,509,000	62,486,000	66,725,816	74,115,303
Indiana	22,821,000	22,522,000	28,240,000	28,563,000	28,563,000	27,381,065
Iowa	4,319,000	4,809,000	7,804,000	8,633,000	10,931,179	12,141,742
Kansas	5,279,000	5,543,000	7,573,000	8,085,000	9,375,283	10,413,540
Kentucky	6,589,000	7,296,000	11,624,000	12,666,000	15,878,694	17,637,165
Louisiana	8,249,000	10,191,000	16,486,000	18,622,000	21,248,319	23,601,443
Maine	4,432,000	4,654,000	4,654,000	4,654,000	5,467,237	5,611,665
Maryland	8,081,000	12,085,000	21,314,000	23,275,000	25,637,467	28,476,664
Massachusetts	22,703,000	25,271,000	35,091,000	36,009,000	36,009,000	36,665,171
Michigan	21,342,000	27,271,000	43,130,000	46,271,000	49,686,041	55,188,474
Minnesota	7,493,000	9,134,000	15,173,000	16,590,000	20,051,488	22,272,071
Mississippi	6,527,000	6,853,000	7,972,000	8,326,000	10,840,574	12,041,103
Missouri	12,563,000	14,318,000	21,448,000	22,790,000	22,790,000	24,847,870
Montana	2,823,000	2,964,000	2,964,000	2,964,000	3,481,928	3,770,466
Nebraska	3,761,000	3,949,000	5,431,000	5,854,000	6,357,360	7,061,400
Nevada	3,584,000	3,890,000	5,404,000	5,656,000	6,979,919	7,752,903
New Hampshire	4,407,000	4,627,000	4,627,000	4,627,000	5,435,519	5,579,109
New Jersey	25,171,000	31,449,000	45,540,000	47,170,000	47,170,000	45,500,560
New Mexico	6,129,000	6,435,000	6,551,000	6,673,000	7,000,000	7,728,847
New York	54,627,000	65,794,000	98,111,000	103,643,000	103,643,000	107,217,707

TABLE 1.—ADMS ALLOTMENTS: FISCAL YEARS 1988–91, S. 1306; FISCAL YEARS 1992–93, PROJECTED FUNDING INCREASED—Continued.

State	Fiscal year—				S. 1306, fiscal year 1992	S. 1306, fiscal year 1993
	1988	1989	1990	1991		
North Carolina	14,200,000	14,476,000	21,069,000	22,084,000	28,312,985	31,448,479
North Dakota	1,552,000	1,630,000	1,855,000	1,992,000	2,631,322	2,922,726
Ohio	29,904,000	36,561,000	53,413,000	56,647,000	56,647,000	56,318,550
Oklahoma	9,562,000	9,808,000	12,843,000	13,620,000	13,635,671	15,145,740
Oregon	7,881,000	8,111,000	11,818,000	12,584,000	15,216,472	16,901,606
Pennsylvania	32,746,000	39,746,000	58,481,000	61,799,000	61,799,000	64,570,560
Rhode Island	5,195,000	5,503,000	7,222,000	7,336,000	7,336,000	6,969,200
South Carolina	8,891,000	8,909,000	12,949,000	13,635,000	16,322,572	18,130,200
South Dakota	3,580,000	3,759,000	3,759,000	3,759,000	4,415,845	4,532,498
Tennessee	10,357,000	12,098,000	18,754,000	19,986,000	21,615,095	24,008,838
Texas	30,474,000	40,166,000	65,697,000	73,454,000	80,803,246	89,751,724
Utah	4,898,000	5,686,000	8,502,000	9,083,000	9,233,596	10,256,162
Vermont	3,731,000	3,918,000	3,918,000	3,918,000	4,602,629	4,724,216
Virginia	12,047,000	14,757,000	23,935,000	25,551,000	27,177,844	30,187,629
Washington	12,175,000	14,549,000	21,835,000	23,309,000	28,578,818	31,743,751
West Virginia	5,367,000	5,635,000	5,900,000	6,084,000	8,305,603	9,225,399
Wisconsin	8,462,000	10,338,000	17,451,000	19,186,000	21,139,124	23,480,157
Wyoming	1,224,000	1,285,000	1,285,000	1,285,000	2,277,436	2,529,649
State total	632,041,000	753,834,000	1,116,209,000	1,187,158,000	1,280,732,952	1,374,307,953

Mr. HATCH. Mr. President, yesterday, I was pleased to join with my colleague, Senator KENNEDY, as an original cosponsor of S. 1306, the Alcohol, Drug Abuse and Mental Health Administration Reorganization Act of 1991. I want to commend Senator KENNEDY for his willingness to work with me in developing a bipartisan bill that effectively reauthorizes many of the programs administered by ADAMHA.

Through combined education, interdiction, and treatment efforts by all levels of the public and private sector, we have seen some successes in the war on drugs. Recent studies by the National Institute on Drug Abuse [NIDA] have shown that casual use of all drugs declined last year among every age group. But, a significant proportion of our population is using illicit drugs and alcohol to excess. In fact, although casual use is declining, there is a more intense use of hard-core drugs by those who are addicted. For example, in 1988, an estimated 862,000 used cocaine once a week or more, compared with 647,000 in 1985. And, there are some reports that this number is grossly underestimated.

These statistics show that there is a need to focus more of our efforts on treatment services that are the only hope for heavy users to break these self-destructive behaviors. I am pleased that the legislation being introduced today will go a long way in ensuring improved research and better service delivery.

This legislation addresses a concern that many have had over the separation of the substance abuse and mental health programs from the mainstream health care system. As part of the reauthorization, we are proposing that the three research institutes currently at ADAMHA be transferred to the National Institutes of Health [NIH]. This includes the National Institute for Alcohol Abuse and Alcoholism [NIAAA], the National Institute for Drug Abuse [NIDA], and the National Institute for Mental Health [NIMH]. These institutes will remain intact and separate. They will keep the same authorities, and the existing peer review processes will remain the same.

ADAMHA will then become ADAMHSA, the Alcohol, Drug Abuse, and Mental Health Services Administration. The substance abuse service programs not moving to NIH will be the Office of Substance Abuse Prevention [OSAP] and the Office of Treatment Improvement [OTI]. A new Office of Mental Health Services will be created.

I am very excited about this change which will allow for enhancement of research capabilities as well as strengthened prevention and treatment services. It is crucial that substance abuse and mental health disorders be no longer separated from the mainstream health care system.

Other highlights of this legislation include improvements in the Alcohol, Drug Abuse, and Mental Health Services [ADMS] block grant. The integrity of the block grant will be maintained by the limited number of new categorical programs. And, I am pleased that under the new proposed block grant formula, Utah will be getting an increase of $200,000 if an additional $100 million is appropriated.

Also, included is a provision to require that States develop, submit, and implement a State treatment action plan that will show where they intend to focus their efforts. States must be held accountable for the hundreds of millions of dollars of Federal funds they receive for treatment services. This will ensure that Federal funds are being used to address national priorities such as treatment for adolescents, women, pregnant addicts, and drug users at risk of or suffering from HIV/AIDS.

This bill also includes recommendations made by President Bush and the Office of Drug Control Policy. Under their leadership, we have provided for drug treatment capacity expansion programs and maintenance of effort in the ADMS block grant by each State.

Mr. President, I urge all of my colleagues to support this important legislation. Senator KENNEDY and I have worked hard to develop a bill that best reflects the current thinking on the needs of those who are suffering from these serious addictions and mental health disorders. I urge you to support it.

TRIBUTE TO ROD DEARMENT

Mr. DURENBERGER. Mr. President, today marks the end of a chapter in the professional life of my friend Rod DeArment. He is stepping down from his position at the Labor Department, and he will be missed.

I toiled in the vineyard with Rod when he served as staff director of the Senate Finance Committee. He also served, well, Senator ROBERT DOLE as his chief of staff. He worked with Labor Secretaries Elizabeth Hanford Dole and Lynn Martin as the Deputy Secretary of Labor at a time when the Department was stepping up enforcement efforts of the Occupational Safety and Health Administration and of child labor laws.

Most recently, Rod's work involved him in the administration's efforts to gain "fast-track" status for the proposed North American Free Trade Agreement. He also had an interest in pension issues. Rod took the time to develop fellowship with others in the Department and to impress all with his very special spirit.

Rod DeArment is a young, talented man. After a short break, he will go on to practice law again. Or, he will return to public service. Whatever he decides to do, Rod will be successful, I am sure. I wish him Godspeed.

BALTIC FREEDOM DAY

Mr. D'AMATO. Mr. President, I rise today to pay tribute to the Baltic people in their quest for sovereignty from the Soviet Union. June 14, 1991, was the 15th anniversary of the first Baltic Freedom Day which commemorates the first Soviet deportation of Baltic citizens to Siberia. On the night of June 14, 1941, 60,000 Baltic citizens were deported from Lithuania, Latvia, and Estonia. This date has become a call for unity in the Baltics.

In recent months, Soviet crackdowns in the Baltics have taken lives and property and have dimmed hopes for the liberty that the citizens deserve. President Bush's proposed $1.5 billion in credit guarantees to the Soviet Union should be contingent on the granting of rights to the people of the Baltics. I would like to mark this anniversary of Baltic Freedom Day by calling for renewed support for the Baltic people and their calls for independence.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER (Mr. BURDICK). Morning business is now closed.

SURFACE TRANSPORTATION EFFICIENCY ACT

The PRESIDING OFFICER. The clerk will report the pending business.

The assistant legislative clerk read as follows:

A bill (S. 1204) to amend title 23, United States Code, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

(1) Byrd amendment No. 295, to allot bonus apportionments based on the level of effort shown by each State.

(2) Byrd further modified amendment No. 296 (to amendment No. 295), of a perfecting nature.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. I rise with the large optimism that is perhaps warranted by the lovely prayer we had this morning from Brother Boniface McLain of the Conception Abbey in Missouri, to say that this day gives every prospect of seeing the conclusion of our labors on the Surface Transportation Efficiency Act of 1991.

The Senator from Idaho, my able and learned comanager and I, have been on the floor almost 2 weeks. We have had a lively discussion of the bill itself, which we think to be of large importance. It is the bill we said 4½ years ago would be coming, the first bill of the postinterstate era, an era that lasted from 1944 really to about 1994, literally, when we will have the last bit of pavement laid—a half century. It is a long era in the history of the world and it is a quarter of our history.

In the course of that time, a theme of our measure, Mr. President, a theme well-known to our revered chairman, who happens to be presiding, is that while we achieved a magnificent engineering feat in creating that transcontinental system, we spent much of the money disastrously. President Eisenhower very personally wanted to see this system built after his experience in an Army exercise in 1919, in which the problem was to assume the railroads had been destroyed by enemy action or sabotage, move a convoy of trucks from Fort Meade in Maryland to San Francisco. The trip took so long that Lieutenant Colonel Eisenhower reverted to his peacetime rank of captain before he reached the coast. He found that you could make 7 miles an hour and that was it, and that was not going to do. And under President Eisenhower, the Interstate System—it had been first proposed by President Roosevelt—became the National System of Interstate and Defense Highways. That defense priority warranted expenditures that would not necessarily be cost-effective just as transportation.

In any event we did it, and we spent most of the money in our cities. Not all of it was spent well; in fact, most of it was spent disastrously. As the Senator from Connecticut remarked in last week's debate, in the course of it we began to show some of the signs of a public sector that is working at minimal efficiency. Public sector goods are typically seen as free goods. Unless it is high levels of morale and supervision and interaction with the public—the way school boards, for example, provide schools—ideas of cost effectiveness and productivity begin to seep out of the system and you begin to have a disorder which I have described as public sector disease.

Public sector disease is a fairly widespread phenomenon. You cannot find any country in the world that does not have it somewhere. Where the economy is entirely in the public sector, you get Albania or the Soviet Union.

There are a number of features of public sector disease which we have never talked about systematically in the Senate, as far as I am aware. We are trying to do it for the first time here. We have been talking about it for 10 days. I have never seen the term in print yet, but we did get it on the MacNeil/Lehrer television show twice, so it may be out into the public. It will take about 10 years for an idea of this kind to make its way out. Ten years is not long. We have been around a long time. We will be here 10 years—not us individually perhaps, but the Senate will be. The specie aeternitas it is described in theology, but little less than eternity, let us hope.

The first characteristic of public sector disease is best shown by analogy: bronze disease. One of the symptoms that a diagnostician would look for first is a disastrous plunge in productivity. That is what functioning economies must find, growth in productivity.

The first thing we found when we asked our Chairman of the Council of Economic Advisers—our very distinguished and learned friend, Dr. Michael Boskin—about what is happening to productivity in transportation, he reported to us that "output per hour in the transportation sector broadly defined, rose by only 0.2 percent annually from 1979 to 1988." Mr. President, that means there has been no productivity. It takes 350 years for 0.2 percent to double itself. That is a medieval rate of growth, a rate of growth of the European economy say from the year 1000 to 1350. Productivity disappeared.

A second thing we encounter is huge disparities between demand for the free goods and supply. As far back as 1981, Professors Meyer and Gomez Ibancz observed that the Interstate Highway Program and the Urban Mass Transit Act of 1964 were supposed to end congestion. Yet there seems to be more congestion.

Indeed, a nice description was given us by Prof. Steven A. Morrison of Northeastern University, who said our highway congestion has the same basic cause, although a more ready solution, as the long lines in front of butcher shops we see in news reports from the Soviet Union. "Both reflect shortages induced by prices set too low." Low prices, meaning no supply comes to market and the great demand means you wait 3 hours to get into a sausage shop and there is no sausage when you get there.

A third symptom of public sector disease is the seeming inefficiency of vast public enterprise investment. Over and over we have heard on this floor about our crumbling infrastructure, a description of interstate routes that are rutted, ribboned. This system has a median age of 18 years. If it is crumbling already, it is because the people who built it did not have the necessary incentive to produce a product that would last. That is a disease. It is a disorder.

Finally, Mr. President, a further indicator of public sector disease is even the public sector entity responsible for the activity does not know the prices it is ignoring.

Hence the endless tables running around here of what is going on. Nobody downtown knows. The main function of the Department of Transportation—this would be predicted, I can say to you, sir—is to prevent entry of new modes of production into the existing system.

That is characteristic of the monopoly instincts of the public sector. We have heard that debate here. We are trying to break out of it with high-speed rail or mag-lev.

I see my friend from Rhode Island wants to speak. I want to therefore yield immediately.

But I want to make one point. The supply siders came to this floor and talked theory all the time. People thought it was fine. So I am going to do the same.

As a level of theory, you would have predicted that the creation of the Department of Transportation would put an end to all innovation in transportation technology. I would say that is exactly what happened.

Twenty-five years ago we created the Department of Transportation, and it

has not permitted a new mode of transportation to enter our system since. That would be the characteristic activity of a situation where you have a large public sector that has begun to decline, and arrangements are made not to hide the decline, but to continue it.

Mr. President, that is enough for openers. It is going to be a good day. Before it is over we are going to have a bill, and none would be more responsible than the ranking member of our committee, the distinguished former Secretary of the Navy, former Governor of the State of Rhode Island, a man who has handled all of these things in his time, the very able and learned Senator from Rhode Island.

Mr. CHAFEE addressed the Chair.

The PRESIDING OFFICER (Mr. KERREY). The Senator from Rhode Island is recognized.

Mr. CHAFEE. Mr. President, first of all I want to thank the distinguished senior Senator from New York for those kind comments. As always, I want to pay tribute to him as the principal author, the guiding light, in connection with this surface transportation bill that is before us today.

Senator MOYNIHAN has done yeoman work. He has kept his eye on his objectives. This bill is an extraordinary achievement. It in essence really changes the course of direction that we have had on surface transportation from prior years.

This legislation says that the money does not all have to be spent on highways, that it can be spent on other methods of transportation. Indeed, up to half of the money can be spent in this discretionary fashion as the States so decide, whether it is for highways, whether it is for buses, or mass transit forms, subways, whatever it might be. That is really a very, very unique approach, something that we have been working for, for many years.

It is Senator MOYNIHAN that truly brought it to fruition, operating and working in conjunction with our distinguished chairman, Senator BURDICK, and, of course, Senator BAUCUS and myself have been there. But the laboring law and most credit has to go to the senior Senator from New York. I am very, very grateful to the leadership that he has given.

Mr. President, I would like to say that this is a very good bill. Some have quarreled over the spending. Well, just look. Let us look at the total bill. It provides, authorizes spending in excess of $110 billion over the next 5 years. This compares with the spending over the previous 5 years of $85 billion. So what we have here is a 30-percent increase Mr. President. Except for Head Start I do not know if there is a single program that we have dealt with in this legislature, in this Congress, in this Senate, that has seen the type of increase such as we have in this program of a 30-percent increase over prior years.

The current amendment before us, the amendment from the distinguished senior Senator, and our former leader, and the chairman of the Appropriations Committee, is the so-called Byrd amendment. This amendment would propose spending another $8.2 billion in the transportation program, raising the total to nearly $120 billion over the next 5 years. This would be more than a 40-percent increase over what we have had in the previous 5 years.

This money is labeled as "found money." It has been discovered. So now it can be spent, $8.2 billion in budget authority that conforms to the budget agreement within which we are operating. But the only thing it seems to me, Mr. President, that is that has been found is budget authority. The bill we have before us does not deal with outlays. This means that if and when this $8.2 billion is actually spent the additional outlays will have to also be found.

There are only two places to find it. First, the deficit that we are operating under can be increased. Now currently we are running a deficit in this country of $200 billion. There is not a Senator on the floor of this Senate that has not decried the size of these deficits—I, for one, and I am confident others likewise. That is one thing we can do—increase the deficit.

Another approach is to cut other programs to offset an increase in spending. In fiscal year 1993, the first year that this amendment would be applicable, the programs that would have to be cut in order to pay for this amendment would be those that fall under the so-called domestic discretionary cap. These might include health care, education, nutrition, housing, or environmental protection. In the following fiscal years after 1993, in other words starting with 1994 and beyond, all Federal programs would be vulnerable to cuts in order to pay for this spending. These include defense and foreign aid.

Mr. President, the question before the House it seems to me, this has not been touched on, everybody is delighted to have the increased amount of money available. But it seems to me the question before the House is do we really want to set up this competition between programs? Without the amendment we get a 30-percent increase in what we have for our highways. Do we really need an additional $8 billion that will have to come out of any number of areas that we call priority?

Some argue that the highway program is supported by user fees and that all the money collected from these fees should be spent on highway and mass transit projects. Since there is a balance in the highway trust fund, there is a perception out there that this balance is being hoarded to make the deficits that our country runs look smaller. In fact, the deficits are figured in the difference between receipts, money that comes in, and outlays, money that is spent.

Highway outlays exceeded highway user revenue. In other words, the amount we are spending from the trust fund exceeds the amount that has been brought into it, in almost every year in the past decade. These are expected to continue over the period 1990 to 1995.

What does all of this do? The net effect is to increase the deficit. In other words, Mr. President, we are spending more from the trust fund than we are taking in. So spending more of the balance in the trust fund would mean spending more from the fund than it receives in revenues, thus the budget deficit would increase by the amount of the additional outlays. I think everybody can understand that. That is not too complicated.

Mr. President, I think our attention should focus on the relative merits and funding levels of transportation. Do we want transportation, or do we want other spending programs? I think that is what we ought to consider. I do not think we ought to concentrate on the unspent balance in the trust fund.

Decisions on the benefits of transportation spending as with other Federal spending should be made on the basis of benefits to be gained from this spending.

Many feel that spending it on the highways is improving the infrastructure of the country, and is making us more competitive. It is a good way of spending this money. But I think we ought to weigh that against spending it on highways, or the negative effects of not spending it somewhere else as is going to arise in future years.

Let us just look at what $8.2 billion does. Divide $8.2 billion by the number of representative districts in the Nation, in my State there are two representative districts—New York, obviously far more, West Virginia, more, Nebraska, more. But you divide it by the 435, and it comes out to $18,850,000 in every representative district in the country. That is what $8.2 billion does.

If you divide the number of representative districts that we have, 435, into the $8.2 billion, it means that in every single representative district in the country, it amounts to $18,850,000. In every representative district in the country, that is, the States are now going to receive under the bill, as it came to the floor, 30 percent more for highways than they previously received. Do we want this additional money to go into highways, or are there other demands that should be met? Or should we just not spend it at all? That is a thought that ought to come before the House. What is wrong with saving some money once in a while?

Mr. President, in every study of competitiveness that has been made,

whether it is the Young report or any of the other reports, our competitive position, vis-a-vis Japan and the other nations, in the top three items, invariably, two of those mentioned are the following: The size of the deficit in the United States and, thus, the resulting high interest rates that we run. That is one point. The other point is, the lack of educational skills that our people have. Every competitiveness report that comes up stresses the need for improved education in our Nation. In my State, it is clear that we could spend $18,850,000 in each representative district, of which we have two; namely, $37 million, in improving our school buildings and all kinds of educational pursuits.

Sure, we would like it for highways. Sure, we get something increased out of the amendment. But, Mr. President, it seems to me that we have to weigh our priorities.

Mr. President, I also want to point out that coming down the pike are unexpected expenditures. What is on the front page of today's paper? The Secretary of the Treasury says he anticipates there will have to be a bailout, additional money put in what? The FDIC. We have all been down this track before. They start talking about a little money. How much was it for the S&L's? Just a little to start with. And on and on it has gone. So I suspect that it might well be with the FDIC bailout.

So there are other unknown expenditures that come down the pike, whether it is Desert Storm, or an unexpected hurricane, or whatever it might be, or these problems with our banks and S&L's.

So, Mr. President, I hope everybody will give very careful thought to the proposal that is before us that we are going to vote on, probably before noon today, within 1 hour 15 minutes. If not, it will certainly be after the senatorial luncheons that will take place.

Mr. President, I think that it is wonderful to have more money for highways, and I point out that this bill we have before us gives that money—30 percent more. Now this amendment will give us additional to that $8.2 billion. But it does not come from the sky. It will come out of other programs somewhere down the line. That is the question that has to be before us, Mr. President. I hope everybody will give that extremely careful consideration at the time that we vote on the amendment of the distinguished Senator from West Virginia.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

Mr. BYRD. Mr. President, the very distinguished Senator from Rhode Island has raised some important questions. He has said, essentially, that to spend money on highways may be taking it away from education or other more important programs.

I am not quoting him exactly. I hope I am not misrepresenting him or the thrust of the statement.

He also indicates that it might be better to just leave the money in the trust fund and let it go toward ameliorating the deficit. I would like to address my comments to these points, because they are floating around the Chamber and around the Halls, and as the distinguished Senator from New York, the very able Senator from New York—who, in my judgment, would have graced a Senate seat in any period of this Senate's history, and who would have been a credit to the Senate in any period of its history, including the First Congress. I have no problem in viewing him with Oliver Ellsworth, Maclay, Morris, and others. There and then I think he would have made a contribution.

I could see him even at the Constitutional Convention before that, or in the Continental Congress. I can see him in the Senate in 1820 when the compromise was reached, or in 1850, or in the Reconstruction Period. I think that he makes a major contribution to this Senate. I always enjoy listening to the senior Senator from New York speak. I always learn something.

He has referred to the numerous tables that are floating around the Hill. That is one of our problems. We have so many tables that we are all confused by the tables. Everybody calls downtown and gets the Federal Highway Administration to produce a table. We even produce tables ourselves. So as Irvin S. Cobb was reported to have said, "If I wanted to go crazy, I would do it in Washington, because it would not be noticed." In this city and this Chamber and the other Chamber and all over Washington, we are noted for things of that kind.

I intend to address my remarks to a broader perspective than just the points that have been raised by the distinguished Senator from Rhode Island. But suffice it to say this, on those points: "Thou shalt not muzzle the ox when he treadeth out the corn."

What I am saying is, with respect to leaving this money in the trust fund, we will be muzzling the ox when he treadeth out the corn. This money is to be spent on infrastructure—roads, and mass transit; that is why it is collected at the gas pump. That is why the money is collected. It is put into the Federal highway trust fund. It is not put into that trust fund for education, WIC, child nutrition, parks, or for U.S. forests. It is put into the Federal highway trust fund. It is not called the miscellaneous trust fund. It is called the highway trust fund. That is what it is there for—highways, bridges, mass transit.

So to leave it there, is to not use it, and is to muzzle the ox when he treadeth out the corn.

Infrastructure is the ox that treadeth out the corn. It enables this country to be more competitive, more productive. It strengthens the economy of the country.

With respect to other programs, such as education, I take no back seat to any Senator in recognizing the need to educate our citizenry.

Disraeli said "Upon the education of the people of this country the fate of this country depends." I say the same thing. The fate of our own country depends upon the education of our people.

Just throwing more money at education, however, is not going to educate our people, necessarily. But we do have to spend more money. There is not question about it.

Some other things I would advocate. But this is not the place for me to talk about them now. Nobody attaches a higher degree of importance to education than does this Senator from the mountain State of West Virginia.

But how are we going to find more dollars for education? If we let our infrastructure continue to unravel—and this is not to say the bill is not a good bill; this is not to say that it is deficient. It does go a long way.

I have only the highest admiration and the greatest respect for the very distinguished Senator from New York [Mr. MOYNIHAN] and the other members of that committee, and for their work done in producing this bill. If we do not build up the infrastructure of this country, we are not going to be able to compete in world markets. If we do not stimulate the economy, if we do not increase and accelerate our national growth, if we do not improve our Nation's productivity, then we are not going to be able to produce the money for the human needs of the country, for instance, the education of our young people.

Let us begin at the beginning. The Bible says "In the beginning." One cannot go any farther back than that. So, we begin at the beginning. Let us build the country.

Francis Bacon said there be three things which make a nation great and prosperous: a fertile soil, busy workshops, and easy conveyance for men and goods from place to place.

It will not do us very much good to have busy workshops if we cannot distribute the goods, the iron and the leather and the wood and the coal, once they are produced in those busy workplaces. It will not be long until those workshops will no longer be busy.

Distribution is one of our geographical problems, and roads are a major factor in distribution. Yes, we want to talk about priorities. I am for putting the money where our mouth is.

Mr. CHAFEE. I wonder if the distinguished Senator will yield for a question, because nobody knows more about the budgetary process than the distinguished senior Senator from West Virginia. And I have made a statement here which I believe is accurate, but I

would appreciate it if the Senator will be kind enough to respond to see if my thesis is right.

Mr. BYRD. I may be able. I will try. I am glad to yield for that purpose.

Mr. CHAFEE. OK. Here is the problem as I see it. Under the Senator's amendment, in the first fiscal year, 1993, which is the first year the amendment will be applicable, the program would have to be cut in order to pay for this program and those programs.

Under the budgetary system we now have set up, in order to pay for this program, the cuts would have to be made under the so-called domestic discretionary cap. In other words, to get his extra money for his first payment out under the Byrd amendment, you have to get the money from someplace that is under the cap. Therefore you have to look around amongst health care, education, nutrition, housing environment, and so forth. I am just talking 1993 now.

Now, that is the problem of the Senator's amendment as I see it. I will not get into the question of the increase in the deficit, but I will just stick to that one question. Then I would follow up with what happens in the following fiscal years. But I will just stick with that first point right now.

Mr. BYRD. The Senator is saying in order to pay for the results of this amendment in 1993, the money would have to come out of other programs?

Mr. CHAFEE. Because of the cap situation. Unless, of course, the cap is changed. But that is not proposed in the amendment.

Mr. BYRD. The Senator is inaccurate in this. The amendment is within the budget resolution that the Congress has already adopted. And, as a matter of fact, the amendment does not meet the full-blown resolution as it affects Federal highways and infrastructure.

The Appropriations Committee will set the obligation limits and, in my judgment, they will not come out of education or other important programs. As I have already said, the money is put into the highway trust fund, and that is what we are talking about. Senators have been saying why do you not spend the money in the highway trust fund? That is what we are doing in this amendment.

May I say to the distinguished Senator, as the chairman of the Appropriations Committee I have not been niggardly in my allocations for education. I am in my third year as chairman. The first year, for fiscal year 1990, the allocation for the Labor-HHS Appropriations Subcommittee was $3.4 billion. I said to the appropriations subcommittee chairman of Labor-HHS, "Here is your allocation, and it is $3.4 billion above the President's request." Then the next year, fiscal year 1991, I said, "Your allocation this year will be $4.184 billion over the President." For the allocations I have just made for fiscal year 1992 I said to that subcommittee chairman: "Your allocation this year will be $3.16 billion over the President's request."

If there is any subcommittee among the 13 that has really come out better on 602(b) allocations than any other subcommittee, it is the Labor-HHS Appropriations Subcommittee.

Of course, I cannot allocate as much as I would like. We do not have all the money we need. But I have been very conscious of the needs of that subcommittee because when I went to the summit I did not just talk about roads, mass transit, railways, waterways, airports; I also talked about the human side of the infrastructure, the education of our young people and health services, law enforcement, and the like.

And so, in making the allocations to the various appropriations subcommittees, I have been very cognizant and conscious of the needs of the Labor-HHS Appropriations Subcommittee. On my own subcommittee, Interior, I cut it this year by over $700 million, $705 million. Why? In order that that money might go for infrastructure, human and physical.

Mr. CHAFEE. Mr. President, could I just say one thing?

Mr. BYRD. Yes.

Mr. CHAFEE. Mr. President, I do not think anybody here has supported education more than the chairman of the Appropriations Committee, the distinguished senior Senator from West Virginia. I think he knows that I was not suggesting that education would necessarily have to suffer under the amendment.

My point—and I am not going to belabor it. I think I have raised my points in the course of the questions and discussion, and I did not even get into the years beyond 1993, the years 1994 and 1995.

I thank the Chair, and I thank the distinguished Senator from West Virginia.

Mr. BYRD. Mr. President, I thank the distinguished Senator. May I say that highways will compete with all other programs each year, and the priorities and levels of funding for all programs will be set each year based first on the 602(a) allocation, in the budget resolution, and secondly, the 602(b) allocations, which I am able to parcel out among the various subcommittees of the Appropriations Committee.

But this amendment does not take money away from education or WIC or child nutrition or research or anything else.

Mr. SYMMS. Will the chairman yield for a question?

Mr. BYRD. Yes.

(Mr. LIEBERMAN assumed the chair.)

Mr. SYMMS. Mr. President, the question I pose to the chairman is—and I might first say, Mr. President, that I rise as one from this side of the aisle in support of his amendment. I might also say that there are some Senators who are saying that this should have been done in the committee. But I think the chairman knows that it could not be done in the committee, because we did not have the ceiling when we passed the bill through the Environment Committee. We put in every dollar that the budget resolution would allow us. Since then, those numbers have changed, and I think the chairman knows that.

But my question is this: All parts of the highway bill come under the obligation ceiling except for emergency relief funds, for obvious reasons, which are what could happen if there is a tragedy or a flood or something. You never know how much that will be.

The minimum allocation, I am told by our economists on the Budget Committee, with respect to the 5-year period of the Byrd amendment and this highway bill, that whether or not the minimum allocation is under the obligation ceiling, it is rather insignificant.

But the question to the chairman is: Do you believe, in terms of good policy for the overall budget, it would be advisable for us to amend the minimum allocation funds to put them under the obligation ceiling on highways also for longer-term planning?

Mr. BYRD. Mr. President, in response to the distinguished Senator's question—and it is a legitimate question—I do not feel that I, as a Senator who is not a member of the authorizing committee, I do not feel that I should attempt to suggest to the authorizing committee the answer to that question.

My amendment does not go to the bill. It only goes to the $8.2 billion that are not utilized up to the full limit of the budget resolution's authorization. So I do not want to get into discussions about what ought to be done to the bill itself. I do not feel that I am competent to do that. I am not a member of the committee, and I have not made a study of that. So I beg the Senator not to feel that I do not want to answer this question.

Mr. SYMMS. I thank the Senator.

Mr. MOYNIHAN. Mr. President, does the Senator from West Virginia have the floor?

Mr. BYRD. Yes, I do have the floor. I would be glad to yield to the Senator.

Mr. MOYNIHAN. May I just make the point that the budget conference report which contains the higher highway numbers was adopted after the committee reported the surface transportation bill. We would not have been allowed under the rules to provide more than was then available.

We looked to the President pro tempore and the chairman of the Committee on Appropriations to respond to the fact that there was more money avail-

able after our bill came to the floor, and he is now doing that.

Would it be inappropriate for me to say: Why does not the rest of the Senate respond as well by voting? I would like to vote for the Senator's amendment. And I see this old marine saying "Semper Fi."

Mr. SYMMS. Vote.

Mr. BYRD. I am ready to vote. I think it is important. But, Mr. President, in the first place, we do not have an agreed-upon hour to vote. There is no way we can force a vote except on a motion to table at this point. There has been no cloture invoked.

I was somewhat stimulated by the remarks and the very appropriate questions raised by the distinguished Senator from Rhode Island. But right now, Senators are waiting on various tables. And the distinguished Senator from New York has already made a good point, that there are too many tables already. But we are still waiting on some more tables. I am not waiting on any tables as far as my amendment is concerned, and the modification thereof.

But I think we need to take a look at why we are here. Why are we even discussing this matter? Well, we are discussing it because it is an extremely important matter, and second because the Senate should focus on it by virtue of the bill that is presently before the Senate. But in discussing it, I think it is important to discuss how we got here, also. The American people are entitled to know why we are focusing on this important matter. And I am so bold as to venture to say that they are in accord with us.

We all speak of the American people, and each of us claims to know where the heart of the American people lies, and each of us claims also to be swimming in the same direction of the American people and singing out of the same hymn book. The American people are asking why are we not doing more about our highways.

Therefore, let me, in attempting to get away from the simple details for the moment, and tables—we are immersed in tables; the Senate is awash in tables. Everybody has a table. Some have more tables than others. But let us just for a moment look at the broad picture, and try to get an understanding in the context of the Nation and its future. I hope to be able to make a few comments in that regard.

I am a great believer in history, and even on a highway bill, it seems to me that to look at a bit of history might be a good thing.

Cicero, who was one of the great orators in the Roman senate, said that one ought to be acquainted with the history of past events. "To be ignorant of what occurred before you were born is to remain a child, for what is the worth of human life if it is not woven into the life of our ancestors by the records of history?"

Herodotus, who was a great Greek historian who lived circa 484 B.C. to 424 B.C., spoke of the rise of the Persian empire. And he said that Darius I paid great heed to the roads of the empire. Herodotus said that the road connecting Babylon with Carchemish, with a spur down to Nineveh, was extended westward and southward to Egypt and that the road between Nineveh and Ecbatana was rebuilt, as was the road connecting Ecbatana with Sardis, with a spur down to Susa. There was a road running from Sardis to Smyrna, and Babylon was connected with a highway to the heart of Media.

So, Darius, who acquired his throne—according to Herodotus—by the neigh of a horse, believed in extending, improving, and rebuilding the roads of the Persian empire.

The Cathaginians and the Egyptians and the Etruscans built roads. The Romans were the truly great roadbuilders. They knew the importance of laying a solid base, and they knew how to spread a pavement on that base, a pavement of flat stones. They also knew that a road needed a crown, that it must be higher in the middle so that the water would drain, and they knew that there needed to be ditches alongside to carry the waters away.

So they built their roads. Most Senators have probably been on the Appian Way. The Appian Way was begun in 312 B.C. by Appius Claudius Caecus, and it extended 350 miles from Rome to Brundisium, an Adriatic seaport in southeast Apulia. Many of the old Roman roads and bridges are still standing. We can cross bridges in Rome that have been there hundreds of years, a thousand years and more. The Romans knew how to build their roads.

The British knew the importance of roadbuilding because any government—such as the British, the Roman empire—the government knew the importance of extending these highways into the uttermost parts of the empire so that they could move their armies quickly. That is important to us, too: national security. If we do not have highways and roads over which the big trucks and buses can run, we will not be in a very good position to respond to a challenge to our national security.

The Romans knew that and the British knew that. That is why the British extended the roads into the remote parts of India. Roads have always been important.

Hannibal said: "I will find a way or make one" in considering the passage of the Alps.

The other day I spoke of Napoleon, who said, "There shall be no Alps." And he built his perfect roads, climbing by graded galleries the most dangerous precipices, until he had opened all of Italy to Paris, as much as any other French city.

But not only were the Romans and the Persians interested in roads, they were interested in bridges, Xerxes knew the importance of bridges when he threw pontoon bridges across the Hellespont when he sought to make war on the various Greek cities. He entered Athens and burned the houses and temples.

He had those two pontoon bridges. And when he fought the battle at Salamis in 480 B.C., he lost that battle and he scurried back to those pontoon bridges, wanting to get across before his armies should be outmaneuvered and blocked from returning home. His bridges were important.

Our early colonial ancestors also knew the importance of roads and bridges. In 1811, the Old Cumberland Road was begun, called the National Road. Settlers who were moving by the thousands to the West. The Northwest Territory did not have good links to the East until they built the National Road through the mountains, to Wheeling, WV, and on westward to Vandalia, IL, and later to St. Louis, and I believe it goes now to Salt Lake City. I am not absolutely positive.

There is a monument to Henry Clay, standing on the highway near Wheeling, WV, out of respect for his services in getting Congress to appropriate moneys for the National Road.

Clay was the prime builder of the Whig Party. The Whig Party lasted, probably, less than 30 years, and it is not very well remembered in American history. It was one of the most unlucky parties in American history. It was able, from time to time, to control one or both Houses of the Congress, but it was only able to elect two Presidents, William Henry Harrison and Zachary Taylor, and both of them died very early in their terms.

So the party that could boast the giants, Clay, Calhoun, and Webster, was not able to elect any one of them to the Presidency, even though each of them prodigiously tried to become President.

But Clay fostered the "American System." Clay's "American System" stood for protective tariffs, a national bank, and Federal support of internal improvements. That is what we are talking about here, internal improvement: highways, bridges, waterways, airports—they did not have airports then, but internal improvements today encompass all of these.

So Clay's "American System" promoted internal improvements. The Nation has built our bridges and our highways so that, today, if we fly over the country, we will find a network of concrete and asphalt ribbons going in every direction from coast to coast.

Isaiah said:

> Prepare ye the way of the Lord, make straight in the desert a highway for our God.
>
> Every valley shall be exalted, and every mountain and hill shall be made low: and the crooked shall be made straight, and the rough places plain:

And the glory of the Lord shall be revealed, and all flesh shall see it together * * *

We Americans made the rough places smooth. We filled in the valleys. We have lowered the mountains and the hills. We have spanned the mighty rivers. We have crossed the Alleghenies, the Great Plains, the Rockies, and extended our great highway system from the Atlantic to the Pacific and from the Canadian border to the gulf.

We have fulfilled that prophecy of Isaiah. Webster, in his second speech on the Foot resolution—the resolution that was introduced by Samuel Foot of Connecticut, had to do with limitation on the sale of western public lands, and Hayne of South Carolina used that resolution to get into his discussion of the nullification doctrine. If Senators think that Robert Byrd is making a long speech, Webster spoke for 2 days in his second speech on the Foot resolution in January 1830.

Webster said this: When the mariner has been tossed for many days in thick weather, and on an unknown sea, he naturally avails himself of the first pause in the storm, the earliest glance of the sun, to take his latitude, and ascertain how far the elements have driven him from his true course. Let us imitate this prudence and, before we float farther on the waves of this debate, refer to the point from which we departed, that we may at least be able to conjecture where we now are.

So, like Webster, I will now pick up at the point where we departed, and that point was the budget summit. We are here today discussing a matter that has its roots in the budget summit of last year. That is one way of looking at it. It has deeper roots than that, as a matter of fact, but it also has its roots in the budget summit.

There are those who may say, what does Robert Byrd have to do with the highway bill? Why is he involved in it? He is not on the committee, and I full well know that. So I come with some trepidation into this arena. But I do know the importance of infrastructure to this country, and I know the Government has been shortchanging the country on its infrastructure in recent years.

I know that between 1981 and 1990, the budget grew from $678 billion to $1.574 trillion. And I know that that whole budget, in increasing from $678 billion to $1.574 trillion, increased by $896 billion, while the domestic discretionary spending portion of that budget grew only from $157 billion to $199 billion. That is what we have to work with this year, $199 billion. Domestic discretionary grew only $42 billion while the entire budget increased by $896 billion.

In other words, domestic discretionary grew 26 percent while the full budget grew 132 percent. That is what we are talking about right now, domestic discretionary spending—investing in ourselves, not in Israel, not in Egypt, not in the Soviet Union, not in Central America, not in South America, but in the United States of America.

Clay said, "I know no North, no South, no East, no West." That is what we are talking about here. Not the infrastructure of West Virginia only, but of the Nation.

Oh, they say, he is trying to get eveything he can for West Virginia. I would not be worth my salt if I did not attempt to represent the people of West Virginia, but I am also thinking of the Nation. Think of it! Domestic discretionary spending pays for our highways, our waterways, our airports, our education, our research, our parks, our war on crime, our law enforcement agencies, and so on was cut from 23.1 percent in 1981 of the total budget to 12.6 percent today. That is what I am talking about.

They may call me provincial if they wish. I do not care. It does not make any difference. As I believe I said earlier, if I wanted to go crazy, I would do it in Washington because it would not be noticed.

That is what I am talking about: Our country! At the summit, I made this plea and I have never deviated one centimeter from it. Napoleon would shorten a straight line. I have kept the straight line. I have tried to live up to the budget agreement. But at that summit, I stood for infrastructure, I stood for infrastructure, and I stood for infrastructure; physical and human, not just bridges and highways but also building our human potential in this country. That is why I am involved here in offering this amendment. There are $8.2 billion which, as the distinguished Senator from New York [Mr. MOYNIHAN] has already explained and the reasons for it, have not been utilized here.

I am still listening to the echoes from the summit. And I say let us use that $8.2 billion on infrastructure. It does not break the budget agreement. It does not bust the budget. Oh, someone says, maybe we can spend it on something else, let us wait, let us wait and determine our priorities.

What is more important than building the infrastructure? As Francis Bacon said, there be three ways which make a country great and prosperous. That may be just a little off. But he did say the three ways were, "a fertile soil, busy workshops, and easy conveyance for men and goods from place to place." He was later impeached and sent to the Tower, but not for saying that.

I am saying, let us put the money where the priority ought to be. If we do not keep our forges and our mills and our factories running, we are not going to have busy workplaces, and without adequate infrastructure, their products cannot be transported. We have to provide infrastructure in order to increase the Nation's productivity. Any company that does not invest in plant and equipment will soon go under, because it will not be able to compete. Plant and equipment will erode and become timeworn and the company will be forced out of business.

I have already demonstrated, by the figures I have used, that our country's plant and equipment are eroding and we are not repairing it. That plant and equipment is the infrastructure of the country. That is why I am here today talking about using $8.2 billion more for infrastructure.

Mr. President, I want more money for education. I am going to do everything I can, within the 602(a) allocation, to find moneys for education, but we only have so much money to go around. We will not have the money if we do not strengthen this country's economy and if we do not make this country more competitive. We have already seen our trade balances stultified. If we do not build up the infrastructure of this country, we cannot stimulate the economy, we will not be able to increase productivity. Think of it! I am told by the Department of Transportation that we waste—these statistics are a year or two old so they are perhaps much more graphic now—waste 1.38 billion gallons of gasoline annually because of traffic congestion and traffic tie ups and we waste 1.25 billion hours because of those same traffic tie ups.

If gasoline were only $1 a gallon, that would be $1.38 billion wasted annually. We are also talking about hours away from the shop, hours away from the factory, hours away from the office, hours that could be utilized to increase the productivity of our workers. As we increase productivity, we make ourselves more competitive. We are able to lower the prices of our goods and compete with other nations. We are able to put money then into other programs like education. But if we choke off this kind of infrastructure, we are also going to choke off education—and much more.

It reminds me of the parable of the sower who went out to sow his seed. Some of it fell by the wayside where it was trodden down and the fowls of the air devoured it. Some of it fell on a rock. And as it sprang up, it withered because it lacked moisture. Some of it fell among thorns. And the thorns sprang up with it and choked it. Some of it fell on good ground, where it sprang up and bore fruit a hundredfold. Luke says a hundredfold. I believe Matthew says a hundredfold, and sixtyfold, and thirtyfold, or some such.

This is money that is spent on good ground. It is not being spent on a rock, not falling by the wayside. It is not falling among thorns. It is being spent on good ground—money for highways,

bridges, and to a certain extent mass transit.

That is the parable of the sower. That is the way I look at this money. Let us sow money where there is good ground, so it will bear fruit a hundredfold. It will put people to work in this country. I am told that $1 billion spent on construction results in 42,600 jobs, or something like it, spread across the entire sector during the first year.

We are talking about jobs for people who want to work. We are talking about making it possible to distribute the grain and the produce from the farms of this country to the seaports and the marketplaces; moving the products from the regions where they are produced to the regions where they will be consumed—build a greater country, prosperity, a better way of life. That is what is involved here.

This is just a little amount, $8.2 billion, compared with the amount provided in the entire bill. But I make my plea to the Senate to concentrate on this priority today so that we will have more money in the years to come to spend on the human needs of our people.

Perhaps Daniel Webster said it best in his oration delivered at the laying of the cornerstone of the Bunker Hill Monument in 1825 when he said, "Let us develop the resources of our land, call forth its powers, build up its institutions, promote all its great interests, and see whether we also, in our day and generation, may not perform something worthy to be remembered."

Mr. SYMMS addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. SYMMS. Mr. President, I would like to thank the distinguished President pro tempore for those remarks, and I hope that the Senate will soon be ready to vote on the Byrd amendment. And I hope the Senate will vote for the Byrd amendment.

Just to inform the distinguished Senator from New York of the situation on this side of the aisle, Senator DOMENICI would like to speak for a few moments, and for a few minutes on the amendment. Senator BOND wants to speak for a very short period of time on the amendment. Senator DOLE has asked for 10 minutes to speak on the amendment. As far as I know, those are the only speakers.

I hope we will be able to vote on this before the lunch hour. I think it is important that we do so.

Mr. MOYNIHAN. Mr. President, let us do so, and let us do it in the incomparable spirit that the President pro tempore spoke. Let us, indeed, do something worthy of being remembered on this floor by the hour of 12:30. It is entirely within our grasp and ought to be done.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, let me first say to the distinguished chairman of the Appropriations Committee, former majority leader of the Senate, that I did not hear the entire speech. I heard a few moments of it in my office before I came to the floor. I heard the last 10 or 15 minutes. I would like to first thank him for his eloquence and for his advocacy of infrastructure for the United States, in particular roads and bridges and the like.

I would like to say to the Senate one of the shortcomings of the summit—I was a member, so I was privileged—was that Senators did not get to hear the distinguished senior Senator from West Virginia eloquently defend and insist that our country needed additional discretionary appropriations. It is the same defense he made today, except it was much longer and more detailed. And his defense was not only of infrastructure and highways, but the many things that we have assumed as national responsibilities that are being squeezed out in the discretionary programs of this country over the last 10 to 15 years.

I might add that from the standpoint of the Senator from New Mexico the only thing missing from the argument—and it was implicit but not direct—is that I think we have to, on the other side of the ledger, conclude that we have busied ourselves with entitlement programs beyond that which we can afford. The reason we do not have more discretionary accounts is because the entitlement programs of this land, and entitlement programs are those—the best way that I have found to explain it is that if a citizen of the United States does not receive the entitlement that is on the books of the land they can go to court, and a court will order the Treasury to pay them. That is an entitlement. You do not have to wait for anyone. They are automatic. They are voracious in their appetite and size. They are indeed what are squeezing out the discretionary accounts of this land.

I want to say to my friend, the chairman of the Appropriations Committee, I rise today because about 10 or 12 Senators on our side have directly asked me what is my best advice, and what are my best thoughts, as to whether or not the entire $8.2 billion that Senator BYRD is adding to the base bill will be available when the time comes for that money to be obligated. I am going to try in about 5 or 6 minutes to give my best analysis of whether or not that money is going to be available. And to do that, I have to go through a little bit of an explanation and a few basic charts.

First, I think everyone should know that in totals the President had asked for a total of $86.6 billion over the 5 years of this bill for the programs that we are talking about. The bill that came to the floor was $90.7 billion. The budget resolution had $98.8 billion.

So that in comparing items, let me call the bill that is on the floor the Moynihan-Symms bill.

It had $3.9 billion, over the 5 years, more than the President. The budget resolution had $12.2 billion more than the President, and the Senator BYRD amendment uses the entire $12.2.

It is interesting to note that if you look at the expenditure lines, the big expenditures under the Byrd amendment, those which are significantly in excess of either the President's or the Moynihan-Symms proposal, those occur in the 1994-94 cycle. The diferences are very small in 1993, and actually in 1992, they are negative, less than the President's, about $1.9 billion more in 1993, but substantially more in 1994, 1995 and, of course, 1996.

How much more? Well, in 1994 they are $3.3 billion more; in 1996, $3.8 billion more.

Where did the President get his numbers, and where did the budget resolution numbers come from, which are now being used by the distinguished Senator from West Virginia?

The President's numbers were the President's and OMB's best estimate of what we would spend in highway programs for the 5 years and be consistent with the ratio that highway expenditures had to the discretionary total in 1992 and 1993. In other words, they said, whatever the percent of the discretionary accounts are in 1992, which is currently before us, and 1993 in the budget estimates, that same ratio is what the President put in 1994 and 1995. Not so in 1996; he went higher in 1996. That becomes rather important, in my analysis and best estimate and judgment of where we will be in 1994 and 1995, when that time arises, if this bill in its entirety becomes law.

Mr. President, I ask unanimous consent that that budget and contract authority, Federal highways only, be printed in the RECORD at this point.

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

BUDGET AUTHORITY/CONTRACT AUTHORITY FEDERAL-AID HIGHWAYS ONLY

	Fiscal year—					Total
	1992	1993	1994	1995	1996	
CBO baseline	14.5	15	15.6	16.1	16.7	77.9
President's request	15.8	16.0	16.6	18.1	20.1	86.6
Moynihan EPW	15.2	17.1	18.0	19.6	20.6	90.7
Budget resolution (with allocated adjustment)	15.2	17.9	19.9	21.9	23.9	98.8
Moynihan compared to President	−.6	1.1	1.4	1.5	.5	3.9
Budget resolution compared to President	−.6	1.9	3.3	3.8	3.8	12.2
Byrd et al proposal compared to President	−.6	1.9	3.3	3.8	3.8	12.2

Source: Prepared by SBC Republican staff for informational purposes only; not to be used for official scorekeeping purposes or for determining budget act points of order. The 5 years, 1991–95. Fifty percent of this went into the highway trust fund ($12,500,000,000).

Mr. DOMENICI. Mr. President, the second point I make very quickly is that there are two activities that occur

with reference to the expenditure of highway funds that are rather important to this debate.

First, there is contract authority, that is the obligational authority that we find in these bills. That is what occurs in the authorizing bill, so that everything we have heard about the Moynihan-Symms allocation, and what we have heard in the Byrd amendments with reference to dollars, is obligational authority. If those obligational authorities are in no way limited by the next item, that is very important. That next item is obligational limitation. If there is no change in those, contract authority will spend out automatically.

So that one would say the numbers that are in the Byrd amendment, which is added to the Moynihan-Symms bill—the total in there is contract authority. And if no one limits it, then it will spend out as everyone understands it here, and as the various charts indicate the States' participation in that money.

But there is a second event that occurs, and it is an important event, and it has become more important starting back about 10 or 11 years ago, and annually thereafter. The obligational limitation is set in the appropriations process. That obligational authority becomes the actual, absolute limitation for that year of the money that can be spent—no more—and exactly that amount gets distributed to the States under the legislation that underpins the contractual authority, which I have just explained.

In most of the years since 1980, the obligational limitation has been less than the contract authority. The appropriators have put an obligational limitation in, consistent with what either the President has asked for, or what they think the budget resolution and/or budget agreement needs.

So, technically speaking, there is no question that come 1993, 1994, and 1995, if the Appropriations Committees in the two bodies choose to put no obligational limitations and choose to put them extremely high, close to the amount in the Byrd amendment, added to the Symms-Moynihan bill, then we will all get what is in the bill. We will get the Moynihan-Symms base, and we will get the 4.1 to the donor States and 4.1 to the incentive States. They will all get their money.

But the question then is: Is that apt to happen, that the entire amount will be the obligational limitation in the appropriation process? Frankly, when people ask me if that will happen, I cannot say it will or will not. You know it will happen when the appropriators sit around in 1993, 1994, and 1995 and allocate the 6026 money. They will have a fixed amount of money to allocate in 1993, because we have already agreed on the amount. But in 1994 and 1995, there is not a fixed amount. In 1993, there is a fixed amount. In 1994 and 1995, there is not.

So what is apt to happen? Well, in 1994 and 1995, the summit agreement created a 3-year fixed targets for defense, discretionary, and foreign affairs. So there is a number for 1991, 1992, and 1993 for discretionary accounts. For the years 1994 and 1995, there is not. There is one target number, mandatory number, cap, for all of those, a sum total of domestic, foreign affairs, and defense. There is one number for the year 1994 and one number of the year 1995.

It will fall to the appropriators, absent a new agreement, and absent a change in our rules, to take out of that big number the amount for defense, the amount for discretionary, and the amount for foreign affairs.

I cannot predict whether or not we will be able to add $3.3 billion in 1994, $3.8 billion in 1995, which is the amount by which the Byrd amendment and the underlying amendment, all combined, the underlying bill, will exceed the President's recommendation. I do not know whether they will do it or not. I can give you a couple of ideas.

First, the combined highway bill, which I will call the allocation of 602(a) under the budget resolution, does an interesting thing; it significantly increases the highway funding program in the years 1994 and 1995. How much? My best arithmetic is that it goes up 22 percent, a total of 22.3 in BA; 17.3 percent in actual outlays. That is the sum total of those 2 years.

In other words, those two big pots of money I just described, which we are going to split into three parts, are only going up in their totality. I will tell you what they are going up: Within the highway money, a total of 22 percent and 17 percent, but the entire pot of money is only going up, year after year, 0.6 percent and 1 percent; 0.6 percent and 1 percent, meaning those very large amounts of discretionary money for defense, foreign assistance, and discretionary. There is one of those in 1994 with a number on it, and one in 1995 with a number on it. They are only going up in those years a total of 1 percent in outlays and 0.6 percent in budget authority. But the highway program will be going up 22 percent and 17 percent.

So it does seem to the Senator from New Mexico there will be a squeeze on in 1994 and 1995, and the squeeze will, in the opinion of the Senator from New Mexico, be one of two things: One, the defense of the Nation currently has caps for 1993, but it does not for 1994 and 1995. The Defense Department in all of their plans has a 5-year budget and they assume in 1994 and 1995 they are tolling right down on a line which gives them a cap number in 1994 and 1995.

Frankly, nobody misled them. The distinguished Senator from West Virginia did not mislead the Defense Department. They were told—I will be honest—I proposed a 5-year proposal with caps on all three for all 5 years.

Is that not right, I say to my friend from West Virginia?

Mr. BYRD. The Senator is right.

Mr. DOMENICI. In fact we had all the numbers there, the compromise was 3 years and 2 years without caps, without individual caps.

So one place the extra money can come from is from defense. I am not saying it has to, but it could.

The squeeze will be on. If it does not come from defense or it comes partially from defense, then the balance or all of this increase will come from what is commonly known as discretionary accounts.

Senators have taken the floor already, far more eloquent than I, and spoken to this issue.

We all know what discretionary domestic accounts are: everything from school lunch programs to National Institutes of Health, to all of the various cancer research, and to education. That is all domestic discretionary, and there is a third account and we should mention it. It could be squeezed also. It is the foreign assistance account. It is in there at a given fixed number in 1991, 1992, and 1993, but in 1994 and 1995 it is part of a very large accumulation of the 3 accounts.

So it seems to the Senator from New Mexico that indeed, if one wants to have a real debate and argument on priorities and wants highways to be in that priority debate, then they can support this amendment, they can support this bill, and come 1994 and 1995, the issue will be joined.

Repeating, it is not automatic. I mean the appropriators could decide on the obligational limitation to provide less than the full amount. I think everyone who understands this process will agree that is the case.

On the other hand, they could agree to set a very high obligational limitation. In fact, they could agree to one that will be exactly the contract authority we are talking about, annually, which will yield to the donor State—it would yield the Bensen plan. To the nondonor States—it will yield the Senator Byrd plan and all the States it would hold harmless by funding everything in the Moynihan-Symms plan, as I can understand it, before funding the bonus programs.

That is about as good as I can do it.

I would summarize by saying it is quite obvious if you do not add any money to the bill you will not have an argument in 1994, 1995, and 1996 about whether you want more money for highways because there will be no opportunity to have that. If you do add it to the bill, you are not assured you will get it.

As I understand it, the first part, you are assured of getting the Moynihan-

Symms money that will be first allocation, before money coming after that would be divided equally among the donor proposal of Senator BENTSEN and the incentive proposals in the bill of Senator BYRD'S.

As I understand it, that is the best I can do.

I do think everyone should know when the Senate adopted its budget resolution the first time through, since budget resolutions have been used as the justification for the $8.2 billion, the Senate did not adopt this allocation; it was not that big.

We went to conference with the House. They had found these numbers based on some expectation of new revenues from highway user fees, or the like, and they had much higher numbers which, as we are not debating, are not binding on anyone but permits you to go up to those levels, and that is what we are doing here today.

I have nothing further. I thank the Chair and thank Senator BYRD for his comments, and thank Senator SYMMS for yielding time to me.

The PRESIDING OFFICER. The Chair recognizes the Senator from Texas [Mr. BENTSEN].

Mr. BENTSEN. Mr. President, I thank the distinguished Senator from New Mexico for his comments.

Let me address some remarks to the Byrd amendment as further amended. I would have to make one correction to the comments of the Senator from New Mexico. He is quite right that we agreed to hold harmless all States insofar as the allocation of funds under the Moynihan bill. But as I understand our agreement we have been able to bring about with Senator BYRD, those of us from the donor States, the next application of the funds after the Moynihan funds, would be the $4.1 billion in the Byrd amendment for the level of effort States, based on States gasoline taxes, and disposable per capita personal income in the State. That would be applied next, and then you would have the extra $4.1 billion that goes to the donor States. That would be the third application of funds under the Byrd amendment.

The reason for doing it in this manner is to take care of the most egregious situations among the donor States, that the donor States with the lowest return on funds contributed be taken care of first after the application of the Byrd amendment. Those States would be brought up to a common level of return until you reach a point where you finally run out of funds. Then in accomplishing that, what we have been able to do with the Bentsen-Warner amendment to the Moynihan bill is to say no State will receive back less than 98 cents on the dollar for that amount of money they will contribute to the trust fund over the next 5 years.

This major change in funding level begins in fiscal year 1993, and there is no question but what we have to expend these additional funds.

Mr. President, I ask unanimous consent that a table showing 25-year totals of donor State bonus apportionments be printed in the RECORD.

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

Donor State bonus apportionments under Bentsen revision to Byrd amendment

[5-year totals]	*Donor State bonus apportionment*
Alabama	$169,923,475
Alaska	0
Arizona	2,288,261
Arkansas	0
California	959,356,766
Colorado	0
Connecticut	0
Delaware	0
Florida	453,619,940
Georgia	328,671,299
Hawaii	0
Idaho	0
Illinois	164,102,600
Indiana	240,785,538
Iowa	0
Kansas	0
Kentucky	106,553,749
Louisiana	0
Maine	0
Maryland	34,790,362
Massachusetts	0
Michigan	273,643,698
Minnesota	0
Mississippi	0
Missouri	208,565,260
Montana	0
Nebraska	0
Nevada	0
New Hampshire	0
New Jersey	34,069,527
New Mexico	0
New York	0
North Carolina	0
North Dakota	0
Ohio	136,542,354
Oklahoma	4,344,500
Oregon	0
Pennsylvania	20,669,522
Rhode Island	0
South Carolina	89,685,230
South Dakota	0
Tennessee	0
Texas	660,555,647
Utah	0
Vermont	0
Virginia	220,232,894
Washington	0
West Virginia	0
Wisconsin	0
Wyoming	0
Total	4,108,400,622

Mr. BENTSEN. Mr. President, I believe we are quite correct in authorizing the extra $8.2 billion for highways and mass transit. We are looking at a deterioration of the highway and bridge system around the country where in some of the major cities today they are going out and buying buses that meet Third World specifications insofar as the axles, the undercarriage, the frame, because of the enormous potholes you will find in many of those cities.

We are looking at a situation where mass transit has not been able to meet the expanding demands for those services.

So these additional funds are needed both for mass transit and for highways and bridges in our country.

If we fail to do so, we will be affecting the productivity of America, of its industry, and America's workers. Untold wasted hours are spent every day by commuting workers and commercial transport trucks in snarled traffic in virtually every major American city.

I do not think the need for that extra $8.2 billion can be seriously contested. It makes no sense to refuse those funds when the demand for transportation improvements is so clear.

Let me further state I have been fighting this fight for a long time from the viewpoint of the donor States. I well understand and have long understood the need for some States to be donor States when you are trying to extend the interstate, trying to push it across Montana, Wyoming; States with sparse populations; climbing mountains, and crossing deserts. I understand that.

I understand we will continue to have donor States because we must continue to maintain highways in those types of situations. But the disparity of it has to be lessened.

This particular amendment and this bill does not address some of the problems and concerns we have for a formula that clearly needs to be updated. We think it is archaic and must be revised to reflect the current demand for transportation improvments. In fact, the present formula will not even reflect 1990 census data.

The formulas must be updated. We were able, with the consent of the manager of the bill, the distinguished Senator from New York, to have an amendment agreed to which would require a study by the General Accounting Office to try to bring this formula up to date and see that we establish greater equity in the application of it. That study will be available for us at the end of 3 years and hopefully can then be implemented at the end of this 5-year authorization period.

We have been down that road before insofar as the General Accounting Office study. But I want to forewarn my colleagues and my friends we, the donor States, are going to be doing everything we can to bring about a revision and an update of that formula. Hopefully, the information from the General Accounting Office will be of help to us. So I say this compromise is not a perfect solution; perfect solutions are rare when we are talking about reconciling opposing forces in the U.S. Senate.

But I want to say to my colleagues that I am going to support this compromise. I am sure there will be other

formulations proposed at a later date, but I believe that from what we have been able to see in the repeated conferences we have had in developing the numbers to try to accomplish these objectives, I believe that Senator WARNER and I have represented a majority of the donor States. Not each and every one; obviously, they are not all going to vote for this. But I think a majority will. And I would like to see us move to an early conclusion and implementation of it, so we can move on.

Once again, I am appreciative of the cooperative efforts of my friend from New York and my friend from West Virginia as we work to bring about what I would have to say is a political solution, but for my own State, a donor State, it is a vast improvement over the current situation.

Mr. WARNER. Mr. President, I will take but a minute or 2 to first thank my distinguished colleague from Texas. It was indeed a pleasure and a learning experience to work by his side on this issue, for he has addressed this problem for many, many years in the U.S. Senate, having been on the subcommittee that dealt with this predecessor legislation some several years ago.

I also thank our distinguished colleague from West Virginia, together with Senator MITCHELL. They recognized the theme that I tried to strike from the very first day of this debate, joined by my good friend, the Senator from Missouri: The inequity among the donor States.

And I daresay, had it not been for the leadership shown by the Senator from West Virginia, the Senator from Maine, and the Senator from Texas, this Senate would not be now addressing in finality the highway legislation, for I and many other Senators would have exercised every single right that we had to see that there would have been equity between the donor and the donee States.

So the leadership has followed the better part of wisdom here, and I think, hopefully, I and others will be supporting the Byrd amendment in sufficient numbers.

Mr. BENTSEN. Will the Senator yield?

Mr. WARNER. Yes.

Mr. BENTSEN. We have been fighting this fight a long time. I can recall my own State was receiving back about 54 cents on the dollar in 1982, when I led the fight on the Bentsen amendment, against the opposition of the administration, to put a minimum allocation in the law for the donor States.

I also note that my friend from New York included the 85 percent in his bill. I also note that the administration did not include a minimum allocation in its bill. What we have been able to do in this compromise is to improve on the 85 percent, not to our full satisfaction, but at least bringing us up to the position where no State, no donor State, from the amount of money that it contributes over the next 5 years, will receive back less than 98 cents on the dollar.

Are we spending down some of the surplus? Yes, we are. But you have $10 to $11 billion of surplus in the highway trust fund, and it is time that we address some of these concerns for our bridges and the deterioration of the highways of America.

Mr. WARNER. Mr. President, I thank the distinguished Senator from Texas. Again, the amendment that he and I devised does provide for a certain measure of insurance, as I see it, in the future as the outyears begin to yield back to the donor States a more justifiable allocation of the moneys.

The Byrd amendment has broken the gridlock in the Senate, and I hope that the dollars that flow from it will break the gridlock in America's traffic.

Mr. BENTSEN. If I may, I would also like to recognize the distinguished Senator from Missouri [Mr. BOND] who has been untiring in his efforts to assist in correcting some of these problems for the donor States. Without his help, we could not have brought it off.

Mr. WARNER. Mr. President, I join in that. The Senator has been a solid supporter from the first.

The PRESIDING OFFICER (Mr. KERRY). The Senator from New York.

Mr. MOYNIHAN. Mr. President, I simply would like to thank all, and join in this general observation that we have come usefully and with more dispatch than might have first appeared to a resolution of the problem for this cycle of the surface transportation program.

But I am sure the Senator from Texas would agree when I say we do provide for a GAO study on what must be a new formula. The committee was left anticipating that something would come from the Department of Transportation that would respond to this postinterstate era. Nothing did, excepting formulas, saying the more gas you use, the more money you get, period. So we have decided to stay with existing arrangements, one last time, perhaps, but no more.

Now we have improved that. The GAO will give us a proposal, but in the end, as the Senator from Texas would be the first to assert, the Congress will decide. And we hope to have a better set of data out of the Bureau of Transportation statistics by then, on which basis to make a better study not just of the allocation resources, but also how effectively they are spent.

It is the case, as the Senator says, that there are municipalities ordering buses to meet Third World road standards. That is absolutely true. But how can this new set of public works have dissipated and deteriorated so quickly if it was not badly built to begin with, and not well maintained? Then what else are these things than a symptom of a public-sector disease?

Mr. BENTSEN. Will the Senator yield?

Mr. MOYNIHAN. Yes, I yield.

Mr. BENTSEN. The Senator makes a very valid point, because we have not kept up with the research and development that the Europeans have done. Their highways do not develop the potholes as fas as ours do, or to the extent that ours do. They have roads that are much more durable than ours. They have taken massive steps forward insofar as building roads that meet far better specifications than our own, and we ought to learn about that and do more research in that department.

Mr. BOND addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BYRD. Will the Senator from Missouri yield to me just briefly?

Mr. BOND. Mr. President, it is my high honor to yield to the chairman.

Mr. BYRD. He has been most patient. He has waited a long time to be recognized.

I want to make a modification to my amendment. But before I do that, let me thank Senator MOYNIHAN and Senator SYMMS for the leadership that they have demonstrated so very capably in bringing this bill to the floor and in speaking on it during consideration.

Let me thank also the distinguished chairman of the committee, Mr. BURDICK, for his untiring dedication to the building up of our highways and waterways, and the infrastructure of the country. I also wish to thank those Senators who spoke on behalf of the donor States.

My initial effort, I should explain, was in the interest of helping States that have put forth a special effort to deal with their infrastructure problems. So there were two parts to my amendment: The first part, which rewarded those States whose gasoline taxes were above the national average, the national average being 17.43 cents; and also the second part of my amendment was to reward them again, those States, based on their ability to pay or lack of ability to pay, and the additional efforts that they really were making in the light of their economies, in the light of their per capita disposable income.

So that a State which had a lower per capita disposable income than the national average, which is $14,303, has to come from below scratch, if I might use that word. It is harder for it to raise its gas taxes than for other States. The per capita disposable income, on the average, is must higher in the richer States, and they are better able to pay. So that was my approach.

And so my amendment in the first degree would take $5.4 billion of the $8.2 billion, and then I put a second-degree thereon which would have consumed $6.2 billion of the $8.2 billion.

And then it was that the majority leader and Senator BENSTEN, Senator MOYNIHAN, Senator WARNER, and others of us, sat down, and I was asked whether I would consider splitting the $8.2 billion. And in the interest of reasonableness—I would like to think I am a man of sweet reasonableness, and I do know that legislation is the art of compromise, so I said, well, yes, after I considered it, yes, instead of $6.2 billion or $5.4 billion, sure I will back away to $4.1, because it is all in the interest of the Nation. That is what we were talking about.

So I said, yes, I will be glad to split. And that is where we remain, that is where we stay today, 4.1/4.1.

But the donor States, I thought, made a good case, and certainly from the standpoint of fairness and logic, they were entitled to $4.1 billion of the $8.2 billion. What happened from there on was between and among them. I did not feel I had any business interjecting myself into that.

That brings me to the point. I have twice, I believe, modified the second-degree amendment, and I have done it each time at the request of the donors and in their interests, based on their discussions among themselves.

In the modification which I sent in yesterday, there was one change that needed to be in there, and the only change in that modification which I will now send to the desk is to ensure that the additional donor State bonus funds will remain available until expended. We have treated the extra effort, on the part of the formula, in such a manner, and it is only fair that the donor States be likewise treated. That was the intent of the modification of the amendment that I offered yesterday, but inadvertently that was left out, so I will now send a modification to the desk.

I say again for the record, the only change that is provided by this modification is to ensure that the different State donor bonus funds will remain available until expended. As I say, that was the intent of the amendment, so this is a technical change.

AMENDMENT NO. 296, AS FURTHER MODIFIED

Mr. BYRD. I send the modification to the desk.

The PRESIDING OFFICER. The Senator had the right to modify this amendment. The amendment as previously modified is hereby further modified.

The amendment, as further modified, is as follows:

In the amendment, strike out "of effort apportionment bonuses" and all that follows through "available until expended." and insert in lieu thereof the following:

OF EFFORT APPORTIONMENT BONUSES.

(a) AMENDMENT TO TITLE 23.—(1) Chapter 1 of title 23, United States Code, is amended by adding at the end thereof the following new section:

"§ 159. Level of effort apportionment bonuses

"(a) The Secretary shall, for fiscal years beginning with fiscal year 1993, determine each State's total annual apportionment under sections 133 (relating to the Surface Transportation Program), 144 (relating to the Bridge Program), and 119 (relating to the Interstate Maintenance Program) and shall use that total in calculating the bonus apportionments authorized by this section.

"(b) The Secretary shall, subject to the availability of appropriations, make an apportionment to each State in which the rate of tax on gasoline, as of July 1 preceding the beginning of the fiscal year, exceeds the average rate of tax on gasoline levied by the fifty States and the District of Columbia as of such date, with a bonus apportionment equal to the lesser of—

"(1) five percent of its total annual apportionment under sections 133, 144, and 119 of this title for each of fiscal years 1993, 1994, 1995, and 1996; or

"(2) the percentage by which that State's rate of tax on gasoline exceeds the average rate of tax on gasoline levied by the fifty States and the District of Columbia, multiplied by its total annual apportionment under sections 133, 144, and 119 of this title.

"(c)(1) The Secretary shall, subject to the availability of appropriations, make a bonus apportionment to each State equal to its total annual apportionment under sections 133, 144, and 119 of this title, multiplied by the percentage by which that State's rate of tax on gasoline, as of July 1 preceding the beginning of the fiscal year, exceeds the average rate of tax on gasoline levied by the fifty States and the District of Columbia as of such date, minus an amount which is the product of that total annual apportionment and the percentage by which that State's per capita disposable income exceeds the average per capita disposable income in the fifty States and the District of Columbia, calculated for the calendar year preceding the year in which the fiscal year begins. The bonus apportionment made to any State under this section shall be reduced by any amount provided under subsection (b).

"(2) For purposes of paragraph (1), the per capita disposable income of a State or the District of Columbia for any calendar year is such income as is determined by the Bureau of Economic Analysis of the Department of Commerce.

"(d) If the aggregate apportionments under this section in any fiscal year exceed the authorization of appropriations for such year, there shall be a pro rata reduction for that fiscal year of the apportionments to the extent of such excess.

"(e) The Federal share payable of the costs of projects carried out with apportioned funds under this section may not exceed 80 percent.

"(f) For purposes of this section, the term 'tax on gasoline' means a tax that is—

"(1) imposed by and administered by a State; and

"(2) uniform as to rate and based upon identical transactions in all geographical areas of such State.

"(g) Funds authorized to be appropriated for bonus apportionment under this section shall be available only for projects authorized under chapter 1 of this title, including provisions which provide contract authority.".

(2) The table of sections for chapter 1 of title 23, United States Code, is amended by adding after the item relating to section 158 the following new item:

"159. LEVEL OF EFFORT APPORTIONMENT BONUSES.".

(b) AUTHORIZATION OF APPROPRIATIONS.—(1) There are authorized to be appropriated out of the Highway Trust Fund (other than the Mass Transit Account) for payment of the bonus apportionments authorized by section 159 of title 23, United States Code, the following amounts for the following fiscal years:

(A) For fiscal year 1993, $390,500,000.
(B) For fiscal year 1994, $943,000,000.
(C) For fiscal year 1995, $1,138,500,000.
(D) For fiscal year 1996, $1,638,500,000.

(2) Funds appropriated pursuant to paragraph (1) are authorized to remain available until expended.

(c) ADDITIONAL DONOR STATE BONUS AMOUNTS.—(1) There are authorized to be appropriated out of the Highway Trust Fund (other than the Mass Transit Account) for the payment of additional donor State bonus amounts the following amounts for the following fiscal years:

(A) For fiscal year 1993, $390,500,000.
(B) For fiscal year 1994, $943,000,000.
(C) For fiscal year 1995, $1,138,500,000.
(D) For fiscal year 1996, $1,638,500,000.

(2) Funds appropriated pursuant to paragraph (1) are authorized to remain available until expended.

(3)(A) The additional amount provided under this subsection for a fiscal year shall be apportioned only after bonus apportionments under section 159 of title 23, United States Code, to the extent of their availability, have first been made to the States.

(B) The bonus apportionments which are provided under this subsection for a fiscal year shall be apportioned in such a way as to bring successive State, or States, with the lowest dollar return on dollar projected to be contributed into the Highway Trust Fund for such fiscal year, up to the highest common return on contributed dollar that can be funded with the annual authorizations provided under this subsection.

(C) The additional apportionment under this subsection shall be subject to the provisions of chapter 1 of title 23, United States Code, including provisions which provide contract authority.

(d) OBLIGATION LIMITATIONS.—(1)(A) Notwithstanding section 104 of this Act, for each of the fiscal years 1993, 1994, 1995 and 1996, the Secretary shall distribute among the States the limitations imposed by section 104(a) of this Act by allocation in the ratio which sums authorized to be appropriated for Federal-aid highways (other than sums authorized for section 159 of title 23, United States Code and sums authorized by subsection (c) of this section) which are apportioned or allocated to each State for such fiscal year bear to the total of such sums authorized to be appropriated for Federal-aid highways which are apportioned or allocated to all the States for such fiscal year until 100 percent has been distributed.

(B) The Secretary shall distribute the limitation remaining after the distribution in subparagraph (A) among the States entitled to apportionments of sums authorized by section 159 of title 23, United States Code, and sums authorized by subsection (c) of this section, in the ratio which such apportionments and allocations for each such State bear to the total of such apportionments and allocations for all such States.

(2) Whenever the limitation made available for a fiscal year is insufficient to provide 100 percent of the distribution under paragraph (1)(B), then—

(A) 50 percent of such insufficient limitation shall be deducted from the limitation

that would be received for section 159 of title 23, United States Code, and

(B) 50 percent of such insufficient limitation shall be deducted from the limitation that would be received under subsection (c) of this section.

(e) INAPPLICABILITY OF OBLIGATION LIMITATION TO EMERGENCY RELIEF.—Limitations in section 104 of this Act shall not apply to obligations for emergency relief pursuant to section 125 of title 23, United States Code.

(f) DEFINITION.—For purposes of this section, the term "State" has the meaning given to such term in section 101 of title 23, United States Code.

Mr. BYRD. I thank the Chair. I beg the Senator's indulgence, if I may yield to the Senator from Texas with the Senator from Missouri's rights being protected.

Mr. BENTSEN. I thank the distinguished Senator from Missouri and the Senator from West Virginia. Mine is only to comment that that is carrying out our agreement, and I am appreciative of that. What we had stated was the application of the funds, each of the $4.1 billion amounts, be applied equally and that they not lose that money if it was not expended in the fiscal year. So it complies with what the Senator is doing on his amendment. We appreciate the acceptance of the change.

Mr. BYRD. I thank the Senator, and I thank the distinguished Senator from Missouri for his kindness and his courtesy.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Mr. President, I begin by thanking the distinguished senior Senators from New York and Idaho for bringing a very farsighted bill to this floor. They have incorporated in the bill many concepts which may be of great use in the 21st century. They have also responded with good humor and patience as those of us in the donor States expressed concerns about particular parts of the bill. Some of our colleagues have even suggested that it is with too much enthusiasm and at too great a length that we have expressed those concerns. But I say a special thanks to Senator MOYNIHAN and Senator SYMMS for attempting to accommodate our interests.

We have spent many hours, not only on this floor but off this floor, as I am sure everyone is aware, trying to work out the details in this bill to meet some very pressing needs. As I have traveled around my State of Missouri, I have gone from Kansas City to Springfield on crowded two-lane highways, where four lanes are needed, and on to Sikeston, where there have been tremendous traffic jams, and in and out of St. Louis in similar conditions. I have seen first hand the need for better roads. I have seen areas where mass transit, which I support for metropolitan areas, would not be adequate—like I-61 to I-63, like I-70 to the border. People are vitally concerned because highways mean jobs, they mean convenience, and, most importantly, they mean safety for the traveling public.

It is for these reasons that we have engaged in such lengthy efforts on this bill. I want to join in thanking the distinguished senior Senator from Texas, my distinguished senior colleague from Virginia, and the majority leader for working to bring some equity to the donor States through our discussions.

Second, I endorse enthusiastically what Senator WARNER and Senator BENTSEN have just said. I will expand just 1 moment on what the Senator from Texas has said. That is, we in the donor States recognize that any fair formula is probably going to leave us as donor States. My State has been getting back only 80 cents on the dollar because the funding formula is based on factors that went into the highway formula back in early 1900's—1914, 1916—like the miles of postal roads. Those formulas are not applicable any more.

Senator BENTSEN has offered an amendment that would require the GAO to issue a report in 2 years on what factors should be considered for a fair funding formula. But even under the formulas that the donor States support, we recognize that States with very low population density may need more than they contribute to the fund. We recognize that, and that is part of our agreement.

What we really need, as I stated when we began this debate, was, No. 1, to spend the funds out of the trust fund because this Nation is being strangled by inadequate highways, by deteriorating roads and bridges in unsafe condition. We need more funding for bridges. The original Moynihan-Symms proposal achieved that. We need more flexibility so States can spend the money where they need it, and there are some flexibility provisions in this bill, although there are certain elements of it that I do not think are adequate and some provisions I would like to see removed.

Finally, and most importantly, we wanted a fair funding formula. We wanted to bring this 21st century highway bill, surface transportation bill, at least into the 1990's with regard to the formula. We have not been able to achieve that. I commend and thank the chairman of the Appropriations Committee, Senator BYRD for what he has accomplished. He has proposed a formula to spend down the trust fund, which achieves one of my chief objectives.

In further clarification of what my colleague from Texas has said, while the allocations of the additional $8.2 billion will go first to the level of effort provision, if the full $8.2 billion is not available in any year, the pot will be evenly split between the level-of-effort incentive portion and the Bentsen-Mitchell or rising-tide amendment, so that those two provisions will be treated equally. I think it is important that my colleagues understand that, and I thank the Senator from West Virginia for the modification, which takes care of the remaining problem we had with that bill.

With that, I say, while the formula is not what we wish, I hope my colleagues will vote for the proposal before us, the Byrd amendment, as modified. We, from the donor States, want an opportunity to vote on a funding formula after that. We are under no illusion that we will prevail in this body, but somewhere, sometime, somehow, we must have the opportunity to do so. And once we do that, I would urge that the Senate act on this measure, get it over to the other body, and get something back so we can work on it in conference. It is vitally important to this Nation, to our States, and to every citizen in every one of our States, that a surface transportation bill be signed into law by October 1 of this year.

I urge my colleagues to support the Byrd amendment now before us.

The PRESIDING OFFICER. The Senate minority leader.

Mr. DOLE. I know the Senator from New York and the Senator from Texas want to respond, but I will take just one moment. There is a meeting in the majority leader's office I should be attending with the distinguished chairman of the Appropriations Committee.

I want to make a point that, it seems to me, should be rather easily understood. Under the Byrd amendment there will be $4.1 billion that will be spent in fiscal years, 1993, 1994, 1995 and 1996 which reward States who show a commitment to spending more of their own money for road construction and maintenance than the national average. But there are a couple of big flaws in the Byrd amendment.

If we want to talk about fairness, talk about justice, talk about what we ought to be doing, talk about the general contractor support, we can talk about an amendment Senator MITCHELL and I—I think he will be joining me this afternoon—will be offering.

The Byrd amendment measures excise tax on gasoline to determine the test by the States. This creates two shortcomings. First, all States have to dedicate 100 percent to highways. Some use it for deficit reduction, some use it for wildlife, some use it for agriculture. A lot of it is used for nonhighway purposes, but it counts it anyway. It is not fair.

Second, most States use funds from sources other than gasoline taxes, as well as gas taxes, to fund highways. We ought to be looking at the total effort. How much does the State of Texas, Kansas, New York, Idaho, Missouri, whatever the State may be, put in their highways? Also Massachusetts, I might add. Is there anything in addition to excise tax on gasoline? There is in many States. Some have toll roads,

as in New York; some have sales tax, as in Virginia. Other use registration, as in Kansas, excise tax, diesel tax, other taxes that go into highways, and it ought to be counted if you are talking about effort and not just some arbitrary figure.

What we are going to have is a lot of gaming going on. We are told if we raise the gas tax in Kansas we get Byrd money, if it ever comes about; we can raise our gas tax and lower other taxes to game the system. If that is what we want, everybody gaming a system, we are setting up an imitation for every State legislature to come back and, in effect, blow up this so-called amendment by gaming the system. Why should we not raise the gas tax in Kansas and lower every other tax if they are not going to count the other taxes even though they are used for building highways?

So I must say that some of us have a real problem with half of the package. We do not quarrel with the donor part of the package. We are quarreling with the other part of the package. We applaud the agreement even though we do not benefit from it in our State.

I just suggest it seems to me we ought to put some safeguards into this provision. We ought to have a formula that, in effect, counts all the money you put into highways. Why not? Who can argue against counting everything you put into highways and ought to discount all the excise tax on gasoline that is just for some other nonhighway purpose? It makes sense to me. That amendment will be offered later.

We would like to have the distinguished chairman of the Appropriations Committee modify this amendment to include this formula, and that is what the meeting is all about. So I will excuse myself and go to the meeting.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, I wish the Republican leader well. Come back soon and we can have a Surface Transportation Act.

I want to thank the Senator from Missouri who has been a bulldog in this matter and properly so. He found no dispute from the Senator from Idaho or New York as regards the legitimacy of the claims. The question was the resources by which to meet them. I think we have done that.

In fact, the always-deft fiscal skills of the chairman of the Finance Committee, the Senator from Texas, who has—if anybody can claim this issue for his own, it is Senator BENTSEN who resolved it. We are going to go into a little more difficulty of trying to allocate State effort under the measures that are about to be voted on. We will have great difficulty doing this because of a lack of data. In the spirit of the Senators who brought supply-side economics to this floor 15 years ago, I have been trying to explain, as best I understand, the disorder of the public sector when they get out of sync.

The Department of Transportation has no information on this subject. It avoids information on this subject. If you started finding out how much is spent, we might start asking what do you get for it? We might start to say how can the most expensive public works program in history be crumbling in 15 years' time? Those Roman roads that Senator BYRD was talking about are still in use two millenia later. Two decades after sectors of the Interstate Highway System have come along, they have effectively been reduced, in many segments, to very poor conditions, and the Department of Transportation has presided over this and done nothing. It is a free good, so who cares what you get out of it. The whole object is to spend the free money. It is a consumption good rather than an investment. I think if there is one way to distinguish public sector disorder: it is when what ought to be investment money becomes "cut the ribbon, get through your term and what else in required?"

This has to do with the ability to delay gratification and all those things that grown up countries are supposed to be good at and seem to have trouble with.

AMENDMENT NO. 353

(Purpose: To authorize the States to enter into certain agreements and compacts relating to regional transportation problems)

Mr. MOYNIHAN. Mr. President, as we wait further word on final agreements with respect to the allocation resources, on behalf of myself and my ever-patient associate in this enterprise, Senator SYMMS, I send a committee amendment to the desk and ask for it's immediate consideration. These have been agreed to on both sides. I ask unanimous consent to temporarily set aside the Byrd amendment.

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

The Clerk will report.

The assistant legislative clerk read as follows:

The Senator from New York [Mr. MOYNIHAN] proposes an amendment numbered 353.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

The amendment is as follows:

At the appropriate place in the bill, insert the following:

SEC. . INTERSTATE TRANSPORTATION AGREEMENTS AND COMPACTS.

(a) CONSENT AND APPROVAL OF CONGRESS.—The consent and approval of Congress are hereby given to the several States to negotiate, enter into, and carry out agreements or compacts for the purpose of establishing policies and priorities, including allocation of funds, to resolve interstate highway and bridge problems of regional significance identified by metropolitan planning organizations.

(b) HIGHWAY TRUST FUND.—The highway and bridge projects identified in accordance with subsection (a) and included in agreements or compacts entered into pursuant to this section are eligible for funding from the Highway Account of the Highway Trust Fund.

On page 42, line 13 strike "not to exceed $5,000,000" and insert in lieu thereof "not to exceed $25,000,000".

At the appropriate place in the bill, insert the following:

SEC. . SUBSTITUTE PROJECT.

(a) APPROVAL OF PROJECT.—Notwithstanding any other provision of law, upon the request of the Governor of the State of Wisconsin, submitted after consultation with appropriate local government officials, the Secretary may approve substitute highway, bus transit, and light rail transit projects, in lieu of construction of the I-94 E-W Transitway project in Milwaukee and Waukesha Counties, as identified in the 1991 Interstate Cost Estimate.

(b) ELIGIBILITY FOR FEDERAL ASSISTANCE.—Upon approval of any substitute highway or transit project or projects under subsection (a), the costs of construction of the eligible transitway project for which such project or projects are substituted shall not be eligible for funds authorized under section 108(b) of the Federal-Aid Highway Act of 1956 and a sum equal to the Federal share of such costs, as included in the latest interstate cost estimate submitted to Congress, shall be available to the Secretary to incur obligations under section 103(e)(4) of title 23, United States Code, for the Federal share of the costs of such substitute project or projects.

(c) LIMITATION ON ELIGIBILITY.—If, by October 1, 1993, or two years after the date of enactment of this Act, whichever is later, the Governor of the State of Wisconsin has not submitted a request for a substitute project or projects in lieu of the I-94 E-W Transitway, the Secretary shall not approve such substitution. If, by October 1, 1995, or four years after the date of enactment of this Act, whichever is later, such substitute project or projects are not under construction, or under contract for construction, no funds shall be appropriated under the authority of section 103(e)(4) of title 23, United States Code, for such project or projects. For the purposes of this subsection, the term "construction" has the same meaning as given to it in section 101, title 23, United States Code, and shall include activities such as preliminary engineering and right-of-way acquisition.

(d) ADMINISTRATIVE PROVISIONS.—

(1) STATUS OF SUBSTITUTE PROJECT OR PROJECTS.—Any substitute project approved under subsection (a) shall be deemed to be a substitute project for the purposes of section 103(e)(4) of title 23, United States Code (other than subparagraphs (C) and (O)).

(2) REDUCTION OF UNOBLIGATED INTERSTATE APPORTIONMENT.—Unobligated apportionments for the Interstate System in the State of Wisconsin shall, on the date of approval of any substitute project or projects under subsection (a), be applied toward the Federal share of the costs of such substitute project or projects.

(3) ADMINISTRATION THROUGH FHWA.—The Secretary shall administer this section through the Federal Highway Administration.

(4) FISCAL YEARS 1993 AND 1994 APPORTIONMENTS.—For the purpose of apportioning funds for fiscal years 1993 and 1994 under sec-

tion 104(b)(5)(A), the Secretary shall consider Wisconsin as having no remaining eligible costs. For the purpose of apportioning funds under section 104(b)(5)(A) of title 23, United States Code, for fiscal year 1995 and subsequent fiscal years, Wisconsin's actual remaining eligible costs shall be used.

(5) FUNDING PROVISIONS FOR SUBSTITUTE PROJECTS.—Notwithstanding any other provision of law, the source of funding for any transit substitute projects approved under subsection (a) shall be the Mass Transit Account of the Highway Trust Fund. All other funding provisions for any approved substitute projects shall be as provided in section 103(e)(4) of title 23, United States Code.

(e) TRANSFER OF APPORTIONMENTS.—Wisconsin may transfer interstate construction apportionments to its National Highway System in amounts equal to or less than the costs for additional work on sections of the Interstate System that have built with Interstate construction funds and that are open to traffic as shown in the 1991 Interstate Cost Estimate.

Insert at the appropriate place in S. 1204:

SEC. . MONTANA-CANADA TRADE.

The Secretary shall not withhold funds from the State of Montana on the basis of actions taken by the State of Montana pursuant to a draft memorandum of understanding with the Province of Alberta, Canada, regarding truck transportation between Canada and Shelby, Montana. Provided that such actions do not include actions not permitted by the State of Montana on or before June 1, 1991.

On page 5, strike out lines 3 through 9 and insert in lieu thereof:

(3) BRIDGE PROGRAM.—For the Bridge Program $2,350,000,000 for fiscal year 1992, $2,440,000,000 for fiscal year 1993, $2,580,000,000 for fiscal year 1994, $2,820,000,000 for fiscal year 1995, and $3,230,000,000 for fiscal year 1996.

On page 6, strike out line 17 and insert in lieu thereof "$120,000,000 for each of fiscal years 1992,".

On page 37, between lines 17 and 18, insert the following:

(c) REHABILITATION.—Of the funds authorized to be appropriated pursuant to section 103(b)(7)(B) of this Act, an amount equal to $20,000,000 shall be available for each of fiscal years 1992, 1993, 1994, 1995, and 1996 for continued rehabilitation of federally owned highways under the Federal lands highway program of title 23, United States Code. Such funds shall remain available until expended.

On page 37, line 18, strike out "(c)" and insert in lieu thereof "(d)".

On page 4, between 2 and 3 insert the following:

"(c) The Secretary shall distribute copies of the Declaration of Policy contained in this section to each employee of the Federal Highway Administration, and shall ensure that such Declaration of Policy is posted in all offices of the Federal Highway Administration.".

Mr. BAUCUS. Mr. President, the State of Montana and the Province of Alberta, Canada, have entered into a draft memorandum of understanding that would lead to the development of a trade port at the town of Shelby, MT.

Shelby is located in north-central Montana, along Interstate 15, approximately 60 miles from the Canadian border. Under the agreement between Montana and Alberta, large Canadian trucks would travel only as far south as Shelby. At Shelby these trucks would be off-loaded onto the railroad or smaller trucks.

This is an important trade promotion and economic development project for the Shelby area. It will create over 100 badly needed jobs in Shelby.

Unfortunately, through what I believe to be an erroneous interpretation of 1982 Symms amendment and Montana's grandfather rights, the Federal Highway Administration has threatened to withhold Montana's highway funds if the State moves forward with the memorandum of understanding.

Mr. President, I ask unanimous consent that several pages of documentation describing the dispute between the State of Montana and the Federal Highway Administration be printed in the RECORD.

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

DRAFT MEMORANDUM OF UNDERSTANDING

The State of Montana hereinafter referred to as Montana and the Province of Alberta hereinafter referred to as Alberta.

Alberta and Montana: Recognize the need to facilitate the free flow of commerce between Montana and Alberta by commercial vehicles;

Wish to eliminate the inconveniences incurred by commercial vehicles because of differences in vehicle size and weight regulations between the two Parties;

Undertake this one year experiment to determine the economic impacts and the tolerance of the Montana highway system to increased vehicle weights; and

Will administer their respective statutes and regulations as hereinafter set forth:

MONTANA

Montana will, under section 61-10-121, MCA, issue special permits for vehicles to travel on Interstate 15 from the U.S.-Canadian border at Sweetgrass to Shelby at the following maximum axle weights.

Steering axle, 12,100 pounds (5,500 kg).

Tandem Drive axles, 37,500 pounds (17,000 kg).

Tridem axles—Axle spread: 94" (2.4m) to < 118" (3.0 meters) 46,300 (21,000 kg); 118" (3.0m) to < 141" (3.6m) 50,700 (23,000 kg); 141" (3.6m) to 146" (3.7m) 52,900 (24,000 kg).

Maximum gross weight: A-Train, 118,000 pounds (53,000 kg); B-Train 8 axle, 137,500 pounds (62,500 kg); B-Train 7 axle, 124,600 pounds (56,500 kg); Tractor/Semi, 102,500 pounds (46,000 kg).

On semi trailers with tridem axle trailer with at least 72" between the trailer axles: 12,100 pounds (5,500 kg); tandem drive axles 37,500 pounds (17,000 kg); Tridem trailer axles 52,900 pounds (24,000 kg).

Since these permits are for reducible loads, all carriers applying for special permits must obtain a restricted route permit and pay appropriate G.V.W. fees.

ALBERTA

Alberta will under section 20, MTA, issue special permits for existing A-trains operating at 82 feet (25 meters) overall length to access the fertilizer plants at Redwater, Medicine Hat and Carseland from the Montana/Alberta boundary at legal axle weights and a maximum gross vehicle weight of 118,000 pounds (53,500 kb).

Nothing in this Memorandum of Understanding waives registration fees, fuel taxes, permit fees, operating authority requirements or compliance to road ban restrictions of either party.

Upon request, Alberta or Montana shall provide the other with any information or documents necessary to verify the operations described in the Memorandum. Such information shall include notification of any legislative or regulatory changes which may affect the operations described herein.

Montana will allow the operations covered herein for a period of one year from the signatory date, unless severe damage to Montana highways is identified. If Montana determines that damages to its highway system are evident, Montana reserves the right to discontinue this agreement.

Either Alberta or Montana may discontinue the operations covered by the Memorandum by giving written notice to the other.

Such discontinuance shall be effective on the tenth (10th) day following the mailing date of such notice or any subsequent date agreed to.

Alberta and Montana shall proceed in accordance with the Memorandum of Understanding on a date agreed after the required internal formalities are completed.

Signed at —— this — day of ——, 1991.

For the State of Montana:

——— ———,
Governor.

For the Province of Alberta:

——— ———,
Premier.

MONTANA DEPARTMENT OF HIGHWAYS,
Helena, MT.

To: John Rothwell, Director of Highways.

From: James R. Beck, Administrator, Legal Services.

Date: April 9, 1991.

Subj: FHWA Memo.

I have reviewed the memorandum from Dean Carlson, Executive Director of the Federal Highway Administration, which was forwarded to you by Hank Honeywell, its Montana Division Administrator. The memo advises that the FHWA will withhold a portion of Montana's interstate apportionment if certain overweight permits are issued. The permits in question will be issued if the Memorandum of Understanding is entered into with the Province of Alberta. The FHWA advises that; in their opinion, the issuance of these permits will be in conflict with the provisions of 23 U.S.C Section 127.

The basic issue revolves around the correct interpretation of the "grandfather clause" contained in 23 U.S.C. Section 127. This section imposes restrictions on the weight and width of vehicles that can be operated on the Interstate System. Section 127 was originally enacted in 1956 and contains the following language: "This section shall not be construed to deny apportionment to any state allowing the operation within such state of any vehicles or combination thereof that could be lawfully operated within such state on July 1, 1956." This language in effect "grandfathered" in weights in excess of those authorized under Section 127. In Montana these heavier weights were allowed through the issuance of special permits.

The extent of the Department's authority to issue these special permits became a matter of controversy with not only the FHWA but also the trucking industry. Basically, the dispute with the FHWA centered around two issues:

(1) Should the grandfather clause contained in Section 127 be read to allow only those weights that were being operated on

the highways as of July 1, 1956 or should it be read to allow those weights that legally could have been operated as of that date, even though they were not actually being operated on the highways as of that date?

(2) The second question involved the issue of who made the final determination as to the extent of the weights allowed under the "grandfather" clause, the State or the FHWA?

In 1974 a trucking company brought a declaratory judgment action against the Department of Highways seeking an interpretation of the authority of the Department to issue special permits for weights in excess of those authorized by Section 127. The Montana Supreme Court issued an opinion defining the extent of the Department's authority to issue permits for excess weight. The FHWA was not happy with this opinion and does not agree with it; nevertheless, the Montana Department of Highways is bound by it.

This opinion and the dispute over the issuance of special permits was the subject of much communication with the FHWA between 1974 and 1982. In 1982 the Department contacted the office of Senator Baucus and expressed concern about the FHWA's position on the "grandfather clause." I believe that Senator Baucus was involved in the passage of an amendment to 23 U.S.C. Section 127. The amendment, introduced by Senator Symms of Idaho, revised the "grandfather clause" to read:

"This section shall not be construed to deny apportionment to any state allowing the operation within the state of any vehicles or combinations thereof *which the state determines* could be lawfully operated within such state on July 1, 1956. * * *"

The underlined language was inserted by the Environment and Public Works Committee according to Senator Symms. See 128 Congressional Record S14997.

In 1984 to FHWA issued a Final Rule on Truck Size and Weight in which they attempted to give themselves the final authority on determining the extent of the "grandfather clause." The Department wrote the office of Senator Baucus protesting that portion of the Final Rule. A copy of that letter is attached. The FHWA's then executive director wrote to Senator Symms and sent a copy of the letter to Senator Baucus. In this letter he states in part:

"As you know, the history of 'grandfather' interpretations has been long and controversial. We have attempted to interpret the amendment to Section 127 in a liberal but prudent manner in accord with our reading of legislative intent. In summary, those States, particularly in the Western United States, which have been issuing special permits for doubles and triples for weights in excess of 80,000 pounds, and which were doing so under authority of an opinion of the Attorney General or State Supreme Court (South Dakota and Montana) would be considered to be in compliance with 23 U.S.C. 172. This has been and remains a settled issue with us in these States and no further documentation is required nor would this issue be reopened in the future. Of particular significance to us in the use of Bridge Table B by these States, which does provide for proper axle numbers and spacing.* * *"

"Thus, *I would like to assure you that we have no inclination to overturn these existing practices, whether the States were in fact issuing such permits in 1956 or could have issued such permits in 1956.* We do, however, ask your support in the maintenance of our role with respect to the issuance of permits not conditioned upon Bridge Table B. We have diligently sought to conform to the letter of the law and to the spirit which led to the amendment and we feel we have succeeded in both establishing a proper Federal role and recognizing State determinations of State law." (Emphasis added)

It now appears that the FHWA is attemptiong to "reopen" the issue.

I believe that the Department should contact the office of Senator Baucus to advise him of the FHWA's memo and seek his assistance in this matter. If this is not successful and the FHWA withholds Montana's interstate apportionment, I would suggest that an action be initiated in Federal District Court to determination whether they have the legal authority to withhold these funds.

DEPARTMENT OF TRANSPORTATION,
FEDERAL HIGHWAY ADMINISTRATION,
April 1, 1991.

Subject: Montana: Memorandum of understanding with Alberta concerning overweight vehicle operations.

From: Executive Director.

To: Mr. Louis N. MacDonald, Regional Federal Highway Administrator (HRA-08), Lakewood, CO.

This is in response to your February 26 memorandum concerning Montana's proposed Memorandum of Understanding (MOU) with the Province of Alberta. The MOU would allow overweight vehicles carrying divisible loads to operate under permit on I-15 between Sweetgrass on the U.S.-Canadian border and Shelby. The vehicles would use 37,500 pound tandems and 50,700 pound tridems, both of which exceed Federal axle or bridge formula limits. The gross weight of these vehicles would apparently be 138,000 pounds. You asked for my review and advice. You also questioned whether Montana could enter into the agreement without congressional approval.

This permit program, if implemented, would bring Montana into conflict with Federal law and would result in the withholding of Federal-aid funds to the State.

Chief Counsel Steve Wermcrantz has concluded that vehicles with the weights contemplated by the MOU exceed Montana's grandfather rights under 23 U.S.C. §127. We are aware that the Montana Supreme Court held exactly the opposite in *State ex rel. Dick Irvin, Inc.* v. *Anderson*, 525 P.2d 564 (1974), but we think the decision was incorrect on the critical point. The question of State law addressed in *Dick Irvin*—whether Montana had the authority to issue divisible load permits in 1956—is exclusively within the jurisdiction of that Court. The interpretation of Federal weight law, however, is primarily the responsibility of this agency, and ultimately of the Federal courts. *Dick Irvin* held that the grandfather clause allows a State to issue divisible load permits for vehicles far heavier than those allowed under permit in 1956. That was a fundamental misreading of Section 127. The grandfather clause was intended to freeze vehicle weights, including the weights of vehicles operating under permit, at the levels current in 1956. The Montana Supreme Court's interpretation of the grandfather clause would reverse the intent of Congress and enable the State to increase vehicle weights without limit. The Federal Highway Administration (FHWA) therefore rejects both *Dick Irvin*'s reasoning and its result.

Several other States are also considering the adoption of permit programs that would allow vehicles weighing 110,000 pounds or more to operate routinely on the Interstate. The rationale for these programs is invariably derived from the Montana case. If this problem is not addressed now, the 80,000 pound gross weight limit will in effect disappear.

Please inform Montana that the FHWA considers permit operations under the MOU to be in conflict with Section 127. If it proceeds with the program, the FHWA intends to withhold the State's Interstate construction apportionment on October 1.

The Assistant General Counsel for International Law has advised us informally that the MOU probably does not offend the Constitution.

E. DEAN CARLSON.

DEPARTMENT OF TRANSPORTATION,
FEDERAL HIGHWAY ADMINISTRATION,
Washington, DC, October 3, 1984.

Hon. STEVEN D. SYMMS,
U.S. Senate,
Washington, DC.

DEAR SENATOR SYMMS: Thank you for the opportunity to review Mr. Darrell V. Manning's letter of September 12 to you concerning our recent interpretation of State "grandfather" rights under 23 U.S.C. 127. We have also reviewed Mr. Wicks' letter to Senator Baucus and a letter from Mr. Otis E. Winn to Senator Garn. We are forwarding this response to each of these Senators.

As you know, the history of "grandfather" interpretations has been long and controversial. We have attempted to interpret the amendment to Section 127 in a liberal but prudent manner in accord with our reading of legislative intent. In summary, those States, particularly in the Western United States, which have been issuing special permits for doubles and triples for weights in excess of 80,000 pounds, and which were doing so under authority of an opinion of the Attorney General or State Supreme Court (South Dakota and Montana) would be considered to be in compliance with 23 U.S.C. 127. This has been and remains a settled issue with us in these States and no further documentation is required nor would this issue be reopened in the future. Of particular significance to us is the use of Bridge Table B by these States, which does provide for proper axle numbers and spacing.

We do remain concerned with the issuance of permits, both up to and above 80,000 pounds which do not require the use of Bridge Table B. The increased frequency of loadings of such a magnitude can have disastrous implications for our pavements and bridges. In such cases, we do feel that the Congress has delegated to the Federal Highway Administration (FHWA), the task of ensuring that the safety and preservation of the Federal-aid systems remain intact. Thus, in States instituting new permit practices authorizing higher axle and gross weights we must remain involved to some extent to carry out the requirements of section 127.

I would again call your attention to the long history of FHWA support for the complete use of Bridge Table B. We recommended the lifting of the gross weight cap and use of Bridge Table B as early as 1965 (see H. Doc. 354, "Maximum Desirable Dimensions and Weights of Vehicles Operated on the Federal-Aid Systems)." We introduced legislation in 1969 and again in 1973; each time this legislation was rejected. We also discussed this proposal with the House and Senate staffs prior to the Surface Transportation Assistance Act of 1982 (STAA), but the proposal received an unfavorable reception.

Thus, I would like to assure you that we have no inclination to overturn these existing practices, whether the States were in fact issuing such permits in 1956 or could have issued such permits in 1956. We do, however, ask your support in the maintenance of our role with respect to the issuance of permits not conditioned upon Bridge Table B. We have diligently sought to conform to the letter of the law and to the spirit which led to the amendment and we feel we have succeeded in both establishing a proper Federal role and recognizing State determinations of State law.

I hope this information is of assistance to you.

Sincerely yours,

R.D. MORGAN,
Executive Director.

JULY 24, 1984.

Hon. MAX BAUCUS,
U.S. Senator,
Dirksen Office Building,
Washington, DC.

DEAR MAX: The Federal Highway Administration (FHWA) on June 5, 1984 issued a Final Rule on Truck Size and Weight. This is contained in Volume 49 of the Federal Register starting at Page 23302. This rule addresses a number of subjects; however, the Montana Department of Highways is primarily concerned with only one. This is the interpretation that FHWA has placed on the grandfather clause contained in 23 USC 107. This particular section was amended by the Surface Transportion Assistance Act of 1982 (STAA). As you may recall, the gradfather issue as controversial. Our understanding of its resolution is, first, the states determine the permitting weight, and secondly, the weights are grandfathered on the basis of what the states could have issued, not what they were issuing at that time.

The FHWA's interpretation is found in the Supplementary Information under the heading "Special Permits" and is on Page 23312. This interpretation appears to be considerably different than the one expressed in the Notice of Proposed Rulemaking. This is found in Volume 48 of the Federal Register at Page 41280. We did not comment on the issue of the grandfather clause becaue we were not aware of the FHWA's interpretation until the final rule was published. In addition, we did not dispute the FHWA's statement on the effect of the amendment to the grandfather clause which was contained in the Notice of Proposed Rulemaking.

It now appears that the FHWA has altered its position on the effect of this amendment. We feel that the position of the FHWA is not only contrary to the plain meaning of the language of the STAA, but also contrary to the legislative intent as indicated by the legislative history of the STAA. The fact that an agency would attempt to adopt an interpretation that is directly contrary to the language and purpose of an amendment is most disturbing.

In order to understand the concern we have, some background information is essential. Section 127 of Title 23, USC, imposes restrictions on the weight and width of vehicles that can be operated on the Interstate System. This was originally enacted in 1956 and contains the following language: "This section shall not be construed to deny apportionment to any state allowing the operation within such state of any vehicles or combination thereof that could be lawfully operated within such state on July 1, 1956." This language in effect "grandfathered" in weights in excess of those authorized under Section 127. In Montana these heavier weights were allowed through the issuance of special permits.

The extent of the Department's authority to issue these special permits became a matter of controversy with not only the FHWA but also the trucking industry. Basically, the dispute with the FHWA centered around two issues:

(1) Should the grandfather clause contained in Section 127 be read to allow only those weights that were being operated on the highways as of July 1, 1956 or should it be read to allow those weights that legally could have been operated as of that date, even though they were not actually being operated on the highways as of that date?

(2) The second question involved the issue of who made the final determination as to the extent of the weights allowed under the "grandfather" clause, the State or the FHWA?

In 1974 a trucking company brought a declaratory judgment action against the Department of Highways seeking an interpretation of the authority of the Department to issue special permits for weights in excess of those authorized by Section 127. The Montana Suprme Court issued an opinion defining the extent of the Department's authority to issue permits for excess weight. The FHWA was not happy with its opinion and does not agree with it; nevertheless, the Montana Department of Highways is bound by it.

This opinion and the dispute over the issuance of special permits was the subject of much communication with the FHWA between 1974 and 1982.

The Department of Highways, upon reading the provision of the Surface Transportation Act of 1982, thought that the subject had been put to rest as the result of language which amended the grandfather clause in Section 127. This language amended the grandfather clause so that it now reads: "This section shall not be construed to deny apportionment to any state allowing the operation within the state of any vehicles or combinations thereof which the state determines could be lawfully operated within such state on July 1, 1956 * * *" The underlined language was inserted by the Environment and Public Works Committee according to Senator Symms. See 128 Congressional Record S14997.

The FHWA on Page 23313 of the Federal Register states:

"The Congress, in enacting the STAA, attempted to clarify this issue and reduce conflict between the Federal and State governments by amending 23 U.S.C. 127 and placing the responsibility on the States to determine, as a matter of first impression, whether State law on July 1, 1956, provided for the issuance of special permits for divisable loads, and if so, the scope of the permits. However, the legislative history of the STAA addresses the issuance of special permits (see remarks of Sen. Symms, 138 Congressional Record S14997) and makes it clear that Congress did not intend to create exclusive State authority to make such determinations. The Secretary must be involved in this determination process and is responsible for reviewing State determinations that appear to be inconsistent with the requirements of 23 U.S.C. 127. Congress enumerated the States that are considered to have legitimate grandfather rights and also mentioned that the language added to Section 127 was not meant to provide new controversies over this authority."

The clear implication of this paragraph is that the FHWA will make the ultimate determination as to the extent of the State's permitting authority. To justify this, it is noted that the legislative history "makes it clear that Congress did not intend to create exclusive authority to make such determinations." That may be true but it is misleading—Congress did intend that the final determination would be made by the states."

The legislative history is very clear on this. The House version, which was not enacted, contained a subsection amending the language of the grandfather clause. In the House Report on P.L. 97-424 it was stated about this subsection:

"The new subsection also provides, however, that apportionments shall not be denied to States which allow the operation of vehicles which that State determines, in consultation with the Secretary, could have legally operated in the State on July 1, 1956, or in the case of overall gross weight of any group of two or more consecutive axles, on the date of enactment of the Federal-Aid Highway Act of 1974. Consultation with the Secretary is intended to ensure that the Federal investment in the Interstate System is safeguarded to the maximum extent practical."

A copy of this subsection is not available to the Department of Highways. However, it is obvious that it required "consultation with the Secretary" in the determination of what vehicles could legally be operated within a State on July 1, 1956.

The Senate amended the above language and in the Conference Report on P.L. 94-424 it is noted:

"The provision also clarifies the application of the "grandfather clauses" authorized by the Federal-Aid Highway Act of 1956 and the Federal-Aid Highway Amendments of 1975. Under this provision States will determine the weight of vehicles and classes of vehicles eligible under the grandfather provision as it applies to their State."

It is obvious that the ultimate determination as to the extent of the weights allowed under the grandfather clause resides solely with the State and that there is no requirement that the states consult with the "Secretary" or the FHWA in making that determination.

The FHWA states, in the latest rules, that the legislative history "makes it clear that Congress did not intend to create exclusive state authority to make such determinations." In support of this they seem to cite the remarks of Sen. Symms at 128 Congressional Record S14997. A reading of Sen. Symms does not support this position. Senator Symms recognized that the ultimate determination would be made by the state. He stated:

"This set of States are the only ones likely to qualify under the State determination process envisioned by the committee in adding the provision. FHWA is certainly encouraged to be actively involved in the state determination process."

Note the language that encourages the FHWA to be actively involved "in the State determination process." This does not mean that the FHWA is empowered to make its own determination but rather that the FHWA should participate in the state determination process, such as an Attorney General's opinion or a court case.

The FHWA in a similar vein is trying to adopt an interpretation of the grandfather clause which is contrary to the plain wording of the legislaton. So far as pertinent, the grandfather clause was amended to read: "* * * to any state allowing the operation within such state of any vehicles or com-

binations thereof which the state determines could be lawfully operated within the state on July 1, 1956 * * *"

The FHWA on Page 23313 of the Federal Register states:

"FHWA believes the authority to issue special permits for divisible loads in excess of 80,000 pounds represents a legitimate grandfather right under Section 127 only if the State was actually issuing such permits in 1956. Furthermore, this permit authority should only extend to those weights for which the permits were being issued at that time. Any other interpretation would allow the States to issue permits for loads that do excessive damage to highway pavements and bridges and would contravene the plain meaning of grandfather rights under Section 127."

The FHWA is taking the position that the extent of the State's permitting authority under the grandfather clause is determined by what permits were actually being issued on July 1, 1956. This is contrary to the plain wording of the statutes. The determination cannot be limited to what the states were actually permitting, but what the states, under their law, could have permitted on that date. This is borne out by the House Report to P.L. 97-424, which states:

"In incorporating amendments with respect to vehicle sizes and weights, the committee has taken care to preserve the authority of the States to continue to permit the operation of vehicles of such sizes and weights as could lawfully be operated on those highways of those states on July 1, 1956."

Congress was no doubt well aware of the difference between the term, "could lawfully be operated" and, "were lawfully operated." If Congress had intended the latter, they would have said so.

We believe that you should be made aware of the action being taken by the FHWA and its incorrect interpretation of the amendment to the grandfather clause. It would appear that the FHWA does not agree with the amendment, and therefore through the process of rulemaking, is attempting to thwart the will of Congress. We are requesting that you intercede in this matter to determine what the FHWA intent is on the rule, and to have the rule rescinded, or modified to comply with the original congressional intent. For your information there are 15 other states apparently being similarly affected, namely Nebraska, South Dakota, Oklahoma, Rhode Island, Idaho, Oregon, New Mexico, Utah, Nevada, Massachusetts, Louisiana, Michigan, Hawaii, Washington and Alaska.

Sincerely,

GARY J. WICKS,
Director of Highways.

Mr. BAUCUS. In closing, this will allow development of the Shelby Trade Port. It will spare the State of Montana from needless and expensive litigation.

Thank you.

Mr. KOHL. Mr. President, this amendment will provide Wisconsin the necessary flexibility to better meet its transportation needs in southeastern Wisconsin.

I ask unanimous consent that a letter written to the chairman of the transportation subcommittee of the Environment and Public Works Committee, Senator MOYNIHAN, by myself and Senator KASTEN which further explains the need for this amendment, be printed in the RECORD.

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

U.S. SENATE,
Washington, DC, May 31, 1991.

Hon. DANIEL PATRICK MOYNIHAN,
Chairman, Subcommittee on Water Resources, Transportation, and Infrastructure, Committee on Environment and Public Works, U.S. Senate, Washington, DC.

DEAR PAT: In anticipation of full Senate consideration of the Surface Transportation Efficiency Act of 1991, we would like to bring to your attention a matter of special concern to the State of Wisconsin.

During preparation of the 1991 Interstate Cost Estimate [ICE], the Federal Highway Administration agreed that $320.9 million in costs related to the I-94 East-West transitway project in Milwaukee and Waukesha counties had been inappropriately excluded from Wisconsin's ICE in 1981. Although Wisconsin has had no remaining Interstate completion costs since 1987, the 1991 ICE—submitted to Congress in February—showed Wisconsin with an estimated Federal share of funds required to complete the Interstate system of $265.18 million. This sequence of events has created circumstances that FHWA admits are unique in most respects.

FHWA has already agreed to restore these funds and no further action is required to establish Wisconsin's entitlement. However, because of the 10-year period since the costs were excluded by FHWA, the dormancy of the transitway project, and the sudden restoration of these funds, Wisconsin faces a very difficult task in trying to develop plans for the most appropriate use of these funds to be apportioned starting October 1, 1991.

It now appears that the transitway project is no longer the best solution to the growing congestion along the I-94 E-W corridor. Since Wisconsin will need several years to select projects and develop detailed plans before it is actually able to use these funds, we believe that the best solution from both a State and Federal perspective is to make the transitway project eligible as an Interstate substitution project. We have attached draft legislative language to that effect.

There are several justifications for making the transitway project eligible as an Interstate substitution project.

First, it is important to note that we are not proposing this in order to gain additional funds for Wisconsin. Rather, treating this as a substitution project permits a more manageable schedule for project development and fund distribution. This is critical to ensure that sound planning and decisionmaking occurs at each step of the process.

Second, strong local support now exists for construction of a light rail transit [LRT] system along this route instead of a transitway. Under existing law, the use of these funds for a transit project must be done under the auspices of an Interstate substitution project. As you may recall, there is precedent for this in the 1987 Surface Transportation Assistance Act, which permitted Oregon and California to construct a LRT line in lieu of HOV lanes that were part of the ICE in those states. It is also envisioned that a portion of these funds would be used for additional highway projects in the E-W corridor and on connecting routes in the region.

Third, Wisconsin is not in a position to be able to use these newly-restored Interstate funds in fiscal year 1992. It therefore makes little sense to tie up these funds on paper by apportioning them to Wisconsin when it is clear that other States could make better use of the funds in the near term. Massachusetts is in a similar position with regards to its ability to use Interstate funds, and FHWA has proposed language to specifically exclude them from apportionment calculations until the State is ready to use the funds. At such time as Wisconsin formally requests the substitution, its costs would be removed from the ICE, increasing the shares of other States. To ensure that no apportionments are received before that time, the language treats Wisconsin as a zero-cost State when Interstate apportionments are calculated.

Lastly, we feel that the Interstate substitution approach is the best method available to use these funds to achieve their original purpose: namely, to improve mobility in the I-94 E-W corridor. Absent the creation of an Interstate substitution project, other uses will have to be found for these funds that may not adequately serve the original intent of the transitway project.

We hope that we can enlist your support for this Interstate substitution project. Please let us know if, you or your staff need any additional information on the subject.

Best regards,

HERB KOHL.
BOB KASTEN.

Mr. KOHL. Mr. President, I thank the managers of the bill for their cooperation on this matter as their support for this amendment.

Mr. KASTEN. Mr. President, I rise as a cosponsor of this amendment which gives Wisconsin some necessary flexibility in the use of $341 million of highway funds to which we are already entitled. In 1991 during preparation of the interstate cost estimate [ICE], the Federal Highway Administration agreed that $320.9 million in costs related to the I-94 east-west transitway project in Milwaukee and Waukesha counties had been inappropriately excluded from Wisconsin's ICE in 1981.

The 1991 ICE—submitted to Congress in February—showed Wisconsin with an estimated Federal share of funds required to complete the Interstate System of $265.18 million, although Wisconsin has not had any remaining Interstate completion costs since 1987.

FHWA admitted that this is a unique set of circumstances and has agreed to restore these funds without further action to establish Wisconsin's entitlement. Unfortunately the transitway project these funds are allocated for has been dormant for 10 years, making it extremely difficult for Wisconsin to develop plans for their proper use by October 1, 1991.

Furthermore the 10-year dormancy has rendered the transitway project obsolete, as it no longer provides the best alternative for solving congestion problems along the I-94 east-west corridor. I believe the best solution from both a State and Federal perspective is to make the transitway project eligible as an interstate substitution project.

There are several justifications for this decision.

Most importantly, Wisconsin is not requesting any additional funding. Rather the substitution project simply

provides us with the necessary time to draft a manageable and realistic schedule for project development and fund distribution.

Second the 10-year time lapse has changed the solution to the I-94 east-west corridor congestion problem. There is strong local support to construct a lightrail transit [LRT] system instead of the planned transitway. Under the existing law, the use of these funds for a transit project can only be accomplished under the auspices of an interstate substitution project.

Additional highway projects in the E-W corridor and on connecting routes in the region could also be funded with this money. The 1987 Surface Transportation Assistance Act permitted Oregon and California to build a LRT line instead of HOV lanes and serves as a precedent for our proposal.

Third, Wisconsin will need several years to draft plans for the best usage of these funds. It makes no sense to allocate these funds to Wisconsin when other States with more fully developed ideas could make better use of them. Wisconsin's costs would be removed from ICE, thus increasing the allotment of other States. To ensure that no apportionments are received before that time, the language treats Wisconsin as a zero-cost State when interstate apportionments are calculated.

Finally, the Interstate substitution method provides the best solution to improving transportation mobility in the I-94 E-W corridor. Without the Interstate substitution project I am proposing, plans will have to be devised that may not adequately serve the original intent of the transitway project. And without the flexibility this amendment provides, the money may not be directed to its best use.

I thank the managers of this bill for their cooperation and am pleased that this amendment is included in the Surface Transportation Act.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 353) was agreed to.

Mr. MOYNIHAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

Mr. MOYNIHAN. Mr. President, seeing no Senator seeking recognition, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. SYMMS. Mr. President, I ask unanimous consent that Senator BAUCUS be allowed to speak before we go into recess.

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

Mr. BAUCUS. Mr. President, I thank the Senator from New York as well as the Senator from Idaho for their gracious willingness to delay the vote. I thank the Chair.

Mr. President, I rise today in support of the compromise amendment offered by the Senator from West Virginia, our distinguished President pro tempore. I will focus my remarks on the amendment's level of effort bonus provision.

But before I do, I would like to begin by saying that this amendment strikes a reasonable balance between the competing interests that have made debate over this bill so difficult.

Mr. President, it is time for all of us to put our regional differences aside and do what the President has asked us to do; that is, pass a surface transportation bill in about 100 days.

Like the Senator from West Virginia, I have long believed that the Federal highway funding formula should contain a level of effort provision.

Earlier this year Senator REID and I introduced S. 823 the Transportation Improvement Act of 1991. That legislation contained a level of effort bonus provision somewhat similar to that which the Senator from West Virginia has now proposed.

The level of effort provision in this amendment is good national public policy.

The amendment recognizes the Federal Government must encourage State investment in roads and bridges. First and foremost, we should help those States with limited means that make an extra effort to help themselves. That is good policy.

Make no mistake about it, this is an issue that is also critical to our national competitiveness. As the Senator from West Virginia has repeatedly recognized, this country must begin to invest in improving its infrastructure.

For instance, on August 5 of last year the Washington Post ran a piece on the troubled Soviet farm economy. The article cited "miserable country roads" as a major reason why the Soviets lost as much as 2 million tons of grain each day—lost to the Soviet Union because of miserable roads. Grain rots on the farms. And Soviet farm to market roads simply cannot carry enough commodities to support cities like Moscow or Leningrad.

Of course, our roads are not in the same state of disrepair as those in the Soviet Union. They are not. Yet any smart businessman or local planner knows that poor roads and bridges hamper economic development.

Moreover, at least one study shows that an investment in highways and other forms of infrastructure stimulate economic growth. According to a study conducted by Prof. David Aschauer, a former researcher from the Federal Reserve Bank in Chicago, a $1 increase in Federal infrastructure spending adds as much to this Nation's economic productivity as $4 in private business capital investment.

However, such investment must occur at all levels of government—Federal, State, and local. I say this because a full 80 percent of the total road and bridge spending in the United States occurs at the State and local level. By increasing spending at the Federal level, we have accomplished just 20 percent of what must be done.

Yet, unfortunately, when it comes to highway and bridge spending there is an enormous disparity between the States. For instance, in my home State of Montana we are taxing ourselves into the ground just to maintain our existing network of State and Federal aid roads. We are not a rich State. We lack a broad tax base.

But on a per capita basis the Federal Highway Administration estimates that Montanans pay $380 each person in direct and indirect highway taxes—the fifth highest overall State level effort in the Nation. Nationally the per capita level of highway spending is just $226, much higher in a State like mine with no resource base on which to raise more taxes.

Moreover, at 20 cents a gallon our State gasoline tax is among the highest in the Nation. We are tapped out. Unless the Federal Government begins to provide an incentive we cannot even begin to think about paying more. The level of effort provision in this amendment recognizes this fact.

For this reason, Mr. President, I urge adoption of the amendment. It is time to provide a fair incentive for the States to invest in this Nation's infrastructure.

I yield the floor.

Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER (Mr. SIMON). The Senator from Vermont is recognized.

Mr. LEAHY. Mr. President, I ask unanimous consent to be able to speak as in morning business for not more than 10 minutes.

Mr. HATFIELD. Reserving the right to object——

Mr. DOMENICI. I say to the distinguished chairman, the Senator from Florida is wishing to speak on the amendment.

Mr. LEAHY. I am sorry. I sought recognition. I did not realize there was somebody else out there.

Parliamentary inquiry, Mr. President: Who has the floor?

The PRESIDING OFFICER. The Senator from Vermont is recognized.

Mr. LEAHY. Mr. President, I ask unanimous consent to be able to yield to the Senator from Florida without losing my right to the floor.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. GRAHAM. Thank you, Mr. President.

Mr. President, I would like to talk about the environment in which we are about to consider the amendment offered by the Senator from West Virginia and the basic bill.

There has been a great deal made of the fact that transportation is a key part of our national effort to rebuild economic competitiveness. Of all the things that Government can do that will contribute in our democratic capitalist society to a stronger and more competitive American economy, the two principal areas of investment are education and transportation.

I believe that therefore it is important that we understand what the fundamental impact of this legislation that we are currently considering will be on our Nation's transportation system over its 5-year life expectancy.

To do that, let me share two sets of figures: One from the Federal Highway Administration that relates to the status of this legislation and our National Highway System; the second set from the American Public Transit Administration relative to the impact of this legislation on our public transit system.

According to the Federal Highway Administration, Mr. President, we today have an unmet need in our highways of $450 billion. That is in order to bring our highways up to a level of adequacy, we would have to spend $450 billion.

The Federal Highway Administration projects that over the next 5 years, as a function of the continued deterioration of our existing system, and the needs of a growing population and economy, we will add an additional $225 billion to our current unmet needs.

So if we did nothing and made no expenditures over the next 5 years, we would have a total unmet need in fiscal year 1996 of approximately $675 billion. We are not proposing to do nothing. We are going to be making an expenditure—although the numbers have been somewhat shifting, under this legislation, with the amendment that is currently before us and the amount of State funds which are anticipated to be drawn to this Federal program—of approximately $150 billion over the next 5 years.

The consequence, therefore, is that at the end of this 5-year period, we will, to the extent of approximately $75 billion, have a worse transportation system, a worse highway system than we do today. If anyone wishes to dispute those figures that we are about to pass a bill which guarantees that we are going to have a deterioration of America's highway system, I wish they would please stand and challenge those numbers, because to me that is a basic part of the environment, which this legislation must be considering. We are guaranteeing longer lines, and we are guaranteeing greater deterioration of our highways, a lesser contribution to our Nation's economy. And it is not just in highways.

The American Public Transit Administration, using the same analysis, estimates that today the estimate of backlog in our public transit is $25 billion. We will add to that number, over the next 5 years, an additional $26 billion for maintenance, modernization, and replacement of the existing system, and $24 billion of need for capacity expansion, or a total of $60 billion of additional needs added to the $25 billion that currently exists.

We are proposing to spend, under the public transit title of this bill, $17 billion in Federal funds and will draw $8 billion of State and local contribution, or a total of $25 billion.

So the consequence is that at the end of this process, we will have a $50 billion, rather than the current $25 billion, unmet need in our transit needs. So we are adding over $100 billion in the next 5 years to the backlog of our Nation's transportation system in highways and public transit. That is the basic environment within which this amendment, this legislation, must be considered.

The second issue of environment is the fact that America is moving. The distinguished Senator from New York has used extensively a line from the movie "Field of Dreams," which is, "If you build it, they will come." That movie is set in Iowa. That is where the cornfield was cut down, the baseball field was built, and the Chicago White Sox of 1919 returned, because it had been built and they came.

I am interested in Iowa, because in addition to being a beautiful, wonderful State in our Nation, it also happens to be a State that shares a lot of historical parallels with Florida. When Florida became a State in 1845, Iowa became a State also. We entered the Union together.

When we did, Iowa had a population of 192,000 souls. Florida had a population, in 1845, of 87,000 souls. By 1930, Iowa had grown to 2.471 million. Florida had grown to 1.468 million. Florida had five Members of Congress in 1930, and Iowa had nine. Today, in the 1990 census, the Iowa population is 2,887,000, and it will have 5 Members of Congress. Florida will have a population of 13,003,000 and will have 23 Members in the House of Representatives after the 1990 census is implemented.

Mr. President, why do I cite these figures from the line, "If you build it, they will come"? We did not build it, and they came. I can assure you that there were many reasons why 13 million Americans decided that they wanted to come to Florida. It was not the smell of asphalt. They came for a whole variety of reasons. And now it is America's responsibility to see that a basic part of the American system of serving Americans where Americans live—our transportation system—responds to that. They are there, and now we must respond in an equitable manner.

Later in this debate, I will talk about some of the concerns I have about the underlying legislation, the legislation introduced by the Senators from New York and Idaho, which I believe fails to take into account that second part of the basic environment, which is that America has moved; therefore, our concept of where transportation needs are must also move.

Let me turn, Mr. President, to the issue of the Byrd amendment. When I was in the State legislature, we used to consider the budget by taking up a piece of legislation that had some 1,200 items. The first item in that was always the salary of the Secretary of State. We would spend a considerable period of time debating whether the Secretary of State was worth $30,000, or $32,000, or $28,000, or some other figure, and after having exhausted that very philosophical debate, someone would say, "We have now had a full debate on the budget; let us go to a vote."

I have a sense of deja vu here. We have a tail, the tail of Byrd-Mitchell-Bentsen, an $8.2 billion tail. It is not an inexpensive tail, but it is a tail, because it is attached to a dog that is $105 billion dog.

Mr. MOYNIHAN. Will the Senator yield for a question?

Mr. GRAHAM. Yes.

Mr. MOYNIHAN. Is the Senator not aware—as I know he is aware—that I have repeatedly asked if we could not refer to the bill as a donkey?

Mr. GRAHAM. I do not want to have any partnership by illusion, or otherwise, attached to this legislation. I do not want the symbol of Thomas Jefferson to be associated with an analogy which I think is so precise, because we have a dog, a $105 billion dog. It is an old dog, and we will talk about the age of this dog at a later point. I suggest that it is a relatively emaciating dog in terms of the distance that we want it to travel in meeting our transportation needs. But that is the dog.

What we are talking about here, and have been talking about for most of last week, has been the tail of the dog. Just like I do not want the salary of the Secretary of State in Florida to be defined as the totality of debate on the budget, I do not want the debate over the tail of Senator Byrd-Mitchell-Bentsen—no pejorative to any of those Senators or the tail itself—to be considered to be the debate on the transportation bill.

I have some concerns about the basic proposal of Senator BYRD. We are here allocating Federal money to meet Federal objectives. We are here to see that the mammoth investment that we have

in our Federal Highway System, including the 40,000-plus miles of interstate, is properly maintained. We are here to see that the investment in our Nation's public transit systems, which have been largely built with Federal funds, is maintained. We are here to see that we can meet future needs, as the American population and the American economy grows.

(Mr. SIMON assumed the chair.)

Mr. GRAHAM. Those are what we are here about. Those, Mr. President, I suggest, have no relevance to the question of the amount of effort expended on State and county roads, which is where those funds derived through State gasoline taxes and other sources of funding which go into a State transportation program are directed.

The fact that one State has a different standard of expectation as to what its State or county system would be, the fact that one State, for instance, has less than it has to spend on areas such as law enforcement and therefore is allowed to spend more on transportation, those are not relevant to the question of what is our level of commitment to a National Highway System, and that is the issue which I believe is diverted by our focus on a formula that says we should distribute approximately 3 to 4 percent of our highway money based on your effort for your State and your county roads.

Second, even assuming you could accept the theory there was some appropriateness to that concept, as has been pointed out by several speakers earlier today, the idea of focusing on a single factor, the average rate of tax on gasoline, as being the sine qua non of a State's effort excludes a whole range of other ways in which States have met their transportation needs. It excludes diesel fuel, a very significant factor not only in terms of its dollar contribution but also as an indicator of one of the most serious sources of damage to our highways, which is truck traffic. It excludes license fees. It includes those States that apply an ad valorem tax against automobiles. It excludes those who use toll systems extensively. All of these are forms of citizen contributions toward their transportation system. They are all indicators of a State's particular effort.

I believe before we leave this matter we are going to have to address a more rational and more comprehensive standard of what is State effort.

Finally, Mr. President, I would suggest if we were to adopt this, what we would do is send out a message of encouragement to gaming the system.

It would not be a particularly bright legislature that would be required to figure out they would be better off lowering their license tag fees and increasing their gasoline tax in a proportional manner so the total income was maintained but to do so in the category that would draw down additional Federal funds.

So we are creating an incentive for States to take action that could be totally unjustified by any policy or tax standard just in order to be able to game the system where they would get the greatest amount of funds.

That, Mr. President, speaks to the first half of the amendment that is before us.

The second half is the minimum allocation. I am concerned that "minimum allocation" as a phrase is a misnomer. The fact is we have had a minimum allocation formula in the law for most of the last decade and theoretically that has indicated States would get back 85 percent of what they contribute.

In fact, for many States, including mine, the amount returned has been closer to 74 cents of what we have contributed. And the minimum allocation we are talking about in the future is also a misnomer.

In round numbers, Mr. President, we are proposing now to receive into the highway trust fund over the next 5 years approximately $81 billion. We are proposing to expend from the trust fund for highway purposes $96 billion. Where is the $15 billion difference? The $15 billion difference is we are spending down the highway trust fund and there is some interest earning on that fund.

What we are not doing is we are not going back and readjusting what the States' contributions will be both in terms of what they have already committed in past years and which has accumulated and earned interest and how much they are going to contribute over the next 5 years.

In the case of my State, we are going to be contributing in the first year, 1992, approximately 4.91 percent of the nationwide total. That percentage will grow over the 5-year period. But fixing at that 4.91, if that were applied to the $15 billion that is going to be added to the system beyond what will be contributed over the next 5 years, my State's contribution would be increased by approximately $680 million to $700 million. And it is on that figure, the real amount we contribute, what we contribute, that we have already paid at the office, and what we are going to contribute when the delivery man comes to our door each of the next 5 years that ought to be the standard by which we evaluate whether we are treating all of our States with a minimum level of adequacy.

The consequences of this approach, Mr. President, remind me of the end of a movie which I would recommend to my colleague, "Thelma and Louise." I do not want to tell the full story of a very interesting plot. But at the last scene, in very desperate circumstances, Thelma and Louise take action to remove themselves from their predicament, and the last scene of the movie shows them suspended over a canyon. I suggest we are going to have a transportation system which will be like that last scene in "Thelma and Louise," suspended over a canyon, suspended because we are going to be spending out at a level of $96 billion because we are using past accumulations as well as current receipts. But we are only going to be having funding coming into the trust fund at a level of $81 billion.

So we are guaranteeing to our colleagues in 1996 that not only are they going to have a worse transportation system, poorer roads, and more congestion, and a continued deterioration of our public transit system—we will guarantee that. But he will also guarantee they are going to be in one hell of a financial circumstance because of a mismatch at the level of expenditures and the level of revenues.

I believe this exposes us to the criticism of being at least disingenuous, or maybe even rising to the level of Mark Twain's observation that Congress was America's only indigenous criminal class. Whether we will rise to that level, I do not know, but I think we will be approaching it.

So, Mr. President, I believe we have very fundamental issues in terms of meeting our Nation's transportation requirements, doing so in a mobile society, that we need to begin to focus on the dog, not the tail.

I would hope before we adopt this tail that we would take into account the implications that it is going to have in terms of philosophy, of Federal and State transportation responsibilities, and where this is going to leave us in terms of the fiscal condition of our transportation program in 1996.

Mr. President, I would conclude with just one statement of concern raised by comments such as the Senator from New Mexico earlier today and that is those of us who are going to be buying the dog because they like the tail so much need to be made aware the dog has a fairly guaranteed kennel. The dog is going to be more or less assured it will be fully funded; the tail is going to be very much at risk.

Mr. President, I do not believe it is an appropriate transportation program that results in half of the States of the Nation—25 States are going to be in this minimum allocation category depending upon the good wishes of future Congresses to fully fund that tail, or their dog will be even more emaciated than the dog they have been living with for the last 5 years.

Mr. President, I appreciate the opportunity to share those observations. I look forward to the debate we are going to have on the dog which will give us a chance to discuss the policy bases and some of the alternative policies available to us in terms of the basic financing of our transportation system.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, while I recover from the shock of the Senator

from Florida having given us the final scene from "Thelma and Louise" without a chance to see it, my distinguished colleague and neighbor from New York and the distinguished senior Senator from New York [Mr. MOYNIHAN] has asked if I would yield to him for 1 minute without losing my right to the floor, and I so ask unanimous consent.

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

Mr. MOYNIHAN. Mr. President, on the subject of the dog, I ask unanimous consent that an article by Prof. Charles Lave be printed in the RECORD.

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

[From the Washington Post, June 10, 1991]

(By Charles Lave)

TRANSIT SUBSIDIES: THE HELP THAT FAILED

It's hard to remember now, but mass transit systems were once profitable businesses. Even as late as the mid-1960s, the average transit system earned enough to more than cover its operating costs. But the surplus was not enough to pay for replacing their aging equipment, so the federal government established a capital subsidy program in 1964. It was not to be a perpetual dole, only a one-shot intervention to provide new equipment. Advocates claimed the new equipment would decrease operating expenses, increase productivity and ensure the industry's financial future.

It didn't turn out like that. Instead, operating expenses began to increase sharply. So the capital subsidy program was extended, and then a program of operating subsidies was added as well. Today the average transit system requires an operating subsidy of more than 50 percent.

The administration proposes major changes in the subsidy programs to restore productivity. Before discussing this proposal and its likely effect, we must understand the causes of the industry's financial decline.

Why did our attempt to help make things worse? First, government subsidies reduced financial discipline. From labor's point of view, the industry now had a "sugar daddy," so workers demanded large salary increases and new work rules. And from management's point of view, federal subsidies reduced the need to bargain hard or take a strike—why not be nice guys if the feds will pick up the tab?

Second, many congressmen hitched their pet causes onto the transit funding engine. To help downtowns, transit managers were asked to run inefficient new services out into the suburbs. To help the poor, managers were asked to lower fares for all passengers. These are worthy causes, but they are not the essential mission of mass transit. They are not even things that mass transit can do well.

Third, we indirectly increased the industry's overhead expenses. Transit staffs were expanded to comply with federally mandated standards for planning and environmental assessment and to gather the extra information that the government now wanted.

The transit industry apologizes that its financial problems stem from political decisions beyond its control. Because of that political interference, we must be careful how we measure the industry's performance: Measures such as "passengers served" or "revenue earned" are unfair, because society forced the industry to put service in areas where there is little demand and to keep fares artificially cheap. So I will measure transit productivity as the "cost per bus-hour delivered." This measure is independent of the distorting effects of suburban service and low fares; it is even independent of the effects of traffic congestion. This measure answers the question: Regardless of whether the industry provides the right kinds of service, does it at least provide that service efficiently?

To judge the effects of federal subsidy programs on the industry's productivity, I analyzed the history of the 62 largest transit systems for the period before and after the subsidy programs began. The picture across transit systems was similar, so I will concentrate on the dozen largest ones. In 1964 it cost $21 to produce one hour of bus service; by 1985 that had risen to $47 per hour (in 1985 constant dollars). The cost of putting a bus-hour of service out onto the street had more than doubled. Some of the productivity decline came from increased use of labor: Bus-hours per employee fell 30 percent. Some came from greatly increased overhead: The proportion of costs devoted to administration doubled between 1980 and 1985. And some came from greatly increased salaries for transit employees: In the eight largest urban areas, public transit drivers now earn 31 percent more than unionized private-sector drivers.

Federal subsidies for transit capital projects have been as high as 100 percent. Cheap money encourages unnecessary actions such as replacing equipment long before it wears out—the average transit bus is now younger than the average private automobile. The administration proposes that transit operators pay at least half the cost of any new capital project.

The administration seeks to eliminate operating subsidies altogether. Most academic research has shown that operating subsidies decrease management's financial discipline: Why fight with labor over demands for increased pay and decreased work hours if someone else is going to pay the costs? Why struggle to hold down overhead expenses? It is significant that the threat to reduce federal operating subsidies, in the early 1980s, produced two important productivity-enhancing changes; contract services and part-time labor.

The proposed subsidy changes would be painful for the industry, but not disastrous. At almost all transit systems, rolling stock and buildings are now in relatively good shape, so the cuts are bearable. Asking transit operators to make a 50 percent co-payment on future capital projects will restore their incentive to use capital wisely.

The federal share of operating subsidies is only 7 percent. Cutting this to zero would unquestionably be painful, but it would not halt service, and it would give management the excuse it needs to make serious productivity-enhancing changes.

These are short-run pains, necessary for the long-run health of the patient. Since we cannot afford the current situation, we must do something to restore the industry's incentive to control costs. We must restore productivity, not just to cut government expenditures, but because it will eventually allow us to expand transit service.

An expansion of transit service would help reduce air pollution and congestion in many areas. It would increase mobility for the very old and the very young in most areas. But we cannot afford to expand services now; it's too expensive because of the drop in productivity created by past subsidy policies. To put this drop into perspective, if productivity had merely remained constant during the period since subsidies began, transit operating expenses would be low enough to erase most of the current financial deficit—without raising fares.

The changes proposed by the administration will create strong pressures to restore productivity. Conservatives should support this goal because it saves subsidy money. Liberals should support it because higher productivity will make it possible for us to afford what we need.

AMENDMENT NO. 356 TO AMENDMENT NO. 353

Mr. MOYNIHAN. Mr. President, inadvertently there was a mistake made in the previous committee amendment sent to the desk and adopted. I now ask unanimous consent to amend provisions already agreed to, in effect, with an amendment to amendment 353.

I send that to the desk.

The PRESIDING OFFICER. Is there objection? Without objection, the amendment is so modified.

Mr. MOYNIHAN. Mr. President, I think this has to be an amendment to the amendment already adopted.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New York [Mr. MOYNIHAN] proposes an amendment numbered 356 to amendment No. 353.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 2 of the amendment, in the new section of the bill entitled "Interstate Transportation Agreements and Compacts", strike subsection (b).

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 356) to amendment No. 353 was agreed to.

Mr. MOYNIHAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Vermont has the floor.

Mr. LEAHY. I yield to the distinguished majority leader.

ORDER FOR RECESS UNTIL 2:45 P.M.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senator from Vermont be permitted to address the Senate for 15 minutes, and that following the completion of his remarks the Senate stand in recess until the hour of 2:45 p.m. this afternoon.

The PRESIDING OFFICER. Is there objection? Without objection, the majority leader's request is granted.

FOREIGN AID TO THE SOVIET UNION

Mr. LEAHY. Mr. President, we have been discussing what we might do for the United States and its roads and bridges. And while we have this debate, we have ignored the fact that almost by fiat we are suddenly in the position, it appears, to be giving foreign aid to the Soviet Union.

I want to speak to the question of under what conditions we should be giving foreign aid, because I think we are making a dramatic mistake and one that we are going to regret for a very, very long time.

Even a year ago, this question would have seemed farfetched. But now, as chairman of the Agriculture Committee, I have to weigh the implication of the White House decision to provide $1½ billion in credits to the Soviet Union to buy food. This incidentally, is on top of the $1 billion we extended to them earlier this year.

And as chairman of the Foreign Operations Subcommittee, I have to weigh the very real possibility that the American taxpayer may soon be asked to provide direct foreign aid to the Soviet Union, a country whose credit rating is on a par with junk bonds and defaulting Third World debtor nations.

We are talking about a country, Mr. President, that spends billions of dollars to have submarines armed with nuclear missiles aimed at U.S. cities; that spends billions of dollars to keep the KGB operation worldwide, with much of that money being spent in a KGB espionage network here in the United States.

I am not suggesting the Soviets must unilaterally disarm. But why should the American people have to come up with billions of dollars in foreign aid for the Soviet Union so that they can save their money to pay for the KGB operations in downtown Washington and New York City, and Chicago, IL, and in California and everywhere else?

Why should we be giving them foreign aid dollars so that they might be able to pay for the nuclear submarines with nuclear missiles aimed at the United States?

In his decision to extend the $1½ billion in agriculture credits to Moscow, the President decided the Soviet Union could repay these loans. I do not know any private analysts on Wall Street or anywhere else who would agree with this assessment.

In fact, despite the law that we passed last year which says foreign policy considerations cannot influence a decision to grant agriculture credits to a foreign country, there is little question in anybody's mind that the President's decision was motivated by a desire to help Mikhail Gorbachev cope with his fast deteriorating political position.

And so the American taxpayer in Vermont or Illinois or any other State is the ultimate guarantor of these new credits to a very shakey borrower, and the Soviets are sliding deeper into external debt, which they are going to find very hard to pay.

When Agriculture Under Secretary Crowder briefed me upon his return from the U.S.S.R., he said that the Soviet agricultural problem was with processing and distribution. These are problems that need long-term repairs, not short fixes.

Now, the President has also agreed that Mikhail Gorbachev can come to the Group of Seven Summit in London. President Gorbachev is coming to London to stage a public relations spectacular. He wants to pressure Western leaders to agree to a $100 billion aid program to rescue the Soviet economy, which is now in collapse. The world's spotlight will be on London and the heat will be on the Group of Seven heads of government.

I think permitting President Gorbachev to crash the London summit is a mistake. One of the reasons it is a mistake is because the West has not yet agreed on a common policy toward aid for the Soviet Union.

Before our leaders tell the Soviets what we are willing to do to help, we ought to work out an understanding with our partners and allies about what kinds of economic and political reforms we will demand—and I use the word advisedly—as the price for aid on a scale Moscow must have. Before we send off a blank check, we ought to ask what we are going to get in return.

Instead, what is happening is we are slipping toward a huge direct-aid effort for the Soviets before we establish strict conditions which should be met. We should know exactly what changes must take place before $1 of our money goes to Moscow.

Mr. President, we know the cold war is over. But the Soviet Union is still controlled by the Communist Party. President Gorbachev has gone back and forth between reformers and hardliners several times already. We have no guarantee he will not swing back toward the army and the Communist Party just as soon as it is politically expedient, or even that he is still going to be in power at the end of this year, and many question whether he will be.

The occupied Baltic nations still live under Stanlinist repression. Political reform is stalled at the top, and democratization has shifted to the level of the Republics, not of the union. Very little progress has been made toward privatizing the economy and permitting market forces to operate.

And, lest we forget, the Soviet Union still has 25,000 nuclear warheads, 10,000 of them aimed at the United States. The Soviet Union still spends one-fifth of its gross national product on defense. We spend about one-twentieth. It still arms and subsidizes Cuba.

There are a lot of changes they ought to make there before they start receiving massive aid from the West. We have enormous leverage to push those changes if we would just use it. At a time when we cannot pay our own bills at home, when we cannot even do the things that need to be done here in the United States, why should we be sending more foreign aid to the Soviet Union without pushing for some changes, at the very least?

I think it is in the long-term interest of the West to help the Soviet Union to move toward democracy and a free market economy. I feel strongly about that, Mr. President. In fact, I cannot think of anything more conducive to a global stability than a peaceful end to Communist rule and a command economy. But that fundamental decision has not been made by the leadership in the Soviet Union. Only very tentative steps have been taken. They have made a lot of retreats. Until the Soviet leadership irreversibly commits itself to a market economy and democracy, we ought to keep our money here at home.

I might say that is true, Mr. President, not only about the Soviet Union, but many other countries. If we are going to give aid, we ought to at least ask that it advance U.S. interests. Too often, we send the money and hope that goodness and light will come out of it. And we know that that is not the way the world works.

If we are in a position where we are going to be constantly cutting every single program that benefits the people of the United States, then before we start sending money out in foreign aid to the Soviet Union or any other country, we ought to ask just what it is we get from it.

I do not think that is crass at all. I think that is being very, very realistic. And, especially before we send aid to the Soviet Union, we ought to at least ask what reforms have to come first. Or will we simply be subsidizing the KGB on the streets of Washington?

Mr. President, I yield the floor.

RECESS UNTIL 2:45 P.M.

The PRESIDING OFFICER. Under the previous order, the Senate stands in recess now until 2:45.

Thereupon, at 1:10 p.m., the Senate recessed until 2:45 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. ADAMS].

SURFACE TRANSPORTATION EFFICIENCY ACT

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, I rise with some confidence to say that it appears that all of the major debate has taken place on the amendment of the chairman of the Committee on Appro-

priations, our revered President pro tempore, Senator BYRD of West Virginia. I anticipate that we will proceed to vote presently.

I see the Senator from Florida is on the floor, and he was speaking with great force and conviction just a short while ago. He may want to resume that theme, although I believe the Senator from Florida means to offer an amendment later on the basic underlying formula; is that right?

Mr. GRAHAM. Mr. President, the Senator from New York is correct. As we discussed earlier, what we have been debating for the last week is the tail, to take an $8 billion additive which was not included in this legislation at the time it was reported by the Environment and Public Works Committee. What we have yet to debate is the dog, the $105 billion basic program which was the product of the committee and which will allocate better than 90 percent of the Nation's transportation funds for Federal purposes over the next 5 years.

It will be my intention when we complete action on the pending amendment, subject to, possibly, a further perfecting amendment on the Byrd amendment, as offered by the Republican leader, to then offer an alternative dog to the one that currently occupies the kennel, a dog which I think the Senate will find to be a happier dog and one with which we can live with greater comfort for the next 5 years.

Mr. MOYNIHAN. Mr. President, as my learned and experienced friend knows, I have several times expressed the wish that if we speak of Senator BYRD's measure as a tail, we might speak of the committee's bill as a donkey rather than a dog. That seems to be a matter beyond my control at this time.

The Senator from Montana would like to speak as in morning business, and I am sure we will want to hear him.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, I ask unanimous consent that I be allowed to speak as in morning business.

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

EXPORTING IDEAS TO CHINA

Mr. BAUCUS. Mr. President, at the center of the debate over United States-China policy are the concerns of all Americans about human rights. I rise today to express my concerns about human rights in China, and to advocate what I believe is the most hopeful course for promoting change.

HUMAN RIGHTS IN CHINA

Americans experienced the horror of the Tiananmen Square first person. Live television coverage brought the events of June 1989 into our living rooms. Who can forget the image of a young man blocking a column of moving tanks?

Unfortunately, oppression in China did not end 2 years ago. China has yet to account for the political prisoners of Tiananmen Square. Severe restrictions remain on rights that Americans consider basic: freedom of speech, freedom of assembly, freedom of religion.

During his visit to Washington last April, the Dalai Lama reported on China's past and continuing repression of the people of Tibet. We have evenheard credible reports that China is using prison labor to boost its exports.

Despite international condemnation, there is scant hint of political reform. The United States can no longer sit idly by as human rights abuses continue in China.

MFN—THE WRONG TOOL FOR THE JOB

At the same time, I do not believe we should link our human rights concerns to China's MFN trade status.

If I thought revoking MFN would promote human rights in China, I might support such action. But revoking MFN would sever our ties with the most progressive elements in China, and dramatically reduce our ability to promote change.

Congress tends to view China as a monolithic entity. In fact, as in the Soviet Union, there is tremendous tension between the central government in Beijing and the leadership of China's provinces. Along with China's students and intellectuals, the provincial leadership in China's southern provinces is a critical engine for reform.

Progressive provincial leaders have leverage because they generate a large percentage of the nation's wealth. It is estimated that non-state-controlled entities will produce one-half of China's industrial output this year.

Put simply, the bedrock of progressive China is trade with the West. Revoking MFN would cut the tie to the West, and undermine the very element we are trying to promote. At the same time, it would increase the power of Marxists in Beijing—the true target of our anger. Remember, the Marxists want to minimize contacts with the West. Revoking MFN gives them a U.S. scapegoat to promote their own agenda.

The greater the amount of trade between the United States and China, the greater the opportunities for promoting reform. Ideas are traded along with goods.

There are indications that those on the front lines in China—the students and intellectuals—do not favor a revocation of MFN.

Recent news reports and congressional testimony indicate considerable opposition to revocation of MFN among Chinese students and intellectuals. Other reports detail the tension between Beijing and the provincial governments.

I will ask unanimous consent that these articles and testimony be placed in the RECORD.

These Chinese discussed in these articles have in many cases put their lives on the line to advocate freedom. Many of them believe that trade with the United States is vital to reform efforts.

HONG KONG

Revoking MFN would undermine human rights in another way. In 1997, Hong Kong will rejoin China. A vibrant and free Hong Kong could provide a catalyst for change in China.

But revoking MFN would devastate Hong Kong. Hong Kong is dependent on United States-China trade. Some two-thirds of China's exports to the United States pass through Hong Kong. Revoking MFN for China could throw thousands of Hong Kong's citizens out of work overnight, and send the tiny island's economy into a tailspin.

Snuffing out one of the best hopes for future change is hardly the way to promote democratic reform and respect for human rights in China.

THE OTHER OPTIONS

Congress' decision about MFN would be more difficut if MFN were our only tool. But it is not. We have other alternatives.

This week, I am circulating for signatures a letter to the President in which I advocate strong, targeted action addressing all of our concerns with China, including human rights.

There are several actions that I believe could promote our human rights goals.

First, the administration could increase its efforts to enforce existing U.S. laws prohibiting the importation of goods produced by prison labor.

Second, the United States could renew its opposition to international loans to China. The United States could condition its support for these loans on human rights improvements in China.

Third, the United States could establish a Radio Free China. Our cold war experience with the Warsaw Pact taught us the power of radio for promoting ideas. Such a program in China could complement current United States broadcast efforts.

CONCLUSION

We in Congress have a duty to make responsible policy. We should not lash out in a hollow effort to feel good, when our actions harm innocent bystanders—here and abroad.

Like others in this body, I have grave concerns about China's treatment of its people. But trade relations are a critical bridge between the United States and China's most progressive elements. Let us not destroy this vital link just to make ourselves feel good. Instead, let us pursue a sensible policy that actually does good.

I ask unanimous consent that the article and testimony I earlier referred to be printed in the RECORD.

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

[From the New York Times, May 15, 1991]

DESPITE RIGHTS ISSUE, CHINESE HOPE UNITED STATES TRADE STATUS STAYS

(By Nicholas D. Kristof)

BEIJING.—As a battle looms in Washington over whether to end normal trade relations with China, many Chinese are finding themselves reluctantly siding with their hard-line rulers in hoping that the status is maintained.

While they appreciate the concern for human rights in their country and hope that the debate will force the Government to become less repressive, some worry that a cutoff of so-called most-favored-nation status would hurt their standard of living, harm the most reformist segments of the economy and prompt the hard-liners to restrict contacts with the United States.

It is impossible to be sure of public opinion in so vast and tightly controlled a country as China. But in informal conversations with dozens of Chinese in several parts of the country over recent months, most of those who were aware of the issue did not favor American economic sanctions and hoped that most-favored-nations benefits would be extended.

President Bush's annual recommendation on whether to renew the preferential trade status for China is required by June 3. He is expected to favor renewal, and opponents in Congress are expected to introduce legislation to overturn the decision.

In their first breath, urban Chinese intellectuals typically tell their trusted American friends how much they detest their leadership. In their second breath, they express affection for the United States and inquire about getting visas. And in their third breath, they worry that harsh American sanctions would hurt the Chinese people rather than their leaders.

"If I were President Bush, I would extend most-favored-nation status to China," said Zhang Weiguo, a Shanghai dissident who was unusual only in that he was willing to have his name published. "The U.S. should support China's economic development and social exchanges."

Mr. Zhang's anti-Government credentials are not in doubt. He was arrested after the 1989 Tiananmen crackdown and spent 20 months in prison before being released earlier this year, still unrepentant and fuming at the Government.

Mr. Zhang said the best result would be for a tough battle over Chinese trade in Washington, ending in an extension for another year. Such a close call would encourage China to make concessions on human rights and would leave the issue open for another fight next year, he said.

"Every year it's discussed, and that's very good," Mr. Zhang said. "It puts new pressure on China each year."

A downgrading of American trade links with China would mean a large rise in the tariffs imposed on Chinese goods shipped to the United States, and would hurt its thriving export sector. The south of China, which has the most developed private economy in the country, would be particularly affected as would Hong Kong, through which Chinese goods usually pass for packaging or transshipment.

Many dissidents say they would like the United States and other countries to be even more outspoken in supporting Chinese human rights. Above all, they would like Prime Minister Li Peng and other hard-liners to lose "face." But they worry that economic sactions are the wrong method.

"People are very torn inside," said a university student in Beijing. "They want pressure on the Government to change its policies, and they want the leadership to eat bitterness. But on the other hand, they're afraid that if sanctions are imposed, it's the ordinary people who would suffer. So we want America to threaten sanctions to pressure China, but we don't want sanctions themselves."

PEASANTS SEEM LESS AWARE

Among Chinese peasants and workers, especially outside the capital there seems to be much less awareness of the issue of sanctions, as well as less anger at the Government. Consequently, many people do not have clearly formed ideas on the subject, but frequently seem vaguely opposed to any sanctions that might compound the economic difficulties of the last couple of years. And some wealthier people fear that sanctions would make it more difficult to buy foreign products.

"The fear is that if M.F.N. were cut off, the price of a pack of Marlboros would go up," said an entrepreneur.

[From the Washington Post, May 29, 1991]

CHINA LAUDS UNITED STATES MOVE ON TRADE STATUS; ACCOMPANYING RESTRICTIONS GET LOW-KEY CRITICISM

(By Lena H. Sun)

BEIJING, May 28, 1991.—The government today praised President Bush's decision to extend China's trading privileges for another year, reflecting widespread sentiment here that such a move would enhance prospects for economic reform and prevent collapse of relations.

Renewal of most-favored-nation status "is a realistic and wise decision for which the Chinese government would like to express its appreciation," a Foreign Ministry statement said.

A Chinese intellectual, when told of Bush's decision by a foreign reporter, said: "Let's have a drink to MFN. If it was taken away, we would not be able to meet and talk."

Bush's declaration to Yale graduates Monday that the only way to prompt change in China is to remain "engaged" with its leaders represents a view that is similar to that of many people here. For two months, while the battle over most-favored-nation status has been heating up in Washington, Chinese leaders and intellectuals have been closely monitoring the developments.

Chinese officials, from Premier Li Peng on down, have argued that cutting off the special trading status would not be wise and would not help China's reforms. The status allows Chinese products into the United States at the lowest level of tariffs. China runs a large trade surplus with the United States but had threatened to end commerce if the tariffs were raised.

Congress still could prevent extension of the trade privilege for China, but both houses must act within 90 days of Bush's formal notification of Congress. Bush, in turn, could veto that action.

Although some dissidents have said the United States can only keep its moral authority by conditioning renewal of the trade status on improved human-rights performance here—as many in Congress seek to do—some student activists are less certain, even many with friends still imprisoned for participating in the 1989 democracy movement.

"If the American Congress ties MFN approval to human rights in China, and this causes our government to totally break off economic relations, then more harm than good would be done," said a Beijing University student. "The United States must look at the long-term relationship. Without trade ties, the United States will have no influence here."

Many Chinese fear that withdrawal of most-favored-nation status would punish the wrong people: the markets-oriented coastal provinces where economic change has improved the standard of living, and reform-minded officials who are trying to work around the hard-line leadership.

If the trade status were withdrawn, these leaders could fall back on the centuries-old tradition of blaming foreign pressure for China's economic problems.

"Many students respect the United States stand on human rights but don't agree that economic blackmail should be used to bring about democracy in China," said a senior at the university.

Chinese officials are aware of strong sentiment in the U.S. Congress to deny the trade status unless there is verifiable human-rights improvement. But most Chinese officials, as well as Western analysts, say that although there appear to be sufficient votes in Congress to pass a joint resolution of disapproval, there is a widespread belief that Congress does not have the two-thirds majority in each house to override a Bush veto.

Nevertheless, perhaps in light of the pending congressional action, China issued a relatively mild reaction today to the administration's decision to block high-technology computer sales to China and ban American companies from participating in further satellite launches with China.

U.S. officials said Chinese shipment of M-11 ballistic missiles to Pakistan triggered Bush's decision to restrict the exports.

"We express our regret over this statement. It is known to all that the Chinese government has always adopted a serious, responsible and prudent position on international arms trade," the Foreign Ministry said.

Specifics of the export and satellite restrictions have not been made available, so the impact of the ban on Chinese programs is difficult to assess, Western diplomats said. But it appears likely that the ban on new satellite licenses to China will severely damage the country's fledgling commercial satellite program. Virtually all commercial satellites are made by American companies or contain key parts manufactured in the United States that must be licensed by Washington for export. "This just about derails the Chinese satellite program," said a diplomat.

Following the explosion of the Challenger in early 1986, U.S. shuttles stopped launching commercial satellites, giving China an opportunity to sell its launch services. In April 1990, China successfully launched AsiaSat, an American-made telecommunications satellite.

The Chinese, who have been able to undercut European and U.S. concerns by offering subsidized launch prices, have expected satellite launchings to bring the country tens of millions of dollars in foreign exchange while adding significantly to Beijing's international scientific prestige.

Some analysts said the more serious problems for Beijing would be the administration's ban on further sales of high-speed and high-capacity computers to China. The announcement affects 20 licenses pending for $30 million worth of sales.

What remains unclear, however, is whether the United States has asked for Japan's co-

operation in blocking exports of the same technology to China, diplomats said.

"The satellite program is a prestige thing," one Western diplomat said. In addition, China has lost some bids for satellite launches and has had "problems performing to contract specifications," he said. But the computer ban is far more worrisome because of far-reaching implications for China's modernization program.

"If you're running a modern economy and military, you need the highest available technology to help you with everything from weather prediction to designing of various things," said one analyst. "This is not the kind of stuff you would be able to reverse-engineer from Hong Kong."

[From the Washington Post, June 2, 1991]

DISSIDENT STRUGGLE STILL ALIVE IN CHINA

(By Lena H. Sun)

BEIJING, June 1.—The democracy movement is still alive in China, despite two years of repression since the Tiananmen Square crackdown. But it survives in small, isolated groups that are attacked by Beijing whenever they surface.

It is their underground struggle, and Beijing's continuing effort to suppress it, that serve as the backdrop for the debate in Washington over President Bush's proposal to restore China's most-favored-nation (MFN) trading status. Members of Congress, many of whom say the move would send the wrong signal to Beijing, are urging the administration to link MFN to an improvement in China's human rights record.

In advance of Tuesday's anniversary of the June 4, 1989, crackdown on demonstrators at Tiananmen Square, the government reportedly is mobilizing extra police and imposing new security measures. And dissidents report they must resort to ever more clandestine measures in order to escape capture—and possible imprisonment—by government authorities.

A group in Shanghai, for example, had been planning for months to launch an underground pro-democracy publication. Its purpose was to publicize political concepts that are unpublishable in China's state-controlled media. Organizers assigned code names to members, commissioned articles, compiled a nationwide mailing list and bought a fax machine.

But days before the first issue of Luntan (Forum) was to appear this spring, their secret plans, including the formation of a private human rights organization were discovered by authorities. Police detained one student, a key member of the group, for questioning. He confessed to participating in the plan. Within days, authorities had confiscated the equipment, copies of the articles and the mailing list.

The student and another intellectual remain in jail. Nine others, including one of China's best-known dissidents, 72-year-old writer Wang Ruowang, were interrogated by police for more than 30 hours before being released.

"They have taken away everything, and everybody has to be very careful," said a member of the group, who spoke on condition of anonymity. Nevertheless, he and others expressed optimism about the future of their movement, despite the demonstrated ability of the hard-line Communist regime to crush most open dissent.

What is left appears to be scattered pockets of underground resistance and activities who have ostensibly rejoined the system while waiting for a changing of the old guard.

A secret police report titled Document No. 1, prepared early this year for top party officials, warned of the existence of numerous unnamed illegal organizations and underground publications. It also urged close monitoring of former activists, some of whom are now setting up or joining non-state enterprises to build an economic base for a possible future movement.

Although most of China's dissidents have been silenced, a few still criticize the government openly for its use of force in June 1989.

"Any government that uses their guns on their own people is criminal," said Hou Xiaotian, whose husband, Wang Juntao, has been sentenced to 13 years' imprisonment for advising student leaders. "People won't forget what happened, especially families where somebody died, where somebody was killed, where somebody was jailed. Especially these families, they will never forget June 4."

Despite continued widespread political repression, China's predominantly hard-line leaders are finding it more difficult to maintain their iron grip on political control without choking off economic dynamism needed for the country's survival.

Conservative ideologies view tight centralization of the economy as a key way of maximizing political control. But provinces that have benefited from the past decade of market-oriented reforms, particularly those in booming southern and coastal China, have successfully resisted pressure from Beijing's hard-liners.

As the state sector of the economy continues to decline, with two-thirds of the inefficient state-owned companies operating at a loss, central authorities have begun to recognize the need for pragmatic economic changes, anslysts said.

"In the economic field, they have been reducing the ideological content and taking more practical decisions," said a Western analyst.

The political landscape also shows signs of change.

The appointments this spring of two new vice premiers—former Shanghai mayor Zhu Rongji and technocrat Zou Jiahua—have injected new blood into the leadership. Both are seen as possible candidates to replace hard-line Premier Li Peng, whose television appearance declaring martial law in Beijing in 1989 added to his widespread unpopularity among Chinese.

Perhaps as significant a personnel change came today with the partial rehabilitation of three top officials considered close associates of former Communist Party chief Zhao Ziyang, who was ousted weeks after the army crackdown at Tiananmen Square. The three are Hu Qili, former Politburo standing committee member in charge of ideology; Yan Mingfu, onetime chief of the party's United Front Department, and Rui Xingwen, a dismissed member of the Central Committee secretariat.

All three lost their positions for providing key governmental support to the 1989 democracy movement, but today were appointed to vice-ministerial-level jobs.

The government announcement of their appointments, however, included no mention of Zhao, who has been under virtual house arrest since his ouster.

Observers here say the appointments could signal a softening of the party position on the June 4 crackdown.

"If these guys get put back in official positions, if I were Li Peng, I'd be very uncomfortable," said a Western diplomat.

Authorities have made clear, however, that for the moment they will tolerate no activities even remotely critical of the government or the party.

During the past year, dozens of students and intellectuals charged with committing counterrevolutionary crimes for playing leading roles in the 1989 uprising have been sentenced to up to 13 years' imprisonment.

But many Chinese say they do not believe these harsh sentences will go to full term. "We expect democratic movement leaders will remain in jail for five to six years at the most," said a friend of dissident Wang Juntao. "By that time, the democracy movement's verdict will be reversed, and it may be Li Peng who receives life imprisonment."

For the moment, authorities have used intimidation and a network of informants to crush dissent. Members of the underground reportedly are among the government's chief targets.

Two recent college graduates from Beijing were sentenced to 11- and 15-year jail terms in March for printing one issue of an underground political journal called Tieliu, or Iron Currents. No allegations of engaging in violent activity were brought against the two, but the Beijing Intermediate People's Court found their crimes to be "serious, their nature sinister, and the offense grave," according to court documents obtained by the human rights group Asia Watch.

Thousands of activists remain in jail or in prison camps. Others are still awaiting trial.

Interviews with others who have been freed and with student activists indicate that many former detainees are struggling simply to survive. Many have been fired from their jobs, expelled from the party or banished from the capital or their former places of residence. In some cases, the political pressure has led to divorce.

Some students detained after the crackdown for their leading roles in the movement have been expelled from school.

"China is keeping a really tight lid on everything right now," said an intellectual who was released from prison early this year. He draws a reduced salary and, because he is politically suspect, has been told he may no longer teach. "They know if they just open a crack, things will explode."

One of China's most articulate dissidents is Zhou Duo, a scholar who offers a doomsday picture of the country's immediate future.

Zhou was one of the four hunger strikers who negotiated the students' withdrawal from Tiananmen Square early on June 4.

Before the crackdown, Zhou held a research position in China's largest and most successful private electronics company.

But since his release from prison last year, he has been struggling to set up various private ventures, including a freshwater crab business and a tourist resort outside Beijing.

Zhou, one of the few intellectuals willing to be quoted in the Western press, recently predicted that China would be thrown into turmoil before a more democratic system of government could be established.

He has forecast widespread starvation, worker strikes and marches by peasants into the cities.

Short of the Communist Party's voluntarily transforming itself into a democratic socialist organization, Zhou said, "the only thing that can save China from chaos is a miracle."

[A Position Paper of the China Information Center, June 1991]

KEEPING CHINA'S DOORS OPEN: A CASE FOR RENEWAL OF CHINA'S MOST FAVORED NATION STATUS

We at the China Information Center believe that the extension of MFN will, on bal-

ance, serve the long-term interests of fostering democratic changes and promoting political openness in China. We arrived at this position based upon our understanding of current Chinese political and economic realities. The purpose of this report is to illustrate this understanding and support it with facts we have gathered from diverse sources.

The report is divided into four parts. The first part presents a view among the Chinese students in this country and among progressive, liberal, and reformist intellectuals in China that the United States should take a moderate policy stance on the issue of MFN. The second part deals with the impact the removal of MFN would have on the private and quasi-private sector of the Chinese economy and the political implications therein. The third part speculates about potential repercussions removal of MFN may have on the dynamics of Chinese politics. The fourth part discusses an alternative course of action.

PART I: CHINESE VIEWS ON MFN

There is evidence to suggest that the majority of the Chinese students in this country in fact do not favor revoking MFN status for China. According to an opinion poll conducted by the Independent Federation of Chinese Students and Scholars (IFCSS) last year, 20 percent of the Chinese students in this country think that IFCSS should lobby for an extension of MFN for China and 43 percent of the Chinese students think that IFCSS should not take any action. Only 37 percent of the Chinese students in the poll want the IFCSS to lobby against an extension of MFN for China. Recently, opinions gathered from the computer E-mail service reveal that among Chinese students in this country, there is a wide spectrum of opinions regarding the appropriateness of using MFN as a political and diplomatic instrument and, when it is so used, what kind of conditions should be attached. At the very least, Chinese students in this country are deeply divided on this issue and the impression, often conveyed in the media, that Chinese students in this country overwhelmingly support a revocation of MFN or attaching stringent conditions to it is simply incorrect.

Far more important in informing our positions on MFN, however, should be what progressive and pro-reform intellectuals and officials still in China think about the issue. After all, not only are they more able than us to make a sound judgment as to what is best for China and its people, it is they who will have to shoulder the brunt of the consequences of the decisions currently being debated here.

From our own sources as well as from the coverage in the American media, we can claim that it is a consensus view among the pro-reform and progressive intellectuals and officials in China that MFN should be extended and that China's increasing integration into the world economy holds the best hopes for greater political freedom and greater respect for human rights in China. Many fear that a continued deterioration of the Sino-American relationship will strengthen the position of Chinese hardliners and China's further isolation will make it more likely for the country to revert to the Orwellian world of the Cultural Revolution when the Chinese leadership could engage in political repression without international surveillance.

On the eve of the one-year anniversary of the Tiananmen Square Massacre last year, two Beijing University students were arrested for starting a petition urging Western governments to lift economic sanctions against China. Even Mr. Chen Ziming, one of the two most prominent intellectuals who exerted a profound intellectual influence on the student movement in 1989 and who suffered the ultimate punishment—13 years in jail—for his democratic ideals, supports MFN extension. According to our information, he recently suspended a hunger strike lest his hunger strike be used by the American government as a cause to remove MFN.[1]

It is quite important to point out here that although the debate on MFN status has become a sensitive and emotionally-charged issue, it should not blind us to the fact that there can be honest differences among honest individuals on this issue and that in a democracy, unlike under an authoritarian regime, differences in opinions and positions on any given issue are a natural order of things. Support for MFN extension can have a legitimate grounding in human rights considerations as opposition to such a position. The differences are not over eventual goals, but over the relative merits of different tactics and perceived costs of one course of action over another. These issues will be addressed in the rest of this report.

PART II: THE IMPACT OF MFN REMOVAL ON THE CHINESE PRIVATE ECONOMY

MFN removal will have a very serious detrimental effect on a sector of the Chinese economy that may prove to be an effective agent for future political changes in China. Specifically, we here refer to the private and quasi-private enterprises in China's coastal areas.

China's private and quasi-private enterprises—the latter category includes joint ventures and collective and rural firms—are a direct result of the Chinese economic reforms. Former Party General Secretary Zhao Ziyang had enthusiastically endorsed and supported the development of this non-state sector in an attempt to infuse competition and dynamism into the Chinese economy and to force state enterprises to perform efficiently. As a result, in recent years the private and quasi-private sector has grown rapidly, at an average annual rate of 21.9 percent in gross value of industrial output in real terms between 1980 and 1986.[2] As of the end of 1988, rural enterprises accounted for 24 percent of that year's gross industrial value and provided employment for 90 million people. Private firms employed another 24 million people.[3] This year, despite the dominance of the communist hardliners at the political helm in Beijing, China's private and quasi-private sector has quickly bounced back from a recession a year ago and is outperforming the state sector by a wide margin. According to The Economist, by the end of this year, the private and the quasi-private sector will account for more than half of China's industrial output.[4]

Compared with the state sector, the private and quasi-private sector is more dependent on overseas markets. According to a World Bank study of four representative counties, rural enterprises contributed over 50 percent of export procurement volume in these countries.[5] Rural industry is especially dependent on the markets under MFN protection, such as machinery and textiles. In 1987, rural industry produced 65 percent of Chinese textile exports and 70 percent of Chinese handicraft exports.[6] Thus removal of MFN will have an exceptionally serious impact on this sector of the Chinese economy.

The other reason that MFN removal will hurt the private and quasi-private sector disproportionately more than the state sector is a mechanism in socialist economies called "soft budget constraints." When the tariff schedule is adjusted upward in the United States, the Chinese government will continue to pump financial resources to support the state sector to maintain its export market shares, irrespective of the decline in profits. The private sector, on the other hand, faces "hard budget constraints" and does not get this kind of support. State's mobilization of resources to support the state sector generally has a crowding out effect on private enterprises. Bank credits, for example, will dry up for them. The hard-liners' effort to crack down on private and quasi-private enterprises would be made more effective if the overseas market was withdrawn from them. In short, MFN removal punishes the private and quasi-private sector disproportionately.

An argument has been made that since the central planning leadership in Beijing has taken measures to restrain the development of the private sector, removal of MFN will not have a significant impact. This argument ignores the fact that there are limits to which the central government can go in restraining private industry. As pointed out before, the non-state sector employs over 100 million people and furthermore its efficiency and its stellar performance have made the non-state sector the largest supplier of government revenue in some areas of China.[7] For both political, economic and purely practical reasons, the central government is not willing or able to phase out completely the non-state sector from the Chinese economy. Indeed the central leadership has softened its assault on the non-state sector for fear of urban riots provoked by increased unemployment.[8] In January 1990, the government set up the "China Rural Enterprise Association," whose honorary chairman, Bo Yibo, a known conservative, proclaimed that rural industry was an important invention of reforms.[9]

In addition, we should not overstate the Chinese leadership's ability to recentralize

[1] Foreign reporters in Beijing have also noted that those Chinese intellectuals who support open-door policies and oppose the government also are against economic sanctions. See, for example, Nicholas D. Kristof, "Despite Rights Issue, Chinese Hope U.S. Trade Status Stays," New York Times, May 1991. Last year, when the renewal of MFN came up, Chinese expressed similar desires. See Adi Ignatius, "Effect of Sanctions on China Is Debated," Asian Wall Street Journal, March 5, 1990.

[2] See William Byrd and Lin Qingsong, "China's Rural Industry: An Introduction," in William Byrd and Lin Qingsong (eds.) "China's Rural Industry: Structure, Development, and Reform," (New York: Oxford University Press, published for The World Bank, 1990), p. 14.

[3] "Rural Enterprises and the Private Economy: Rectification," China News Analysis, March 1, 1990, p. 1.

[4] "They couldn't keep it down," The Economist, June 1-7, 1991.

[5] Jan Svejnar and Josephine Woo, "Development Patterns in Four Counties," in Byrd and Lin (eds.), China's Rural Industry, p. 71-73.

[6] See "Chinese Rural Enterprise Almanac, 1978-1987," (Beijing: Agricultural Publishing House, 1989), pp. 317-319.

[7] In 1989, when the Beijing leadership tried to squeeze private enterprises, many local governments simply stopped functioning on account of reduced revenues and the increased need to bail out state enterprises. See "Who is Going to Contract out [China]," (Guangzhou: Flower City Publisher, 1990).

[8] Unemployment rose to 3.5 percent in January 1990 from 2 percent a year before. China Labor Daily, March 10, 1990.

[9] "Rural Enterprises," China News Analysis, March 1, 1990, pp. 2-3.

the Chinese economy and therefore should not confuse policy intentions and rhetoric with actual results. Many local leaders are still pro-reform and have worked to resist, explicitly or tacitly, central efforts to roll back many of the reform measures. In Hainan Province, for example, private business continue to develop even in the face of the central government's pressures to stamp them out.[10] Similarly, provincial leaders have sought to protect rural industry. For example, in December 1989, the Guizhou Provincial Party Secretary, Mr. Liu Zhenwei, declared that rural reform measures implemented since 1979 would not be changed. He specifically singled out rural enterprises as one of the continued development priorities for Guizhou Province.[11] Largely due to the efforts of the provincial leaders and the pro-reform officials within the central government, the central leadership has re-affirmed its commitment to the policies toward special economic zones and granted a set of privileges, similar to the ones currently enjoyed by the special economic zones, to Shanghai to develop its eastern zone. It will be a supreme historical irony that removing MFN plays into the hands of the central planners in Beijing by helping them accomplish what they have so far not been able to do administratively and politically on their own.

Demolition of China's burgeoning non-state sector will have long-term political implications for China. First, private entrepreneurs are probably one of the most ardent supporters of political moderation and stability achieved through democratic institutions. During 1989 pro-democracy movement, private businessmen donated large amounts of money to students and many of them risked their lives and considerable financial stakes by their participation in the movement. A private shopkeeper, Ms. Lu Jinghua, became a spokesperson for the Autonomous Union of Beijing Workers—an organization that had 20,000 members in support of the democracy movement.

Secondly, a political revolution per se is not, and should not be, the end in and of itself; the true end should be the transformation of the totalitarian system into a democratic one. But from the experiences of the Soviet Union and other East European countries, we know that a successful democratic transformation will ultimately depend on a very difficult process of converting a bureaucratically-controlled economy into a market economy. This conversion, in turn, depends on the strength of private entrepreneurship and the existence of a sizable private economy.

Centrally planned economies are not just distorted market economies; there specific behavioral habits and mentalities attached to them, that are anathema to basic principles of a market economy. They take a long time to shape and an even longer time to change. Indeed one of the most important reasons that China was successful in the agricultural reforms in the late 1970s was the presence of a residual private economy in the agricultural sector.[12] Precisely, many difficulties plaguing perestroika arise from the dominance of the central planning tradition and the 70-year stamping out of private entrepreneurship in the Soviet economy.[13]

If the path of political transformation is treacherous without the presence of a sizable private economy, it is downright impossible when people's real living standards are falling. Witness the plight of Gorbachev today. The newly-gained political rights and freedoms on the part of Russian people—a monumental achievement considering the short span of time—are simply brushed aside when bread disappears on the shelf and the specter of a military take-over is ever present on account of economic chaos. Extending MFN to China and trying to keep China's doors open offer us an unique opportunity to lay down economic conditions for a future political transformation in China.

PART III: THE IMPACT OF MFN REMOVAL ON LEADERSHIP DYNAMICS

We believe that revoking MFN status for China may shape leadership dynamics in China in ways detrimental to forces of political moderation and democratic aspirations. The reasons are as follows:

First, the current Chinese leadership is deeply divided both about the wisdom of the ways it handled last year's student protests as well as about the future direction in China. One of the most pronounced manifestations of this division is the lack of a definite resolution on Zhao Ziyang, the disgraced former Party General Secretary. At the Fourth Plenum of the Thirteenth Party Congress in June 1989, it was declared that the Party would "conduct an investigation" but, as far as we can ascertain, the issue has yet to be resolved and may await the Fourteenth Party Congress next year. It is unprecedented in Chinese politics to allow so much time to lapse without a definite verdict; in the past, judgement on a disgraced leader was quickly formed, usually in a matter of days, and was disseminated widely within the Chinese system to ensure compliance with new leaders and to avoid confusion about policy directions.

The division among the Chinese leaders has several sources. First, current leaders have vastly different political philosophies. The uneasy coalition they formed last June has no lasting unity. The so-called, "monolithic hard-liners' bloc" composed of the octogenarian leaders is a myth of the highest order. Deng Xiaoping and Wang Zhen, for example, are politically conservative but economically liberal (in relative terms), and Yang Shangkun, as far as we know, supported Zhao Ziyang's moderate approach toward the students as late as May 4, 1989. These differences with the political and economic conservatives such as Chen Yun, Li Peng and Yao Yilin will come to the fore sooner or later.

Secondly, there are different degrees of involvement in last year's decision to crack down on students among current leaders, Jiang Zemin and Li Ruihuan, for example, were not in Beijing at the time of the massacre and, according to the information we have gathered, they both have indicated their desire to keep some distance from the rest of the leadership, which had a direct hand in last year's repressions.

We have reasons to believe that Chinese politics has entered a particularly delicate phase at this juncture. After nearly two years of hibernation, the reformist faction within the Chinese leadership has quitely exerted its voice and authority in Chinese politics. In the last edition of this position paper, we predicted the rise of Shanghai's reformist mayor, Mr. Zhu Rongji, sometime early this year. This prediction was well confirmed by his elevation to the vice premiership at this year's National People's Congress (together with a pragmatic technocrat, Mr. Zuo Jiahua). A few weeks ago, three reformist officials—all of them close associates of Zhao Ziyang—purged in the wake of 1989 crackdown were reinstated to vice ministerial posts. Although these are small and incremental steps, they are signs of a turnaround in Chinese politics. It is likely that the kind of economic reforms which have improved material welfare of millions of Chinese people and, indeed, plowed seeds for 1989's democracy movement can be on the government agenda once again.

We believe that the best strategy at this time is not to apply undue external pressures on the Chinese leadership and not to take upon the system as a whole by using such a blunt instrument as MFN. Applying too much pressure at this time may in effect drive all the leaders into the same corner and unite an otherwise deeply divisive leadership. The hardliners could, for example, divert criticisms of their policies by blaming the current economic difficulties on Western economic sanctions. The Chinese government has a history of blaming its domestic problems on foreigners and this tactic has proven effective in uniting people behind its nationalistic appeals. In the early 1960s, Mao Zedong attributed large-sale famine and industrial decline, which resulted from his Great Leap Forward initiatives, to the pressures exerted by the Soviet Union and his political leadership survived the worst man-made economic disaster in Chinese history. We should try our best not to provide a convenient scapegoat for the difficulties and problems that the current leadership itself has inflicted on Chinese people.

Worse yet, removing MFN may strengthen the political positions of such hardliners as Chen Yun and Li Peng. In a position paper recently obtained by the China Information Center, He Xin, a top advisor to the Li Peng government, has called for an re-assessment of Sino-American relationship. According to He Xin, the strategic goal on the part of American policy makers from the very beginning of Sino-American rapprochement is to undermine the communist character of the Chinese regime. The primary instruments of such a policy goal, according to He Xin, are economic infiltration and, along with it, spread of Western values and ideas. The reason that these instruments can achieve their intended strategic objective, He Xin points out, is China's open-door policies. Indeed, there is every indication that Chinese hard-line leaders are trying to limit Sino-American ties. The Commission on Higher Education—a bastion of hard-line leaders among Chinese ministries—has issued a decree ordering limits on American and Chinese joint research projects.[14]

Reactionary hard-liners worldwide thrive on and crave for xenophobia and isolation, be it Chen Yun and Li Peng in China today or Hitler and Mussolini in inter-war Europe. (Incidentally, it would be reminded that removing MFN would subject China's export to tariffs laid down in the famous and infamous Smoot-Hawley act of 1930, that was a part of the tariff war responsible for fostering the rise of national socialism in Germany and

[10] Nicholas Kristof, "Capitalist Spirit Lingers in Hainan," The New York Times, December 17, 1989, p. A16.

[11] Economic Reference News, January 24, 1990.

[12] Dwight Perkins, "Reforming China's Economic System," Journal of Economic Literature, #26, 1988.

[13] For a good description of this problem, see "Survey: Perestroika," The Economist, 28 April-4 May 1990.

[14] Daniel Southerland, "Beijing Puts Some Restrictions on Joint US-Sino Research," the Washington Post, May 18, 1991.

Italy after World War I.) Let's never forget the fact that Chinese people suffered the worst political repression and economic deprivation when the hard-line leaders were able to close China's doors completely. In April 1976, there was a crackdown on demonstrators that took place on the same spot as the one in 1989—Tiananmen Square. Unlike 1989, however, no Western camera was there to capture the ferocity of that crackdown. The difference is China's open door policy that was put in place in the late 1970s. Keeping China's doors open in general and extending MFNM in specific help check the ability of Chinese hard-liners to repress Chinese people at will and in seclusion—an ability the Chinese hard-line leaders have never stopped trying to reclaim.

The second reason that we urge MFN be retained for China is the potentially high costs, in political and human terms, of further isolating China. Cutting off our ties with the moderate faction of the Chinese leadership at this critical point (and the removal of MFN represents the most extreme of such an action) may have dangerous implications for the character of future changes in China.

One of the lasting legacies of the Tiananmen Square Massacre is the ever present possibility of bloodshed, violence and even political disintegration. This originates from two sources. First, the violent resolution of the Tiananmen events broke an institutionalized taboo that got formed in Chinese politics in the wake of the Cultural Revolution—that you do not drive the politically vanquished all the way to the wall. The fall of two previous party leaders, Hua Guofeng and Hu Yaobang, was relatively cushioned, gradual and civil. Both of them, while having lost their top party positions, retained Central Committee and Politburo memberships. This is not so with Zhao Ziyang. His fall was total, comparable in scale only to the political misfortunes of Deng Xiaoping during the Cultural Revolution; Zhao lost all of his positions except for his party membership. Character assassination techniques and trumped-up charges were used against him. There was even an attempt to try him as a counter-revolutionary. Chinese political life has become, once again, "nasty, brutish and short."

The second reason that future political changes in China may be costly is the breakdown of Chinese political institutions and the re-introduction of the military in the settlement of an intrinsically political issue.[15] As a result, the Chinese military, more than ever and more than the Chinese Communist Party itself, now plays an enhanced role in maintaining the political status quo. "Political power grows out of the barrel of a gun" has again become a credo in Chinese political values.

The militarization of Chinese politics, coupled with the deep factional strife that is unchecked by any institutional mechanisms, may make future changes in Chinese politics costly, especially in human terms. Given that, it should be our responsibility both to advance democratic goals in China as well as to minimize any possibility of a civil war. We believe that the only way in which the goals of democracy and non-violence can be compatible is to work and strengthen our ties with the moderate and the reformist faction to effect a gradual and peaceful transformation of Chinese politics rather than isolating China further.

No matter how small the probability of a civil war, to avoid violence and to work toward a peaceful transformation have to be one of our topmost concerns. We believe that this goal constitutes the strongest reason to support a continuation of ties with China, of which MFN is one of the most important components.

PART IV: AN AGENDA FOR ACTION

There are four options facing the United States on the issue of MFN for China: revocation, conditional revocation, conditional renewal or renewal. In this report, we have argued that revoking MFN would hurt the very economic and political forces those who are concerned about democracy and human rights wish to promote in China.

Conditional revocation and conditional renewal may have a similar impact because they may in effect be equivalents of a revocation. For one thing, as pointed out before, some of the Chinese hard-line leaders want to shut China's doors to the outside world and thus they may reject MFN upon the slightest provocation that there should be conditions. Furthermore, sweeping conditions may be written into the package that the Chinese government cannot realistically meet. Also certain conditions can be intrinsically subjective and very difficult to verify. This implies that there will be a great deal of uncertainty in future deliberations on MFN for China. Given this uncertainty, the business community may turn to other markets for sourcing or sale, rather than waiting for an outcome of an uncertain legislative process.

The other factor is simply the time that may be involved in regaining MFN for China. The political process involved in MFN deliberations is extremely lengthy and sophisticated China was granted MFN status six years after Senator Mansfield made the first proposal to extend MFN to China.[16] In the meantime, market shares, sourcing of products, and retail contacts, which all take a very long time and meticulous and patient efforts to establish, will be lost. To the extent that revocation of MFN, albeit temporarily, disrupts normal business activities, the attraction of MFN and indeed the value of MFN as a leverage will decrease with time. The net effect will be a significant reduction of American economic presence in China, which, as argued before, would not serve the long-term interests of democratic forces in China.

An additional factor is that with the passage of time, the terms of the political dialogue will change. Even if China's political climate changes in the future, it is quite possible that regaining MFN will not be automatic and will be made contingent upon a host of factors that have nothing to do with Chinese politics. In 1980, for example, granting of MFN faced domestic political pressures. The textile lobby conditioned its support for MFN on the Administration's restrictions on textile imports from China.[17] MFN is not a water valve that can be turned on and off at will.

Although we support renewal of MFN for China, we do recognize the fundamental dilemma between keeping China's doors open and sending an unmistakable signal to the Chinese leadership that their acts of repression entail specific costs to them. To deny the international legitimacy that the Chinese government does not deserve, Western governments, while keeping normal trade relations with China, should continue to be concerned with the human rights situation in China via political channels and international forums. We applaud the decision by President Bush to meet with Tibet's spiritual leader, Dalai Lama and we believe that the problems of intellectual property infringement and sales of nuclear items should be tackled separately from China's human rights situation and with measures directly aiming at them.

In addition, we propose the following measures whereby the American government and business community can show support for the forces of democracy in China without compromising normal business interactions. First, the American business community should refuse to do business with the Municipal Government of Beijing. The Municipal Government of Beijing, headed by Mayor Chen Xitong and Party Secretary Li Ximing, played a particularly active role both in providing justification for the crackdown and in executing the crackdown. The American business community should make explicit the reason why it does not want to conduct business with the Muncipal Government of Beijing.

Secondly, if the human rights situation of China fails to improve, there should be efforts to establish ethical guidelines, similar to the Sullivan Principles, on doing business in China. These guidelines, for example, can encourage business interactions with relatively liberal and progressive coastal provinces while discouraging business with the conservative municipal leadership in Beijing.

Thirdly, World Bank loans, in addition to satisfying "the basic human needs" test currently in place, can also be used as instruments to advance economic reforms in China. This requires, for example, converting some of the infrastructure loans to policy and institutional support loans, which make disbursement conditional upon such reform measures as price and enterprise reforms.

In conclusion, we at the China Information Center support a moderate policy approach toward China. The fundamental issue is twofold. First, should we stand by the faction within the Chinese leadership that advocates further openness and economic reforms or by the hard-line faction that wants to use every opportunity to close China's doors to the outside world? Second, should we use MFN as a leverage to extract concessions from the Li Peng government or as a source of long-term changes, principally in ideas and values, that will make the sustenance of the Li Peng-type regime more difficult?

We believe that the concessions that can be extracted from the current leadership in China are cosmetic rather than substantive in nature. Martial law in Beijing and in Tibet may be lifted but de facto police iron rule reigns supreme in both places. A few hundred prisoners may be released, but more can be arrested secretly. Furthermore, the publicity values of such conciliatory gestures will make the government in Beijing release prominent intellectuals while incarcerating or even executing anonymous workers in large numbers.

We at the China Information Center believe that a free and open market economy is fundamentally incompatible with the rigidities of communist ideology. There is a basic difference between China and South Africa. In South Africa, the economy of slavery is

[15] For an analysis on the relationship between the political leadership and the army since the mid-1980s, see You Ji and Ian Wilson, "Leadership Politics in the Chinese Party—Army State: the Fall of Zhao Ziyang." (Canberra: Strategic and Defense Studies Centre, The Australian National University, Working Paper #195, 1989), pp. 1–24.

[16] "The Way Ahead," China Business Review, January-February 1980, p. 14.

[17] "The Winding Road Toward MFN," China Business Review, November-December 1979, pp. 9–10.

part and parcel of the apartheid system; in China the newly-gained economic freedoms of millions of people will slowly but surely transform the character of the regime. We should make every effort to ensure the openness and the dynamism of China's burgeoning market economy.

We should not view trade and investment ties and cultural and scholarly exchanges with China strictly in dollar or project terms; more appropriately they are windows of opportunities for fostering seeds of future political evolution in China and for bringing about change in a peaceful manner. We should and must look beyond purely punitive measures or short-term policy benefits and take into account the long-term implications of our actions. This approach may not be emotionally satisfying and may even run counter to our intuitive moral senses, but an effective and intelligent policy must be based on an informed understanding of the current Chinese political and economic realities. Given our understanding of such realities, we at the China Information Center believe that MFN should be extended unconditionally and that using MFN to punish China is to use a wrong weapon against the wrong Chinese at an absolutely wrong time.

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

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

SURFACE TRANSPORTATION EFFICIENCY ACT

The Senate continued with the consideration of the bill.

Mr. MOYNIHAN. Mr. President, in the presence of the truly eminent former Secretary of Transportation, I am to be a little embarrassed for this body. We have a measure that generations from now will identify as important.

Here we are; we are ready to vote. We have debated for 10 days. This will be the seventh full day we have been on the bill properly. It took us 2 days of discussion to get that point. We have an agreement, if I can count, but I can be wrong.

We are not trying to reach any further agreements. The agreement has been reached. Why do we not vote?

One week ago, Senator BYRD offered his amendment. It has been modified to meet the wishes of different groups that were formed, in fluid arrangements over the last week. They were consummated this morning when Senator BYRD sent to the table the last of his perfecting amendments.

I see my persevering comanager on the floor. Without knowing in advance the answer to my question, may I ask the senior Senator from Idaho, is he ready to vote?

Mr. SYMMS. Mr. President, the Senator from Idaho could inform my leader that I am ready to vote now, but there are Members on my side who will be ready to vote at 4 p.m.

Mr. MOYNIHAN. Oh.

Mr. SYMMS. I am willing to set the time for a vote at 4 p.m., unless the leadership has some complaint about that.

Mr. MOYNIHAN. I see. Do I take it that there are some Senators who are necessarily absent, but will be here at 4? Let us vote at 4, then.

The President has a right to know that something will happen to his legislation.

Mr. SYMMS. It is 104 days now.

Mr. MOYNIHAN. Let us get it done in 104 and ask everybody to be good-humored about an extra 4 days.

We have been hearing so much about this subject, Mr. President, that I will take a moment to suggest that we are doing more than trying to renew for another 5 years a surface transportation act. We are trying to change the way in which the Government approaches this subject in the aftermath of the great half-century era of the Interstate Highway System. The system was authorized in 1944, vastly expedited by President Eisenhower and Congress in 1956, and, with this measure, we will pay out the last dollar of construction and substitution money in fiscal 1994. That is it, done.

Meantime, all across the Chamber we have been hearing how the system we just built is in ruin. The Senator from Texas spoke of municipalities buying buses built to Third World road standards, with axles that were meant to take holes and bumps, because of the poor surface conditions. One interpretation is that we have been neglecting our infrastructure.

Just as strong an implication could be that we did not do it right in the first place. That is what this bill is about. How can you have a crumbling infrastructure you just put $130 billion into, unless you thought the act of spending the money was the end of the process? The resources were a free good and once consumed, that was the end. They were not seen as an investment.

Senator BENTSEN remarked, after I made that comment, that, yes, we look up to find that the European roads are meeting much higher standards than ours, and lasting much longer. Senator BYRD was talking earlier about Roman roads and, indeed, there are portions of Roman roads that are still in use. They are paved now, but they are paved on that stone foundation. It is no surprise to learn that one group thinks we need to spend $700 billion, and another group thinks we should spend $200 billion. What we have is $105 billion. We can go on endlessly about spending more, and the unmet needs, but we are going to have $105 billion. We hope we have a piece of legislation that will get our money's worth out of it.

This is no small enterprise on which we are afoot, and if 4 o'clock is an agreeable time, we ought to set that time right now.

Well, Mr. President, we still cannot reach any agreement. We are going to dawdle here all afternoon and perhaps tomorrow. It is a mystery. Does the Senator from Idaho have any thoughts?

Mr. SYMMS. Mr. President, I do have a few thoughts that I would be happy to make, if the Senator is prepared to yield the floor.

Mr. MOYNIHAN. I yield the floor.

Mr. SYMMS. Mr. President, I thank my distinguished floor manager. I note his frustration and impatience, and I share that. I wish we could go to a vote now. In fact, I was willing to vote last Friday. I do think that a lot of progress has been made on the bill since last Thursday, when we first came to the point that some were ready to vote on the amendment. It has been improved. Every State will benefit from it.

There will be an opportunity now for those of us who have been asking for more dedication of the Nation's resources to infrastructure. This bill will make that possible. It is not clear, as Senator DOMENICI pointed out, whether every dollar of this will be spent, but without this amendment, we know that we will not have the opportunity to spend the money, fix the roads, improve transportation in this country. I have said this before many times. Much of what happens in Congress does absolutely nothing to improve the productivity and the competitiveness of the United States. One thing that is about to happen in Congress with the passage of this legislation—hopefully passage in the other body, and hopefully a successful conference and a signature by the President—is that we will set in motion the possibility of more efficient transportation for Americans in the future. Through the action here in Congress, it will improve our competitiveness to have made a statement and a dedication of policy toward improved infrastructure and transportation in this country.

One of the very important parts of this is that with the improvement of highways in the country, it will improve transportation for individual Americans. I know of no money, other than those dollars spent defending peace and freedom from a national standpoint, that is spent that individual Americans benefit more in personal liberties than the benefits of having good highways, where they can get in their automobiles and drive on their own schedule.

In addition to that, the trucking industry, which makes it possible to move the goods around the country that are so essential for a strong economy, will be able to improve its efficiencies with the maintenance of the Interstate System and the addition of those arterial highways to a primarily National Highway System, to where

there will be a National Highway System larger than the current Interstate System, which will make transportation efficiencies better in the country.

Mr. President, over the course of the debate on S. 1204 there have been many statements made about the safety record of trucks and especially the safety record of the longer combination vehicles. I would just like to add a few comments to that to try to clarify and put that in perspective and set the record straight and will.

The truck safety picture is good and continues to show steady improvement. For the years 1979 to 1989, the Congressional Research Service has reported:

The number of fatal accident is down 18 percent;

The fatal accident rate is down 40 percent;

The number of truck related fatalities is down 18 percent; and

Truck mileage is up 36 percent.

The National Highway Traffic Safety Administration [NHTSA] released a study in May that confirmed the improving truck safety picture. This Federal safety agency said:

Heavy truck safety has improved dramatically over the past decade. The fatal crash involvement rate for medium/heavy trucks was 3.7 per 100 million vehicle miles of travel in 1988, an all-time low. Between 1977 and 1988, the fatal crash involvement rate for combination-unit trucks decreased 40 percent, while the rate for passenger vehicles—cars/light trucks and vans—decreased only 25 percent. The efforts of motor carriers and their drivers, coupled with expanded State-Federal programs to license commercial drivers and inspect vehicles at roadside, all seem to be having a positive effect.

The trucking industry has been a strong and early advocate of truck safety programs which include:

Creation of a single, classified commercial driver's license;

Expansion of the Motor Carrier Safety Assistance Programs, which has increased roadside truck inspections 1,000 percent to 1.6 million inspections a year;

Elimination of 20,000 commercial safety zones where trucks and drivers were allowed to run uninspected; and

Imposition of random, mandatory drug testing requirement for all truck drivers.

The safety record of longer combination vehicles [LCV's] has also been exemplary. The facts are very simple.

LCV's have been operating for 30 years, in 20 States. Because they are 40 percent more efficient, they mean lower prices and less pollution for America's consumers.

There have been 14 deaths in 9 triples-related accidents for the 9-year period of 1980 to 1988. While any fatality is a fatality too many, triples are certainly not a major cause of highway fatalities. In fact, there were no fatal triples-related accidents in 1982, 1983, 1984, 1985, or 1987. Although there are no reliable total mileage data for triples, four of the Nation's largest motor carriers reported triples mileage in 1990 in excess of 60,000,000 miles. That is an excellent record.

During the 8 years from 1980 to 1988, an average of 9 people per year died in accidents involving any kind of LCV's. That compares with an average of 616 people killed in railroad grade crossing accidents.

LCV's carry more cargo with fewer trucks, without increasing axle weight. They are less polluting and reduce congestion.

Last June, in a study requested by the Congress, the Transportation Research Board of the National Academy of Sciences recommended that trucks in excess of 80,000 pounds be allowed to operate under special permits in any State that wants them.

Mr. President, this bill will not allow that. It is grandfathered in so we will stay where we are with respect to these LCV's.

Mr. President, trucking companies are responsible citizens and are not going to put unsafe vehicles on the highway. Given our litigious society, if vehicles were unsafe, you could expect insurance companies to charge extra to cover LCV's. However, according to a leading insurer of trucking companies, the safety of LCV's is a nonissue as far as his insurance business is concerned. His company has no evidence of increased risk and sees no difference in liability exposure between single and multitrailer units. He charges the same premiums in many instances for both.

Mr. President, States that allow LCV's will be able to offer their citizens safe transportation at lower costs. States that allow these vehicles would be wise to retain them.

Mr. President, I want to say further just about safety overall with respect to this bill. This bill will make safer transportation for the American citizens of this country.

I would hope that my colleagues will support the Byrd amendment when it is voted on at 4 o'clock, if we get the order, and then I would hope that as to other amendments that Senators wish to offer we can give them a fair hearing and we can expeditiously deal with those amendments early this afternoon and come to final passage at an early hour this evening.

I think if all Senators on both sides will cooperate with the Senator from New York and myself, and the leaders, both Senators DOLE and MITCHELL, we can bring this bill to early passage yet today, and it would be a big step in the hurdle.

Once it is passed, I say to my colleagues, we are only halfway there because it will still have to go through the other body and conference and back to the floor and hopefully have a bill that the administration and President will be pleased to sign.

Mr. President, I see the majority leader is on his feet. I yield the floor.

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. REID). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

UNANIMOUS-CONSENT AGREEMENT

Mr. MITCHELL. Mr. President, I ask unanimous consent that the vote on the modified Byrd amendment, No. 296, occur at 4 p.m. today, and that the time between now and 4 p.m. be equally controlled and divided in the usual form.

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

Mr. MITCHELL. Mr. President, my good friend, the distinguished manager, the Senator from Idaho, who has worked so diligently and so hard to move this bill forward and who deserves great credit along with Senator MOYNIHAN for their work on this, just said with respect to this vote that we could have voted last Friday and he did not know why we did not vote last Friday.

Mr. SYMMS. I know why we did not. I wanted to vote.

Mr. MITCHELL. The reason there was no vote last Friday is there was disagreement. The Republican Senators in the caucus then decided not to permit a vote to occur.

I know the Senator from Idaho did want to vote.

Mr. SYMMS. I wish to clarify this. I said this before on the floor, that the majority leader made every effort to pass this bill in the 100 days. I salute him for that.

Mr. MITCHELL. I appreciate that.

Mr. SYMMS. It was not because of lack of diligence or efforts on the part of the majority leader. We just simply had 97 Senators who had not studied the tables enough that they were prepared to vote.

Mr. MITCHELL. I thank my colleague and commend him again for the efforts of the managers of this bill.

There will now be this vote at 4 o'clock. Mr. President, the time is to be divided and controlled in the usual form.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, we have a moment between now and the time set for our vote. I wish to use it to——

The PRESIDING OFFICER. If the Senator will withhold, the time is equally divided between Senator BYRD,

a proponent of the amendment, and a Senator who is an opponent to the amendment. That is the question now before the Chair. Who is the party?

Mr. MOYNIHAN. What was that? Was that the proposal? I thought it was the managers that would have control of the time.

The PRESIDING OFFICER. The request was that the time be divided in the usual form.

Mr. SYMMS. Senator DOMENICI would like some time.

The PRESIDING OFFICER. Anyone wishing to change that should ask unanimous consent.

Mr. MOYNIHAN. I ask unanimous consent that I might proceed for 10 minutes as on the bill in contrast to the amendment.

The PRESIDING OFFICER. The time will be divided as the Chair has already stated.

Is there objection.

Mr. SYMMS. Mr. President, reserving the right to object, how is the time divided?

The PRESIDING OFFICER. The question the Chair propounded to the managers of the bill is who is in opposition to the amendment of Senator BYRD? That person would control half the time.

Mr. MOYNIHAN. It is our hope and expectation that there will be no opposition.

I ask unanimous consent, Mr. President, that the time remaining be equally divided between the Senator from Idaho and the Senator from New York.

The PRESIDING OFFICER. Hearing no objection, that is the order.

The Senator from New York requested 10 minutes.

Mr. MOYNIHAN. Mr. President, the Senator will now speak to the end of his statement, if that is possible.

The PRESIDING OFFICER. The Senator from New York has the floor.

Mr. MOYNIHAN. I said on repeated occasions I have talked about this subject of public sector disease.

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

Mr. MOYNIHAN. I am happy to yield.

Mr. BYRD. Mr. President, I yield control of my time to the distinguished Senator from New York [Mr. MOYNIHAN].

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

Mr. MOYNIHAN. In the introductory statement to our bill, we tried to capture this theme when we said that just as there is no such thing as a free good, there is no such thing as a freeway. The term "freeway" is a metaphor for our attitude toward expenditure of these funds and toward the return on investment that we would hope to get from them, which is to say what is free imposes no restraints.

And we heard that over and again: How can we be at the end of the largest public works program in history and refer to those very same public works as crumbling? How can we have spent more than we have ever done in this area and find that we have not spent nearly enough? These are anomalies which require explanation.

We feel the explanation lies in this disorder which we choose to call public service disease.

It is very simple to identify. The symptoms are easily found. The cure if not the cause is easily found; that once an economic activity starts up in the public sector or is incorporated into the public sector, resources begin to be allocated on the basis of political considerations rather than economic ones.

There is nothing wrong with political considerations. It is just that they have a very uncertain relationship to economic outcomes, sometimes counterintuitive and frequently counterproductive.

Two different calculuses come into effect—political cost and benefit as against economic cost and benefit. These two can be coincidental, they can be proximate, or they can be wildly disparate. When they get to be wildly disparate, you begin to get situations that you see in State sectors of the economy all over the world.

You get a disastrous plunge in productivity. I have mentioned many times now that Dr. Boskin, the Chairman of the Council of Economic Advisers, tells us that output per man-hour in the transportation sector broadly defined rose by only 0.2 percent annually from 1979 to 1988. That is a medieval rate. You end up in just penury if you keep it up.

This is alongside productivity growth in the private sector that is absolutely spectacular. Durable goods manufacturing has been growing at 6 percent. I mentioned this point in a visit recently from the new president of the Xerox Corp., which was originally a Rochester, NY, firm, and is still very much in evidence in Rochester. He said, "Well, yes, we try to keep our productivity going up at 5 or 6 percent a year and have to or the Japanese will beat us."

That is an amazing rate. A generation of 6 percent productivity growth means an economy would be five times richer at the end of a generation than at the beginning, whereas it takes 350 years just to double under our transportation rate. And surface transportation is the infrastructure, the structure under the productive, the manufacturing and service-producing, goods-producing, goods and services producing factor.

The second feature is that there are huge disparities between demand for the free good and the supply. This pattern was revealed to us in the Soviet butcher shop where the prices are set so low no sausage comes to market and a block-and-a-half of people waiting to buy what does not exist because it is so cheap. The same pattern we see in congestion, which we have declared to be a pricing phenomenon. Space is free on the highway and more people will seek to use it then can be accommodated. The congestion is the long line.

Professors Meyer and Gomez-Ibanez pointed out to us that the greatest disappointment with the interstate highway program was that it did not seem to achieve its major objective of reducing traffic congestion. I am sure they would go on to say that in the manner in which it was managed, you could have predicted that. Professors Meyer and Gomez-Ibanez also pointed out that when congestion did not disappear in the aftermath of the suddenly accelerated Interstate System, we moved to the Urban Mass Transit Act of 1964. That was going to settle the problem and it did not. All it did was produce the same public sector phenomenon we have talked about for highways.

Some persons who hear our debate will have reason to think that there is some disposition to point out the shortcomings of highway outlays as against transit outlays by the Federal Government. Not at all. We are very much impressed by the work of Prof. Charles Lave of the University of California at Irvine, who points to the extraordinary drop in productivity in transit that followed the large induction of public funds.

There are patterns here, if only you could get the Department of Transportation to think about them. But, as I say, it is the nature of a public sector to conceal prices and costs.

We did not get our productivity figures from the Department of Transportation and, as Senators have said, there were a number of tables wheeling around this floor the last 10 days as we tried to get allocation percentages.

Knowing too much about these things is exactly what this public sector will not want to do. What they do do is maintain monopolies. This from the first writings of that great, incomparable economist, Joseph Schumpeter, who is beginning to be seen as a much more relevant economist for our times than John Maynard Keynes. He wrote before Keynes and is receiving his rewards afterward. Schumpeter, in his "Theory of Economic Development," written in the early years of the century, put great emphasis on innovation. Innovation is the dynamic of economies.

He spoke of the creative destruction of modern capitalism. That seems oxymoronic, the creative destruction, but that is what he meant, the moving along. Innovation comes along and, suddenly, what had been a useful arrangement previously is no longer useful. You have, in effect, destroyed it, but by adding something better.

The arrangements being destroyed, whatever they are—the handweaving, from the early appearance of looms and

power looms down on into our time—will be resisted and people will find all manner of ways to do it. One good way is to get the Government to create a monopoly for you and keep innovations out.

This is all explained in a brilliant article by the Prof. Thomas K. McCraw at Harvard University in his article, "Schumpeter Ascending," in the American Scholar.

The pattern in transportation is very familiar. The last innovation in transportation in our century was the invention by Drs. Danby and Powell of magnetic levitation in 1964—an event on par with the Wright Brothers and Robert Fulton.

In 1965, the U.S. Department of Transportation was founded. You could practically say their main activity since 1965 was to see that nothing came of the invention of magnetic levitation. That is not unusual. That is what the guilds did in Europe when things like power looms came along.

Schumpeter told the tale of the poor fellow in Danzig who had invented a loom that would double, triple productivity, and the Danzig municipal council ordered him strangled.

Do you want to put housewives out of work? That is what the people smashing machinery in the early 19th century asked. It is understandable. But, if you let it go on too long, you stagnate. We are stagnating.

Some Senators, like the Presiding Officer from the extraordinarily innovative State of Nevada sees the uses of innovation.

But, in the main, you will not. If you get a government agency to help resist it for you, you can stagnate forever. And that is what we want to change. We do not want to hurt anybody. We just want to help the economy. When we say infrastructure, the Latin of infra meaning "under," this is what everything else rests on. Doing it right is not a mundane thing. If you do it right, it is brilliant.

We get a lot of derision for it. In the history of my State, nothing will ever equal the derision that was heaped on Governor Clinton for setting out what was called Clinton's Ditch, the Erie Canal. It changed the history of the world. It changed the history of Britain.

The British never thanked us for much. But after the Erie Canal was opened, wheat from western New York made its way across the canal, down the Hudson River to Liverpool, and suddenly you could feed people in Britain for half the cost that the landed gentry were charging for their wheat—which they called corn, and still do. In the end, before the rumpus was over, you had free importation of food, and Britain became an industrial nation—that was because of the Erie Canal.

Scotland ceased to be a foreign country, once railroads could get back and forth from London to Edinburgh. The west coast became part of our country when you began to be able to fly there in a half a day, rather than riding 6 days on the best railroads.

What we are trying to do is bring ourselves back into the competition. We were always right on the edge of technology.

The Senator from New York was in Canada yesterday at a meeting of the Canadian-United States Business Association, at Ontario-on-the-Lake, that wonderful town, the original capital of upper Canada, right on the banks of the Welland Ship Canal. An American-born gentleman named Merritt who was on the Canadian side in the War of 1812, had the inspiration that if you could build a canal to take ships from Lake Ontario up to Lake Erie and get by the falls, you could open up all that shipping down the St. Lawrence. It took a long time and a lot of Irishmen, but it was done. And then the seaway came after it. Those transportation innovations have changed so much.

Magnetic levitation was the inspiration of Dr. Gordon Danby, a Canadian-born nuclear engineer, while working at Brookhaven National Lab, where he still works with his very eminent associate, Dr. Powell. I said yesterday would it not be grand if that United States-Canadian collaboration could not see itself manifested by a magnetic levitation route that would connect the United States with Canada. A sort of north-south connection that would symbolize something of our free-trade agreement. I learned with great interest that the Canadian Parliament at this very moment is thinking about just that thing.

We have seen you can spend more money. The great, informed, devastatingly candid Senator from New Mexico told us earlier, in 1980 the budget of the U.S. Government was $590.9 billion and it grew in 11 years to $1.4 trillion. We have not a thing to show for it; not a thing. All we hear about, in the aftermath, is our crumbling infrastructure; our gaping needs. I would like to suggest a lot more precision. We might get considerably more output.

I see my friend from Idaho has risen, and I yield the floor.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. SYMMS. Mr. President, I yield myself up to 1 minute.

Mr. President, I appreciate the comments that the Senator from New York has made with reference to what the Senator from New Mexico said earlier this morning that what has really grown in the Federal budget since 1980 is the entitlement spending. If only a small, minuscule amount of that money had been diverted into infrastructure, waterways, highways, sewer systems, water systems—in New York City, some of the water systems are older than my State.

Mr. MOYNIHAN. Some?

Mr. SYMMS. Most of them are older than my State. My State celebrated its 100th anniversary last year, 1990.

Mr. MOYNIHAN. Most.

Mr. SYMMS. So most of the water systems in New York City are over 100 years old. Some of them are 150, 200 years old, I suppose.

Mr. MOYNIHAN. 150.

Mr. SYMMS. 150 years old. But the point is that for a very small, minuscule amount of change in those formulas that go for entitlements, there could have been billions of dollars available to be spent on other programs which would have also had an indirect but positive impact of the very people who receive those entitlement benefits.

The Federal Government's money is mailed out in checks every month to citizens.

Mr. President, I yield up to 10 minutes to the distinguished Senator from New Mexico [Mr. DOMENICI].

The PRESIDING OFFICER. The Senator from New Mexico is recognized for up to 10 minutes.

Mr. DOMENICI. I thank my good friend, Senator SYMMS. I do not think I will use the 10 minutes.

I thought before the vote on the Byrd amendment, the Senator from New Mexico, having spent about 15 minutes this morning talking about the $8.2 billion, the subject matter of the Byrd amendment, both as to the donor States and the so-called incentive States, I spent time talking about the conditionality, the conditional nature of that; that it might not be available, and under what circumstances.

I think for those who wonder whether we have appropriately spent time on this matter or whether it has been something that is dilatory, it seems to the Senator from New Mexico that many more Senators understand the proposal before us today.

I think they understand the donor issue and the donor recompense that is in the Bentsen-Warner part of the Byrd bill. I think they understand Senator BYRD's effort to use half of that $8.2 billion as an incentive program. And I think they also understand that, indeed, we might not, in 1993-95 have sufficient resources to fully fund, and they understand the effect of not fully funding, as I understand it. I think most Senators now understand that. I believe that means the time was well spent.

Having said that, I think there is one remaining issue. Clearly, I do not have a formula to substitute for the formula that Senator ROBERT BYRD has in his amendment regarding the $4.2 billion that is under the incentive formula to States. I do not have a substitute formula. But I submit to the Senate that there is a better general formula, and I am going to state it generally. And then we will see how it evolves in the waning hours of this bill.

When I have a bill like this, a highway bill, that is coming up before the Senate, the Senator from New Mexico might handle it differently than others, but I generally ask a group of New Mexicans who are experts in the field to be an informal task force. About 2½ months ago, I asked some New Mexicans to do that. So they monitored the work of the Environment and Public Works Committee, and they monitored the President's bill in detail and informed the Senator from New Mexico how it might affect our State, and what they had to say about the pluses and minuses.

So when Senator BYRD's amendment came up, it was rather easy for me to send it out to New Mexico and ask them what they thought about it. Part of my task force are highway experts, those who are on the commission or those who are in the position of being experts under the highway commission in New Mexico. So they did analyze the Byrd formula. This is what they said.

I will ask that their issue paper be printed in the RECORD before we finish today. But this is their statement, and I ask my friends who manage the bill to listen to these words. They said:

A truer measure of the efforts of the States—

That is what we are talking about in Senator BYRD's amendments, the efforts of States—

A truer measure of the efforts of the States would be the per capita amount of non-Federal funds expended on roads and highways within each State.

It seems to the Senator from New Mexico that is the formula we ought to have. It has to be written up; it has to be put on paper by someone. But what it is saying is every year you spend x amount on highways and roads in the State of New York, the State of Idaho, and the State of New Mexico. Take out Federal money, and you have x minus Federal money. And then divide x by the number of people in the State, and you have a level of effort that they contend is better than what we have before us.

I concur wholeheartedly. There are a couple of other observations which they make which I will make, and then I will yield the floor.

We are talking about 6 years. During that 6 years, there is no question that States are going to adopt new gasoline taxes. It would be absolutely a miracle if a number of States did not adopt, after today, a number of gasoline taxes, because they are in need of more roadways and they want to pay for them. That means that the formula is variable.

So whatever you are counting on will change, because you surely cannot take away from the State of New York gasoline taxes adopted 2 years from now. That will be plugged into the formula, and the total amount will change. They make that point also, and I think that is a very good point.

The Senator from New Mexico does not believe that the formula in the Byrd amendment, as it applies to the incentive States or the effort States, is the best one. I think it should be improved upon. Whether we will do it later on today, or whether it happens later on in this evolving cycle of going to the House with their bill, I do not really know.

But I am going to repeat: I think the truer measure of the efforts of States would be the per capita amount, non-Federal funds expended on roads and highways within the boundaries of a State. And if that is what the distinguished Senator from Kansas has as his formula—and I think, from having heard him the other day, he was not speaking in general language, he was speaking of taxes, which taxes did not go to highways; there were gasoline taxes that did not go in some States; there are general taxes which do go in some States. And he had a variety of mixes. The end product should have been what goes into the roads.

If that is the case, we are getting much closer to the level of efforts. If that is his amendment, I compliment him for it, and I hope the Senate adopts it.

I yield back the remainder of my time.

The PRESIDING OFFICER. Does the Senator from New Mexico ask unanimous consent that something be printed in the RECORD?

Mr. DOMENICI. Mr. President, I will not at this point. I will put it in near the final debate on the bill.

Mr. MOYNIHAN addressed the Chair.

Mr. SYMMS. I yield to the Senator 1 minute.

Mr. MOYNIHAN. Mr. President, I rise simply to agree with the group in New Mexico. A per capita effort is obviously a more desirable measure. I think it will take what we hope will be the Bureau of Labor Statistics a good 4 years to come up with it.

Mr. DOMENICI. I thank my friend from New York, and I do not think it would take that long. I do thank him.

Mr. MOYNIHAN. I was once Assistant Secretary of Labor for Policy Management and Research in charge of the Bureau of Labor Statistics. It took us 80 years to develop the unemployment rate. There were a lot of mathematics that had to be done first.

Mr. SYMMS. I yield 5 minutes to the distinguished Senator from Kansas.

The PRESIDING OFFICER. The Republican leader is recognized for 5 minutes.

Mr. DOLE. Mr. President, I appreciate the statement just made by the distinguished Senator from New Mexico, and he is exactly right. That is the very amendment I intend to offer following the disposition of the Byrd amendment, whether it is adopted or defeated.

I think it is rather difficult for some of us to divide up $8.2 billion and get none of it in our States. I think if we did it the fair way, there is no question about it, my State would benefit. I want to make it clear why we think we ought to follow the prescription just outlined by the distinguished Senator from New Mexico.

There are no Republicans and no Democrats in this debate. We understand that. There are donor and donee States. If I get $100 more under this formula, I am for it.

We have States with large land areas and small populations, and States with large populations and small land areas. In short, there are winners and there are losers. This debate has been all about charts, and none of the charts mean anything.

I will get you a chart that will tell you anything. If you give us enough time, we will produce a chart. But the bottom line is how much money do I get under the so-called Byrd amendment? That is the bottom line. Nobody cares about the formula. And how much do I get under the Dole amendment?

Now I am trying to commit a great sin. I am trying to bring a good Government proposal to the debate. Heaven forbid. At the risk of ridicule, I am going to offer this amendment after disposition of the amendment by the Senator from West Virginia. You cannot rely on the charts. The numbers will change. And let us face it, the Senator from New Mexico is right. It is how much the States spend.

I believe that the Senator from West Virginia, the chairman of the Appropriations Committee, started off with a pretty good idea, sort of a base line. But the problem with that approach is twofold. I might add that my concerns are expressed by the Associated General Contractors of America, who say there are two loopholes in the Byrd amendment that ought to be closed. The first is that it does not reflect what States really spend. The State of Kansas, for example, spends a lot more than the gas tax for highways, and that ought to be counted. Nobody can stand up here and say you should not count all money we spent for highways. We are talking about level of effort. That is the first loophole. It is not counted under the Byrd amendment.

The second loophole is that many States do not use all their excise tax for highways. They use it for agriculture, deficit reduction. That ought to be counted, but that is not done: As long as you have the tax out there, we do not care what you do with it; we are going to count that as effort for highways.

That is ridiculous. That is precisely what the Associated General Contractors of America said. I ask unanimous consent to put their letter in the RECORD.

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

THE ASSOCIATED GENERAL CONTRACTORS OF AMERICA,
Washington, DC, June 18, 1991.

Senator ROBERT DOLE,
U.S. Senate, Washington, DC.

DEAR SENATOR DOLE: The Associated General Contractors of America supports your efforts to amend the highway reauthorization bill now pending before the Senate.

The amendment would correct two problems found with Senator Byrd's Level of Effort proposal.

Unlike the fuel tax collected at the federal level, many states divert significant amounts of the state fuel tax to general revenues or specific non-transportation programs.

States could also, under the Byrd provision, reduce certain state taxes, recapture that revenue through an increased gas tax, not dedicate those funds for transportation, and still receive the federal bonus based on having a high state fuel tax.

The Dole amendment closes those two loopholes, bases any federal bonus provision on state monies spent on highways, and still retains the integrity and goals of the Byrd provision.

Your efforts are greatly appreciated and supported.

Sincerely,

JAMES W. SUPICA, Sr.,
Legislative Action Committee Chairman.

Mr. DOLE. They did not say it was ridiculous. They just said it was not fair. So what can we do in my State? How can we get even? We raise the gas tax next year and lower the other taxes, and then we are in clover with all the other States, because our effort is more according to the amendment by the chairman of the Appropriations Committee. Or we start spending some of our excise tax on gasoline for other purposes and maybe raise money otherwise and still we are all right.

So, Mr. President, before we vote on this amendment, we had hoped we might get the distinguished chairman of the Appropriations Committee to modify his amendment to make it really reflect what I think every objective viewer, not somebody in there with a calculator trying to say how many dollars do I get, but every objective viewer, including the Associated General Contractors, including the Department of Transportation in New Mexico, and I bet every department of transportation in every State across the Nation is saying—you ought to have the real level of effort, not some arbitrary level of effort that is by gas taxes. The State of Virginia has a sales tax they put in highway construction. Many States have diesel taxes. They put that into highway construction. Many States have registration fees. They put that into highway construction, but that is not counted we are told. We cannot find the figures.

The figures are there. They can be put together in 24 hours or 36 hours.

So we want to game the system. I like half the Byrd amendment. I like the donor State, even though we do not benefit in my State. I do not find any fault with that. It is the other half. Should we vote for half the amendment and against half the amendment?

I hope when the time comes we could have a vote on what I consider to be equity and fairness and objectivity and not voting on charts and how much money do we get from a selfish standpoint. If we want to talk about level of effort, let us talk about the total level of effort, and we will make our case.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. MITCHELL. Mr. President, do I have leader time left unused?

Mr. SYMMS. Mr. President, I believe I have some time I would be happy to yield to the majority leader.

The PRESIDING OFFICER. The majority leader has 10 minutes of time remaining from this morning.

Mr. MITCHELL. Will the Senator yield time?

Mr. SYMMS. I will be happy to yield my remaining time. What do I have, 3 or 4 minutes left?

The PRESIDING OFFICER. The Senator has 5 minutes.

Mr. SYMMS. I will be happy to yield what time the majority leader needs.

Mr. MITCHELL. I thank my colleague.

Mr. President, I find the logic of the distinguished Republican leader persuasive with respect to the question of level of effort. I commend the distinguished chairman of the Appropriations Committee for the effort he has undertaken to try to bring this matter to a conclusion, and it is obvious that we are moving toward a conclusion in part as a result of his efforts.

But the rationale for that portion of the amendment that deals with State effort is that we should reward States that make an effort in expenditure of funds for highway construction and maintenance. The second half of that formula deals with the State's per capita income and suggests, rightly I believe, that their per capita income ought to be a factor in calculating that effort.

But I believe the Senator from Kansas has made a totally persuasive and compelling argument that if we are to measure effort, then we ought to measure effort as accurately as can possibly be measured. It is very clear that the gas tax, while one method of calculating effort, is in and of itself not the most accurate measurement. It is the most readily observable. That can be said for it.

But as the Senator from Kansas pointed out, if it is effort with respect to highway construction and maintenance, then funds derived by motor vehicle registration are as readily observable and that applies to the whole populus. Indeed, in most States you cannot legally operate your motor vehicle, therefore, you cannot buy gas and pay gas tax, until you meet the motor vehicle registration requirements. So that clearly is as applicable as the gasoline tax. It is as readily available and as precisely measurable. I believe the other factors that were mentioned by the distinguished Republican leader should be taken into account. For example, I am advised by some Senators that their States issue bonds for highway construction, dedicated for that sole purpose. If that is the case, that is of course readily measurable and a method of determining effort.

So while I commend the distinguished chairman of the Appropriations Committee for the effort he has undertaken that has carried us to this point, I believe that the suggestions of the distinguished Republican leader to improve the measuring effort, do provide a more accurate assessment of actual effort by States and I hope will ultimately be included in this process, either in the course of voting here in the Senate or in the House consideration or in the conference. This bill has a long way to go, as we all know, and we want to proceed with this first important step.

So, Mr. President, I merely want to conclude by again commending the chairman for the effort he has undertaken to bring us to this point, but also to associate myself with the remarks of the distinguished Republican leader and the suggestions he has made for improving this amendment.

Mr. SANFORD. Mr. President, I would like to say that I am very pleased to be voting for a highway amendment that brings to North Carolina over $400 million for fiscal years 1992–96. Such an increase in North Carolina's share of the Federal-aid highway program is long overdue. Over the past 40 years, the citizens of North Carolina have contributed more to the highway trust fund than they have received. The passage of this amendment will mark the first time the citizens of North Carolina will break even on their contributions.

The Byrd amendment raises some very valid points regarding a State's level of effort. For many years the State of North Carolina, because it has been treated so unfairly under the current allocation formula, has maintained a very strong level of effort. Our State gas tax is the fifth highest in the Nation, 22 cents. Balance this against that fact that our State has also one of the lowest per capita incomes and you will find that citizens of North Carolina have been carrying a heavier burden, and paying more than their fair share for adequate surface transportation programs. I support the level of effort proposal brought forward by Senator BYRD.

There has been quite a bit of discussion regarding formulas and changing them to reflect fair and equitable dis-

tribution. I am proud to have been one of the founders of a coalition formed to change the formula. North Carolina, in the past receiving only 75 cents to the dollar has carried the Nation's transportation burden for too long. However, it is becoming very clear to me that the Members of this body are not as serious as I am in seeing that a fair and equitable formula is reached.

I expressed my feelings on formulas to the Members of the Senate on a number of occasions since this debate began. I have cited GAO and AASHTO formula recommendations and have provided explanations for why such changes are important and necessary. Even the chairman of the Public Works Subcommittee confirmed the validity of my remarks. I am disappointed then that more serious consideration and discussions did not take place over an issue so crucial to 24 States. For this reason Senator BENTSEN and myself introduced an amendment which was adopted last week which tasked the GAO to study and recommend to Congress a formula for the allocation of Federal-aid highway funds so that the next surface transportation reauthorization debate and legislation will indeed see a change of the outdated and antiquated formula.

North Carolina expects to gain quite significantly from the Byrd amendment, and I feel confident that our coalition, although we were not successful in bringing forward a new and equitable formula, have been able to raise the issue most successfully. I am still committed to my efforts to change the formula and ensure them an equitable return for the citizens of North Carolina's dollars is received. The Byrd amendment does not address the fairness issue, however. I will continue to do so in the future.

Mr. ROCKEFELLER. Mr. President, today I am pleased to join Senator BYRD, the senior Senator from West Virginia, in offering an amendment to the Surface Transportation Efficiency Act of 1991. This amendment will improve the bill by providing additional funds from the trust fund to be used for construction and maintenance of our crumbling transportation infrastructure. This amendment will not shift funds from any category in the bill. The funding will come from the difference between the amount of funding provided by the bill and the amount of highway funding allowed for highway programs in the budget resolution. The Surface Transportation Efficiency Act does not use all of the funding available under the budget agreement. There is an $8.2 billion cushion.

Like many other States, my State of West Virginia has transportation needs that are well above the allocation that we receive from the U.S. Department of Transportation. To try to bridge this gap between what the Federal Government provides and our enormous need, West Virginia has levied one of the highest gas taxes in the Nation. The Byrd amendment will reward that effort by providing a bonus apportionment to those States that have a gas tax higher than 17.43 cents per gallon. This is the average national gasoline tax. Per capita income is also considered in apportioning the bonus.

This amendment is more than equitable. It rectifies what I believe to be an unfair situation that has existed for many years. West Virginia is not a wealthy State, but we have historically shouldered a substantial burden by raising funds for our transportation needs through a higher-than-average gasoline tax. It angers me to think that there are States that are financially better off than West Virginia with a gas tax of 15 cents per gallon compared to our 20 cents. Often these States are also receiving a much larger percentage of the highway trust fund allocation.

In West Virginia, our roads cost more to build than in many other parts of the Nation. Our mountainous terrain and severe climatic conditions make the cost of construction and maintenance much higher than average. Our Appalachian corridors, which are highways that link interstates, cost over $18 million per mile to construct. When this is compared to the $11 million per mile cost throughout the Appalachian region it is obvious why West Virginia needs every highway dollar that we can possibly shake loose.

For West Virginia and the rest of the Nation, accessible transportation is the keystone of economic development. Jobs are created as a result of highway construction. Between 1978 and 1988, 81 percent of all jobs in the Appalachian region were created in counties where there was a corridor and/or an interstate highway. Those States that have made a sacrifice by raising their gas tax have done so because they realize the benefit of an improved infrastructure.

Again, this is a fair and important amendment because it rewards those who have shouldered more than their fair share of the burden. It helps those that help themselves. Any State that wishes to participate may. All a State must do to be eligible for the bonus is raise the gas tax above the national average. Thirty-three States already have a gas tax above the national average. Those that have the highest tax will receive the largest bonus.

In addition to providing funds for transportation infrastructure, the amendment is an incentive to conserve fuel. I believe energy conservation and efficiency are vital objectives to ensuring a stronger, more secure nation.

I am proud to join the senior Senator from my State, Senator ROBERT C. BYRD, in proposing this amendment. His leadership on this transportation bill, an all legislative matters regarding our State of West Virginia, is without equal.

Mr. HEFLIN. I would like to ask my distinguished colleague from West Virginia an important question with regard to this local effort amendment. It is my understanding that the Federal Highway Administration currently includes petroleum product inspection fees in its calculation of base gas taxes. In calculating Alabama's gas tax for charts associated with this amendment, for example, the Federal Highway Administration added the 11 cents per gallon tax with the 2 cents per gallon petroleum product inspection fee to obtain the total Alabama gas tax, listed on the relevant charts as 13 cents per gallon. I ask the Senator from West Virginia if it is his intention that the Federal Highway Administration continue to include petroleum product inspection fees in its calculations of base gas taxes for purposes of allocating funds under this amendment?

Mr. BYRD. Yes, the Senator is correct. Petroleum product inspection fees would continue to be included in the calculation of each State's base gas tax by the Federal Highway Administration for the purposes of allocating funds under this amendment.

Mr. HEFLIN. I thank the Senator from West Virginia.

Mr. BURNS. Mr. President, the concept behind the Byrd amendment which passed today is that States with higher gas taxes and lower per capita incomes should receive a level of effort bonus under the Federal-aid highway program. The level of effort bonus was first proposed in legislation introduced by my colleague MAX BAUCUS, the senior Senator from Montana, of which I was an original cosponsor. I want to recognize Senator BAUCUS for his key role in making sure Montana gets its fair share of the highway trust fund. As this bill moves forward, we plan to continue to work together to protect our State's interests.

Just 10 days ago Secretary of Transportation Sam Skinner visited our State as a guest of Senator BAUCUS and myself. Secretary Skinner got a chance to see first hand why Montana with its thousands of miles of highway and low population needs a greater share of Federal highway money. It is our hope that when this bill finally makes its way to the President's desk that Secretary Skinner will remember his trip to the Big Sky country.

Mr. DURENBERGER. Mr. President, my colleague, Senator BYRD, has crafted an amendment which addresses the concerns of the donor States as well as recognizes those States with a high level of effort.

The Senate is, in the final analysis, a consensus institution. I regard this amendment as a necessary accommodation to get his bill passed, and I support it for that reason.

I am concerned of the budget implications that this provision will bring

about. I say that, even though my State does better with the Byrd amendment. I understand that this amendment will place S. 1204 in excess of $20 billion over baseline. I don't believe this is a truly fair formula. Those are big problems. But I would rather have the bill before us with this amendment than no bill at all. It does directly aid the existing donor States and therefore solves one of the major obstacles that has threatened this bill.

Mr. President, my colleague from West Virginia is proposing that an additional $8.2 billion be split between donor States and States that impose gas taxes above the national average, and then the revenue would be adjusted to factor in the State's per capita income. States that have low per capita incomes and higher than average gas taxes will significantly benefit. Although Minnesota has a high gas tax, its per capita income is too high to ensure that it would get a very large increase under this formula. Minnesota will benefit from this amendment. According to the tables that were handed out, my State will get an increase of $108 million over 5 years. However, this is a formula that can be gamed since States can earn money by changing State laws and thus change the overall numbers.

I commend my colleague, Senator DOLE, for pursuing a more appropriate formula that measures a State's total effort. Minnesotans pay for highways through fuel taxes, vehicle licenses, drivers licenses, permit fees, investment income, and other fees. Minnesota only receives 55 percent of its dedicated highway funds from the fuel tax. No one can argue that these other dedicated funds, contributing 45 percent of highway dollars, are less of a measure of effort than a State's gas tax. Mr. President, if we are going to recognize each State's level of effort, I agree that we must look more closely at all the factors that should constitute that definition.

Although the highway trust fund has a high enough cash balance to finance this provision, it will compete against domestic discretionary programs in the out years. If we increase the amount for transportation, we must decrease the amount spent on other discretionary programs.

As we unfortunately do too often around here, we are enacting a present fix which carries with it a future problem. We are not going to do a future budget resolution here on this floor today, but we had better acknowledge and be ready to face the tough choices when they come.

Having said that, I urge my colleagues to vote for the amendment before us and move this important bill forward.

Mr. GLENN. Mr. President, I have spent the past weeks working closely with my colleagues from other donor States to develop a formula to provide Ohio and other donor States with a fair return on their contributions to the highway trust fund. I support the modified Byrd amendment which provides needed equity in the highway program.

The amendment before us bases funding on a State's gasoline tax rate and on personal per capita income. In addition, the amendment would increase the rate of return on dollars to the highway trust fund. This rate of return ensures that no donor State will receive less than a 98 percent return on its contribution. In the existing program, Ohio motorists received back only 80 cents in highway aid on the tax dollar paid in. Over the past 34 years, approximately $2.2 billion in Federal user taxes collected in Ohio have been spent improving roads in other States. Mr. President, the objectives of this amendment are long overdue for Ohio and other donor States.

Under this amendment Ohio's level of funding will increase by $398 million from the level contained in the Senate bill. These funds are critically needed in Ohio for roads and bridges which have deteriorated while Ohioans paid for construction of new facilities in other States.

Mr. President, I strongly support this amendment to bring equity to Ohio and the other donor States, and I urge my colleagues to join me in voting for its adoption.

Mr. LEVIN. Mr. President, I will vote for the amendment offered by Senators BYRD and BENTSEN because it takes a significant step toward correcting the unfairness that has characterized the highway trust fund formulas for many years. Under those formulas, my State of Michigan over the decades has paid far more into the trust fund in the form of gasoline taxes than it has gotten back in funds for surface transportation projects, such as highways. This situation is in spite of the fact that important road and highway projects in Michigan remain to be completed or are in need of repair.

Because of these needs and because of the unsatisfactory nature of the current formula, I worked closely with Senators MITCHELL, BENTSEN, WARNER, and others to modify the original Byrd proposal so that it included a provision which provided some measure of justice to those States—the donor States—which pay more into the highway trust fund in the form of gasoline taxes than they receive in the form of funds for surface transportation.

In particular, I worked to see that the level of effort portion of the Byrd amendment was calculated prior to the donor State bonus portion of the Byrd amendment. In addition, I believed that it was important that the donor States which received the lowest rate of return from the highway trust fund under the committee bill have their return raised before the donor States which were somewhat better off. The net effect of these two fine-tunings of the Byrd amendment that I worked for was to increase the funds that could go to Michigan by more than $79 million. These two changes contributed to an increase in Michigan's rate of return from the highway trust fund on the dollar to 99 cents, assuming the highway appropriation bill is fully funded. The average rate of return for Michigan over the past 5 years was 83 cents, and the rate of return under the bill as reported by the committee would have been 89 cents on the dollar.

Mr. President, I worked for this amendment because I am convinced that it was the best possible proposal that could be passed in the Senate from the perspective of the needs of my home State of Michigan—fairness to the donor States and the needs of the Nation.

Mr. MITCHELL. Mr. President, I believe all time has been used. Have the yeas and nays been requested on a vote?

The PRESIDING OFFICER. The yeas and nays have not been requested.

Mr. MITCHELL. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The time of 4 o'clock having arrived, the question is on agreeing to amendment 296, as modified, offered by the Senator from West Virginia [Mr. BYRD].

Mr. BYRD. Mr. President, I ask unanimous consent to proceed for 15 seconds.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BYRD. Mr. President, I will be prepared to respond to some of the arguments that have been made by both Mr. DOLE and Mr. MITCHELL, but the time for the vote has arrived. I will save my remarks until the appropriate time when the amendment is before the Senate.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Arizona [Mr. DECONCINI] is necessarily absent.

I also announce that the Senator from Arkansas [Mr. PRYOR] is absent because of illness.

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

The result was announced—yeas 89, nays 9, as follows:

[Rollcall vote No. 95 Leg.]

YEAS—89

Adams	Biden	Bradley
Akaka	Bingaman	Breaux
Baucus	Bond	Brown
Bentsen	Boren	Bryan

Bumpers	Harkin	Murkowski
Burdick	Hatch	Nickles
Burns	Hatfield	Nunn
Byrd	Heflin	Packwood
Coats	Helms	Pell
Cochran	Hollings	Pressler
Cohen	Inouye	Reid
Conrad	Johnston	Riegle
Craig	Kassebaum	Robb
Cranston	Kasten	Rockefeller
D'Amato	Kennedy	Sanford
Danforth	Kerrey	Sarbanes
Daschle	Kerry	Sasser
Dodd	Kohl	Seymour
Dole	Lautenberg	Shelby
Domenici	Leahy	Simpson
Durenberger	Levin	Specter
Exon	Lieberman	Stevens
Ford	Lott	Symms
Fowler	Lugar	Thurmond
Garn	McCain	Wallop
Glenn	McConnell	Warner
Gore	Metzenbaum	Wellstone
Gorton	Mikulski	Wirth
Gramm	Mitchell	Wofford
Grassley	Moynihan	

NAYS—9

Chafee	Jeffords	Rudman
Dixon	Mack	Simon
Graham	Roth	Smith

NOT VOTING—2

DeConcini	Pryor

So the amendment (No. 296), as modified, was agreed to.

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

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 295, AS AMENDED

Mr. MITCHELL. Mr. President, a parlimentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MITCHELL. Have the yeas and nays been ordered on the underlying Byrd first-degree amendment?

The PRESIDING OFFICER. They have.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the yeas and nays on this amendment be vitiated.

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

Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from West Virginia, as amended.

The amendment (No. 295) as amended, was agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. MITCHELL. Mr. President, I now ask unanimous consent that Senator GRAHAM of Florida be recognized to offer an amendment relating to the FAST formula; that there be 3 hours of debate on the amendment, with no amendment to the amendment in order; that when all time is used or yielded back, the Senate proceed to vote, without intervening action or debate on or in relation to the Graham amendment; that the time on the amendment be controlled as follows: 2 hours under the control of Senator GRAHAM; and 1 hour under the control of Senator MOYNIHAN.

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

Mr. MITCHELL. Mr. President, Senators are aware that there will be a vote on the Graham amendment 3 hours from now if all time is used, or earlier than that if any of the time is yielded back. So, there will be a vote approximately 7:25 or sooner if the time is not used on the Graham amendment. We will then be in position to assess what remaining amendments there are on the bill and how best to proceed from then.

I thank my colleagues for their cooperation.

The PRESIDING OFFICER. Under the previous order the Senator from Florida is recognized.

AMENDMENT NO. 357

(Purpose: To make improvements in Federal-aid highways, and for other purposes)

Mr. GRAHAM. Mr. President, for the past week plus, we have been debating the tail. We have just voted on the tail. I suspect that we will have at least one more vote on the tail. I suggest that we now turn our attention to the dog. The dog is the formula under which 90 percent plus of the Nation's transportation funds for the support, maintenance, and expansion of the Federal effort in transportation will be allocated.

We have before us, Mr. President, two very clear alternatives. One is offered by the Senator from New York and the Senator from Idaho. The other is offered by a consortium of State highway officials under the name Federal Aid Surface Transportation Act or acronymed FAST. It will be the allocation of highway funds under the FAST proposal that I will be submitting as an amendment to the pending legislation with the cosponsorship of Senators KOHL, LOTT, NUNN, SHELBY, COATS, MCCONNELL, MACK, PRYOR, and SANFORD.

Mr. President, to place this matter in some historic perspective, the basic approach for allocation of half of the money under Senator MOYNIHAN and Senator SYMMS' approach is to take the current allocation formulas, calculate what percentage they resulted in each State receiving as a proportion of the national total over the time period 1987 to 1991 with some adjustments, and then allocate a percentage to each State for the time period 1992 to 1996, which is to say that we are continuing forward for the next 5 years essentially the same basic allocation formula and process as we have used for the past 5 years.

In 1985, our former colleague, Senator Lawton Chiles, asked the Government Accounting Office to examine that formula, to determine what would be a more appropriate method for allocating Federal highway funds. The General Accounting Office submitted its report in March of 1986.

Mr. President, in that report, the GAO, in its executive summary, stated:

> The factors used in formulas to apportion highway funds should reflect the extent and usage of today's highway system. The factors used in the primary, secondary, and urban highway apportionment formulas—land area, population and postal mileage—are not closely related to today's highway system. These factors were chosen between 40 and 70 years ago on the basis of data available at that time. Other factors that better reflect highway activity are now available.

I conclude the quotation from the General Accounting Office report, Mr. President, to editorialize, that the bill that we have before us purports to do exactly what the GAO report criticized 5 years ago and, that is, we are carrying forward an antiquated formula of 40 to 70 years ago into the late 20th century.

What did GAO report? GAO reported and recommended that lane miles is a direct measure of the size of the road network and should be used to reflect the extent of the system to be preserved.

GAO went on to recommend that highway use can be measured by both vehicle miles traveled and motor fuel consumption. GAO recommended that we adopt a formula which uses factors which are relevant to today's highway system, for which data are available and which are direct measures of Federal interest relative to highways, such as assuring that our highway system is maintained, the enormous investment that we have made in our 850,000 miles of Federal aid highways, as well as our ability to meet the needs of an expanding population and economy.

As a result of that study, State highway officials began to meet to discuss how recommendations such as those of the General Accounting Office could be molded into legislation for consideration during this reauthorization of the Federal Surface Transportation Act.

This process began 4 years ago when State departments of transportation began to develop ideas on future surface transportation programs. There was a year-long information gathering phase, including public hearings in every State, Mr. President. Numerous meetings then occurred during which ideas were developed to set a new course for American transportation.

The organization which initiated this activity was the American Association of State Highway and Transportation Officials, an organization comprised of the departments of transportation of all 50 States. Extensive supporting documentation was developed, including a set of recommendations included in a report which was entitled "New Transportation Concepts for a New Century." These recommendations were approved by 48 of the 50 States at a meeting in late 1989. They represent the best ideas of the transportation professionals in this country.

What were those recommendations? They recommended that in lieu of the 40- to 70-year-old antiquated formula which the Federal Government was using and which is proposed to be used into the future, that, rather than that approach, two new principal programs be established: A categorical program serving a national highway system, one; and, two, a flexible system to address increasingly diverse and intermodal needs of the State.

Several of the State DOT's took these recommendations a step further by developing more specific funding formulas for these programs. And it is these recommendations, Mr. President, that I will soon be offering as an amendment.

Mr. President, I would like to talk a bit about the FAST proposal, and then contrast it to the provisions which are in the bill as reported by the committee. As indicated, the major recommendations of the FAST proposal are to restructure and consolidate Federal aid highway programs into two principal programs; A national highway and bridge system, and an urban and rural highway and bridge program.

It proposes to revise formulas by which Federal funds are apportioned to the State to more accurately reflect today's transportation needs and to provide greater equity for all States in the funding distribution. It would help States and local governments meet their distinctive needs more efficiently and effectively by giving them greater flexibility and control over their funds.

To turn first to the new national highway and bridge system, the FAST proposal purports, pursuant to the amendment which I have offered, to allocate to a National Highway System in fiscal year 1992 $6.6 billion. That will increase until 1996 when $9.8 billion will be committed to the National Highway System, which will include the 44,000 miles of our interstate system, plus an additional 110,000 to 140,000 miles of other Federal aid highways.

This system will be provided and will be comprised of existing urban and rural interstate highways, and an appropriate proportion of urban and rural principal arterial highways. The method to allocate the national highway funds to the States should reflect the national purposes of the National System. Both the extensiveness of the National System proportionate to the total statewide lane miles and the intensity of its use proportional to statewide travel should be recognized in the allocation system.

Recognition of its role in interstate commerce: Commercial truck traffic should be recognized, with the most effective measure being diesel fuel use.

Finally, the national highways allocation should recognize the total national urban costs are approximately twice as much as rural costs. Therefore, the formula under which the national highway funds will be allocated is based on three factors: Statewide lane miles, with one-ninth being rural lane miles, and two-ninths being urban lane miles; one-ninth based on statewide rural vehicle miles traveled and two-ninths being statewide urban vehicle miles traveled; and three-ninths based on statewide diesel fuel consumption. Those are the factors that would be utilized to allocate the funds for the National Highway System.

The second component of the National System will be an urban and rural highway bridge program. Federal highway responsibility is not limited to the National Highway System. Americans living in small cities and rural communities are also entitled to have an effective access to the National Highway System. Congestion on urban and suburban streets must be relieved. Those traveling to and from the National Highway System deserve reasonably consistent safety and quality standards throughout the Nation.

State and local resources to meet these needs are being severely stressed, and in many States constrained. Each State requires a distinctive mix of solutions to meet present and future transportation problems involving metropolitan congestion and rural access and air quality constraints.

The proposal for the Urban and Rural Highway and Bridge Program is to provide a funding to help States and local governments meet their unique transportation challenges in cost effective ways. Federal urban and rural highway and bridge funds could be used on any arterial or collector highway except those designated for the National Highway System.

National urban and rural highway funds should be allocated to the States in proportion to their percentage of the Federal highway trust fund contributions. To assure local governments a fair share of these fundings, each State shall allocate to non-State transportation facilities at least as much as allocated to the non-State facilities in 1991 from the Federal Aid Urban and Secondary Bridge Program.

Mr. President, the second component of the FAST Program, the Urban-Rural Road and Bridge Program, would receive the same funding each year as the national highways, that is $6.6 billion in fiscal year 1992, rising to $9.8 billion in fiscal year 1996.

The allocation formula for those parts of the Highway System off the National System would be based on the contribution that each State made toward the national trust fund.

The third issue is the issue of bridges. Routine bridge replacement should be funded as another element in the regular National Highway and Urban-Rural Highway and Bridge Program. Although bridges were singled out as a special national priority in previous Federal Highway Programs, and would be singled out again in the program as submitted by the Senators from New York and Idaho, the rationale for this unique treatment has decreased as States have used categorical funds to replace or rehabilitate the most seriously deficient bridges.

The proposal of FAST is to establish a national discretionary fund. That fund could be reached by States which had a bridge replacement cost in excess of either $20 million or a figure that would comprise more than 10 percent of that State's total Federal apportionments for that particular year. The proposal is to fund this discretionary bridge account in fiscal year 1992 at $230 million, rising to $440 million in fiscal year 1996.

Other features of the FAST proposal are an allocation of $1.8 billion each year for 5 years to those States which have uncompleted segments of the Interstate System to be completed. The FAST proposal also proposes to maintain and increase in some areas the current level of Federal participation in these programs. Interstate completion would continue at 90 percent; nontoll projects would be increased to 85 percent Federal participation, and toll projects would participate at a 35-percent level. There would be a 20-percent transferability available between the National Highway System and the Urban-Rural Road and Bridge Program.

We have talked a lot about the fact that we are in a new era, the postinterstate era. If we are in a new era, it is time for new thinking and new direction. The proposal we have from the committee carries the past into the future.

What is that baggage of the past that is being carried into the future? The proposal of the Senators from New York and Idaho purports to allocate half of the Nation's highway funds, up until the year 1996, on a formula which includes the 1916 number of postal miles and the 1980 census. Sixteen years after that census was taken, it proposes to continue to use factors which the GAO has stated to be nonrelevant to today's transportation needs, such as land area.

I believe this is the time for this Congress to begin to provide a transportation program which is responsive to America's needs. That need is particularly urgent because we are making an even more fundamental policy in this bill, and that is to disinvest in our Nation's Highway System. Let no one be misguided. Under the amendment which I have offered, as well as under the bill as sponsored and managed by the Senators from Idaho and New York, we will have a worse highway system in 1996 than we have today. There will be more congestion, there will be a lower standard of maintenance, there will be less service to our expanding economy and population

under either approach because both approaches suffer from the basic deficiency of not providing a sufficient level of funding to meet our expected needs over the next 5 years, much less make a contribution toward reducing the current backlog of $450 billion of unmet highway needs.

We also need a formula which is as flexible as possible. The proposal of the Senators from Idaho and New York continues and, by the adoption of the Byrd amendment, even adds additional categorical slots through which money will be flowed. We have a specific formula for bridges, a specific formula for interstate maintenance, a specific formula for air quality and congestion, and now a specific formula for an incentive based on effort program.

The FAST proposal simplifies, by having basically two programs, a National Highway Program and a Urban-Rural Road and Bridge Program. It allows 20 percent flexibility between those two, so a specific State, if its needs were greater on the portions of the National Highway System which ran through the State, could allocate up to 20 percent of its urban-rural road and bridge funds to that purpose or vice versa.

There are some perverse results from the proposal of the Senators from Idaho and New York. I would like to point out one of those perverse results and ask if, during the course of the debate, the Senator from Idaho or the Senator from New York would provide us with the analysis that would give a policy explanation to these differences. I am speaking specifically to the allocation among the States which appear to be not based upon defensible policy grounds.

Under the proposal of the Senators from Idaho and New York, as an example, the State of Connecticut will receive, over the 5-year period, $1.711 billion. This is before any funds are added under the Byrd amendment. Under the provisions we are now debating—and I reiterate the amendment I offer will not alter or disturb the Byrd amendment which we have just adopted—but under the base bill, $1.711 billion will be allocated to Connecticut. That represents $1.71 for every dollar collected by the Federal highway trust fund from the State of Connecticut. The State of Alabama, on the other hand, will receive $1.504 billion, which represents 82 cents of what the citizens of Alabama and visitors will contribute to the trust fund.

Let us look at these two States, one of which gets more than twice the return as the other. Alabama had a population, in 1990, of 4,026,000. Connecticut has a population of 3,295,000. Yet Connecticut receives twice as much proportionate to the amount contributed as does Alabama.

Alabama has 51,705 square miles of land area; Connecticut, 5,018; more than a 10-to-1 ratio. Yet Connecticut will receive $1.711 billion; Alabama, $1.504 billion.

Taxes paid into the trust fund: Alabamans paid 2.9 percent of the fund, or, in the year 1990, $260 million; Connecticut $142 million. Yet Alabama will get back 82 cents, Connecticut $1.71.

Federal aid system mileage: Alabama has 21,982 miles to maintain with its $1.504 billion; Connecticut has 5,474 miles to maintain with its $1.711 billion.

Mr. President, there may be an explanation of those differences. I look forward to the sponsors of this proposal giving us the details that would justify those differences. I do not pick those States in any sense pejoratively. These numbers are the result of the formula which is before us, and our vote in favor of this formula will be a vote to ratify that allocation of funds.

Just one last item. Since ability to pay has been referred to as a relevant factor, and using, as one indicia of the ability to pay, Federal income revenue collections, Alabama, in 1986, paid $7.2 billion in Internal Revenue taxes; Connecticut, $17.7 billion. So, even though the population was substantially smaller, in terms of wealth, as indicated by income tax payments, the State of Connecticut was more than twice as wealthy as the State of Alabama.

Again, I call upon my colleagues to give us an explanation of that set of differentials.

The amendment which I will now send to the desk represents 4 years of work by the leading transportation professionals in this country; 4 years in which those men and women were looking to the future.

They were asking the question: What kind of transportation system does America need to have in order to begin to meet its needs in the future?

This plan is woefully deficient in terms of the total amount of dollars that are going to be expended, but that is a decision that was made elsewhere and for other purposes and which we all must live with. At least we ought to be spending what resources we have in a way that will best meet our Federal responsibilities.

I know that each of us is elected by the constituents of a specific State and clearly we have a major interest toward those citizens. But we also are U.S. Senators. We have a responsibility to what will best meet the needs of this Nation.

I am prepared to support programs that are in the national interest that are very unlikely to have any value to the State of Florida, such as major hydroelectric projects. I would also ask the consideration of my colleagues from elsewhere to some of the special concerns of our State, such as the large and growing number of refugees who are arriving each day in our State due to Federal immigration and refugee policy. I would also ask my colleagues to look with a national perspective on which of these bases of allocation of funds makes the most rational case for the future of America's transportation system.

I believe, as the General Accounting Office believes, and as the large majority of State highway officials believe, that it is the proposal of the Federal Aid Surface Transportation Act that best accomplishes that national objective.

Mr. President, I now send the amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Florida [Mr. GRAHAM], for himself, Mr. KOHL, Mr. LOTT, Mr. NUNN, Mr. SHELBY, Mr. COATS, Mr. MCCONNELL, Mr. MACK, Mr. PRYOR, Mr. SANFORD and Mr. BOND, proposes an amendment numbered 357.

Mr. GRAHAM. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

The PRESIDING OFFICER. The Chair advises the Senator from Florida he has used 27 minutes, and asks the Senator if he wants that charged to the amendment.

Mr. GRAHAM. The time used by the Senator from Florida should be charged against the 2 hours controlled by the Senator from Florida.

The PRESIDING OFFICER. Who yields time? If no one yields time, there will be time equally deducted from both sides.

Mr. MOYNIHAN. Mr. President, let me rise to make just some preliminary observations about the amendment of the Senator from Florida and to say, Mr. President, that our committee, the Committee on Environment and Public Works, very carefully examined this proposal and we rejected it. We rejected it by a 15 to 1 vote.

The allocation funding arrangements of the administration bill were based on the efforts that the American Association of Highway and Transportation Officials had very properly made. The principle here is that the more gasoline you consume, the more funds you get. It is, as some of us said at the time, an energy policy, not a transportation policy. We feel that is a wrong priority.

In 1973, the United States was importing about one-third of its oil. Most of it came from Canada. In the aftermath of OPEC price shock, things began to shift. We became better consumers of energy. In 1973, it took 27,000 Btu's to produce $1 of gross national product. We brought that down with improved energy efficiency to just over

20 in 1986. In a matter of 13 years, we cut the Btu's per dollar of gross national product by about a quarter and it has been flat ever since.

Maybe we did as much as we could, or forgot what we were doing, but we did bring it down. That was in response to price.

On the other hand, we continued to use more oil and to import more, and now most of what we import comes from Saudi Arabia. If the Saudis were to bring an amendment to this bill, I think they would bring this amendment; it says the more Saudi oil you purchase, the more resources you get.

But is that really the way we want to organize ourselves for the era ahead? I do not think so. The committee did not think so. We want to get more out of the gallon of gasoline and, if we possibly can, get more out of alternate energy sources.

We just cannot justify this. We have looked at it carefully.

Mr. GRAHAM. Will the Senator from New York yield?

Mr. MOYNIHAN. We could not find the basis, and on a 15 to 1 vote said no.

What we did say is we are going to have to think of a new allocation formula, and we are going to spend the next 5 years doing just that, and to try to produce a formula, which we will do, that will serve us for another generation. We are in a new era, and we need to have new bases. The old arrangements are, admittedly, biased by the needs of building an Interstate System.

We continue to have the need of maintaining it. But I would have to say that the committee has already dealt with this matter and the Ambassador from Saudi Arabia is not on the floor but if he were he would be speaking in favor of the proposal.

Mr. SYMMS. Will the Senator yield me 2 minutes?

Mr. MOYNIHAN. I am happy to yield.

The PRESIDING OFFICER. The Senator from Idaho is recognized.

Mr. SYMMS. The Senator from Florida asked a question about how the committee came up with this formula. What happens is always what happens in my experience on highway bills. This is the fourth time in my short time in the Senate that we have brought a highway bill through the Senate. The third time we were not successful in achieving a conference and we had to come back—I guess it was the second time. The third time we came back the next year to reach a conference and pass a bill.

Senators from Florida and Texas and other States are pushing for a formula that bases it more on population and use of roads. And the States like Montana and other States, the Dakotas and so forth, Idaho and others are pushing for a formula that is based on th size of the system. They have huge highway systems that are bridge States that connect the country together in the National Interstate and Defense Highway System, and it always comes down to the last day that we finally finalize it by people looking at the list and they say how much does my State get?

The way we came up with this, the interstate program, was based on an original 60 to 40 formula. It was amended to suit the needs of the more populous States to 55 to 45. That is road miles and passenger miles. So we still would be able to maintain an Interstate System in Montana. I use Montana as a good example because it has, I believe, the most interstate per capita of any State in the Nation, with some very difficult terrain, extremely hostile weather to the roads and it is a State that people like to drive through getting across from east to west.

After the 1982 formula, in which we had made some promises to accommodate States—and we accommodated the donor States by raising it to 95 percent, and I was chairman of the highway committee when that happened—to accommodate the other States like Texas and Florida and Virginia and others, then what happened we arrived at a formula through that year to achieve a balance with the House. The old revenue-sharing formula was brought into it. We finally got a bill passed then 5 years later that still carried some of that with it, that record for the current highway program.

The Senator from New York is quite correct. It was impossible to come up with an apportionment formula that would suit everyone and still maintain a National Highway System.

Now, I think what we have done is we have achieved a very good balance, but we must remember—and I tell my friend from Florida—this battle is not over yet, and his point of view will be very well represented in the other body because of the nature of the demographics of the House of Representatives compared to the Senate.

I certainly respect the right of the Senator to offer the amendment. It is a tenacious struggle to represent Florida, but I want to say that with now the compromise that has been achieved with the Byrd-Bentsen language added to the committee bill, the State of Florida has had a vast improvement over where it was.

The State of Florida is actually reaching a par level, I will just read it off here. Florida will be projected to pay $3,998,000,000 into the highway trust fund, and it is projected that Florida will get back $3,994,000,000, so they are right at a one dollar for one dollar level, which I think is where the Senator from Florida has tried to go.

So I would just say that if we accepted his amendment now, it would completely disrupt all of the work that has gone on for the past 2 to 3 years plus the last 2 or 3 weeks on the floor, and this Senator finds it impossible to accept that.

I am sympathetic with what the Senator is trying to do. I understand what the Senator is trying to do. But I think the compromise we have now achieved in the bill, as part of this bill, is going to treat the State of Florida much more fairly than the Senator from Florida had originally thought. To now go back and try to rewrite the formula I think is simply not acceptable and I would oppose and do oppose the amendment for that reason, and many other reasons which I will address later, and I reserve my time.

Mr. GRAHAM. Will the Senator from New York or Idaho yield for a question?

Mr. SYMMS. I will be happy to yield as long as we yield on the time of the Senator from Florida.

Mr. GRAHAM. I yield on my time. I have two comments and a question.

It is not a Florida formula, an individual State formula. It is adopted by a State highway coalition. Forty-eight out of 50 of those officials voted for the basic population regulations that undergird this proposal.

Mr. SYMMS. But not 48 out of 50 States; 48 out of 50 of the officials from the donor States.

Mr. GRAHAM. No, 48 out of 50 State highway officials voted for the policies which undergird this recommendation.

No. 2 is the false issue that this approach is going to be promoting fuel consumption. The fact is I think that the Senator from New York has confused this amendment with the administration's proposal. It is correct that the administration under its national highway program would have used motor fuel usage to allocate 70 percent, that would have been 70 percent of the allocation factor. That is not a factor in our national highway program. Our national highway program is one-third lane miles, one-third vehicle miles traveled, and one-third diesel fuel, I underscore diesel fuel used, and that it weights urban lane miles and urban vehicle miles traveled twice representing the greater cost of providing highways in an urban setting.

Third, the explanation for these bizarre allocations under the current law and proposed to be carried forward is always Montana.

The question I would like to ask the Senator from Idaho, let us now talk about Alabama. Let us take the sheet that we have of the division under the proposal in S. 1204. It indicates that Connecticut is receiving $1,711,879,954. This is as it left the committee without the changes that have been made by Senator BYRD. Does that number concide with what the Senator from Idaho understands?

Mr. SYMMS. I am sorry, I missed the question.

Mr. GRAHAM. The question is, Is the Senator understanding that the State of Connecticut will receive $1,711,879,954 over the period 1992 to 1996

under the proposal of S. 1204 as it came from the committee?

Mr. SYMMS. $1,900,000,000?

Mr. GRAHAM. $1,711,000,000.

Mr. SYMMS. Right, $1,700,000,000. That is correct.

Mr. GRAHAM. Now let us look at Alabama, which is $1,504,654,492. Is that what the Senator understands?

Mr. SYMMS. Correct.

Mr. GRAHAM. Will the Senator please explain to me—and I would like to use this as an opportunity to go into the specifics of the formula that is being carried forward from the past into the future—how you can have for a State which is 10 times as large, Alabama being 10 times the number of square miles as Connecticut; Alabama has a Federal-aid highway system which is five times the size of the Connecticut; Alabama has a population that is approximately 750,000 larger than Connecticut; Alabama is substantially a poorer State than Connecticut, a formula which results in that diverse allocation of funds?

Mr. SYMMS. The reason for the major part of the difference is that Connecticut's interstate system is not completed. They are going to get over a quarter of a billion to complete their interstate. Alabama's interstate system is completed short of about $45 or $50 million.

So this is over $200 million. That is about the difference in a nutshell.

Some Senators have come to me and said why is Massachusetts getting so much money? The same reason is the very expensive sections of the interstate that are not completed in those high property value States like Connecticut and Massachusetts are not completed. I think the distinguished Senator from New York said that for Connecticut it may be a substitution that was not completed; that is being paid out.

I would like to adjust one thing that was said. We have taken countless hours of testimony in the committee on this issue. I want to read a quote from 10 transportation officials from 10 different States where they made a statement to the committee. Let me quote what they said:

> We have seen comments that, under the current system for allocating highway funds, certain States are "donors" to the Federal highway program and others are "donees," as if those labels alone mean the program should be changed. We reject that terminology as overlooking the important fact that all citizens, both those in rural and metropolitan areas, are beneficiaries of a well-developed highway system stretching across our country. This basic concept must continue if we are to have a national highway and transportation system which serves national interests.
>
> Present law already significantly accommodates the so-called donor States with a minimum allocation program. S. 965 and S. 823 would continue a minimum allocation program. We have no objection to continuing the present 85 percent minimum allocation provisions of the highway program. We take this position even though most Federal programs have no minimum allocation provisions.
>
> Let us amplify by discussing the transit program. We believe that continued Federal support for transit is in the national interest, though most of the States joining in this statement do not participate significantly in that program. We believe the Nation would be adversely affected if urban congestion makes our metropolitan areas less productive. However, as a price for our agreement that there is a national interest in transit, we have not suggested—at least to this point—that there must be an 85 percent minimum allocation to each State of highway user taxes dedicated to transit.
>
> We understand that there may be interest on the part of some States in increasing the highway program's minimum allocation to 90 percent.

Which has already been done here on the floor indirectly through the additional funds that have been added in.

Let me continue the quote:

> Arguments for such a change apparently based on a premise that national money has to be spent in a State regardless of how well the expenditures related to a national purpose.
>
> We want to make clear that we would object to such proposals. Our States do not participate at all or at least not meaningfully in major Federal programs based in some of those States, such as the space program or the superconducting supercollider. And we have not to date pressed for a minimum allocation in those programs. The point is that there are reasons of national policy why there is a donor/donee relationship in the Federal Highway Program as well as other programs, and it is the role of the Federal Government to recognize and act upon national policy concerns.

Mr. President, it just happens that those 10 departments of transportation are all from the Western part of the United States, but I think it is very applicable to the same situation between down the eastern seaboard, the Southeastern part of the United States and New England. In any State that has not completed their interstate or are exchanging for a substitute, as in the case of Connecticut, it can skew and distort these figures for this projection period of this bill.

I think the Senator from Florida has unique situations in that State where the State is a rapidly growing State. But I believe that this language in this bill, the way it is now crafted, would treat Florida very fairly.

Mr. GRAHAM. Mr. President, I yield myself such time as is necessary.

It is just inexplicable to have a formula that treats States that are disparate in size, compactness, and wealth as Connecticut and Alabama in exactly the opposite way that anyone would reasonably assume they would be treated. I believe that treatment is primarily a function of the fact that we are using a formula which is fundamentally inappropriate to the 1990's. It is inappropriate, as the General Accounting Office has stated, to use a formula which relies on a census basis that will be 16 years out of date at the conclusion of this authorization period. It is inappropriate to use postal route mileage of 1916 as the basis of distributing funds in 1996.

Mr. President, the sop that has been extended to certain States over the past decade has been the sop of minimum allocation. Theoretically, that was supposed to be 85 percent. So the assumption was if we put in a dollar at least we would get 85 cents back. In fact, that has not been the case. The State of Florida has averaged over this past period not 85 cents but 74 cents return on every dollar and cent. The same is true of many other States.

Second, the suggestion has now been made that all States are going to get almost a dollar-for-dollar return. That is on its face not a mathematical possibility. You cannot have some States that get substantially more than a dollar back and others who get exactly a dollar back and nobody getting less than a dollar back. If we have done this, we ought to be able to quickly solve the Federal budget deficit problem.

How do we arrive at this magical arithmetic? The answer is very simple. Under this plan, under the Moynihan-Symms proposal, again excluding the Byrd amendment, we are going to be distributing substantially more money than we are collecting. Why? Because we have accumulated interest in the trust fund, and we have not fully spent down the trust fund over the last 5 years. So we are shipping out about $1.20 for every $1 that we are taking as new, fresh money into the highway trust fund.

With that kind of mathematics, it is not easy, or it is not difficult, to give some States a lot more than a dollar back and give most States close to their dollar back.

But, of course, that sum of money which represents the trust fund being spent down and the interest earning on the trust fund did not fall from the clouds. It came from the same place that the money from now until 1996 came from. It came from the motor fuel users of America who fill up their tanks and fill up their trucks to pay taxes into the Federal highway fund.

In the case of Florida, if you allocate that portion of interest earnings and accumulation in the trust fund which is going to be spent out over this period in the same way that our State is projected to be contributing to the fund, we will not be a dollar-for-dollar State. We will again be getting back about 85 to 86 cents on every dollar that we have in the fund.

Mr. President, again in this time when we are so fundamentally disinvesting in transportation and we are making the decision here today that we are going to preside over the gradual erosion of our Nation's transportation system, assuring that our

children and grandchildren will have yet another debt to pay now, a debt to pay in terms of the deteriorated transportation system, let us not distribute funds, those that we have, on a formula which drags the 1916's into the 1996's.

The State highway officials have presented us with a plan, a road map. It is a road map which is consistent and inspired by the outline of direction suggested by our own General Accounting Office as the appropriate method for allocating Federal transportation funds.

Mr. President, I hope that we will avoid the mirage of mathematics and focus on a formula that adequately funds one of the Nation's most important systems, our National Highway System. The amendment which is at the desk, in my judgment, will best accomplish that objective.

The PRESIDING OFFICER (Mr. DASCHLE). Who yields time?

Mr. MOYNIHAN. Mr. President, two points, sir.

To be explicit, I did make a mistake earlier. I said the amendment was identical to the one which had been proposed by the administration that used fuel consumption as the metric whereby to determine allocation of resources. Not quite so. Seventy percent of the administration measure would have been based on fuel consumption; 66 percent of this proposal. It is a small difference, but I acknowledge that.

I wish to make a statement that the American Association of State Highway and Transportation Officials takes no position on this or any other amendment before us. They offer recommendations, and their advice is available to anybody who wishes it.

I yield the floor.

Mr. LAUTENBERG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey is recognized.

Mr. LAUTENBERG. Mr. President, I rise in opposition to this amendment.

Mr. President, this amendment is about a lot more than a game of numbers. It is a lot more than making winners out of some States and losers out of others.

This amendment would make the Nation a loser. It would move our transportation policy backward, instead of forward.

When our Nation should be seeking energy conservation, this amendment would reward energy extravagance.

When our Nation should be seeking ways to clean the air, this amendment would reward States that pollute it.

Instead of getting people out of their cars or driving more fuel efficient cars, this amendment would reward States that drive more, and guzzle gas more.

This amendment would base allocations largely—66 percent—on fuel consumption. States would, effectively, be rewarded for using more fuel, and penalized for reducing consumption.

That is not a policy that we should be adopting here.

Transportation today consumes more than 60 percent of the oil used in this country. Any effort to reduce the consumption of foreign oil has to involve transportation.

But this amendment would only worsen the problem. The more people drive in a State, the more money the State gets.

But, if a State is successful in getting people out of their cars, into mass transit, or to share a ride with a neighbor—the State may get cleaner air, and less congestion—but, it would get less transportation funding.

We have to cut down on consumption by automobiles. Rewarding States for using more and more fuel and driving more and more distances is not going to contribute to that goal.

In the committee bill, we took a number of steps forward. The administration, like the proponents of the amendment before us, has proposed basing State allocations mostly on fuel consumption. We said no.

Having worked last year to reauthorize and strengthen the Clean Air Act, we said that this bill can play a part in improving environmental quality, and gave States the flexibility to meet their transportation needs most efficiently.

We setup a special pot of money to help areas with air quality problems implement measures to clean their air. In doing that, we provide an incentive to areas that reduce auto traffic.

But, this amendment would turn us in the other direction. It would be the wrong direction.

And it is not going to help our metropolitan areas improve their air quality.

By dedicating 50 percent of the funds to a national highway system, this amendment woud also gut a key provision of S. 1204: Its flexibility that flexibility is a key to helping States like New Jersey meet their transportation needs and their clean air goals. But the amendment would remove much of that flexibility.

That is why this amendment is inconsistent with the goals of this bill, and the goals we laid out in passing the Clean Air Act amendments last year.

As a matter of environmental policy, energy policy, transportation policy, and the integration of the three, I urge my colleagues to oppose this amendment.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

If no one yields time, time will be deducted equally from both sides.

Mr. MOYNIHAN. Mr. President, I do not wish to be in any way hectoring, but the managers agreed to a 2-to-1 division of the time on this amendment, anticipating that there would be many Senators wishing to speak in favor of the amendment, or having perhaps been led to think that. But no one has appeared save the Senator from Florida.

We would not like to see our time used up equally with those of the proponents of the amendment, such that we would end up with no time when they had an hour left. Not that it would make much difference. I do not know that the Chair can do anything about this, but it seems unfortunate.

Mr. President, I ask unanimous consent that time not used by either party be allocated 2 minutes to the amendment and 1 minute to the managers.

The PRESIDING OFFICER. Is there an objection? Hearing none, it is so ordered.

Mr. MOYNIHAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. MOYNIHAN. Mr. President, not entirely in jest, may I suggest that the Senate is not in order. The silence is deafening. We are happy to hear debate. Why is the Senate being held for 3 hours when no one wishes to persuade anyone?

In any event, Mr. President, having this moment, may I ask there be printed in the RECORD a very thoughful and persuasive letter from Mr. Kent C. Nelson, who is the chief executive officer of United Parcel Service, in which he says:

> When we at UPS talk about running "the tightest ship in the shipping business," that is not just an advertising slogan. With us it is a way of life! That is why UPS is not only the largest, but also the most efficient package delivery firm in the world.

He has some thoughts on this subject which I find entirely persuasive, not in every respect, but the spirit of the this letter is the spirit of our bill, and I ask unanimous consent to have it printed in the RECORD.

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

UNITED PARCEL SERVICE,
May 24, 1991.

Hon. DANIEL P. MOYNIHAN,
U.S. Senate, 464 Senate Russell Office Building, Washington, DC.

DEAR SENATOR MOYNIHAN: It was a pleasure to talk with you about your bill, the Surface Transportation Efficiency Act of 1991. Our phone conversation caused me to review your bill, the Administration proposal and also the position of the American Trucking Association regarding your bill.

The principles we believe are important that will influence UPS's support of a highway bill are these:

1. Adequate funds must be developed over the long term to build and maintain a national integrated system that allows users to operate efficiently.

2. Highway funds should be raised through the user pay approach.

3. Tax monies raised from highway users should be spent on highways.

When we at UPS talk about running "the tightest ship in the shipping business" that is not just an advertising slogan. With us it is a way of life! That is why UPS is not only the largest, but also the most efficient package delivery firm in the world.

We would love to support a highway bill that would help all American companies operate more efficiently. We need good roads—with the right capacity—going to the right places in order to charge low rates. We need the flexibility to operate the right size vehicle—yes even larger vehicles—in appropriate areas consistent with safety. (You probably are aware that UPS has years of safe experience operating double and triple trailers on appropriate designated highways in many parts of the country.)

In short Senator Moynihan, there is much that we can agree on, and some that we cannot. The three principles that we outlined are very important to us. We greatly fear the parts of your bill that will divert badly needed highway funds to such areas as local commuter rail assistance. While such assistance may be needed, we believe it should come from a combination of users and general tax funds.

We look forward to working with you and your staff to achieve the most efficient transportation system possible to meet the needs of our great nation.

Sincerely,

KENT C. NELSON.

Mr. MOYNIHAN. Also I have a letter from Prof. John F. Kain, who was such a great help to the committee on this matter, reporting the view of the environmental defense fund, which we are not able to incorporate at this moment in our legislation but which we do take respectful notice of.

Mr. President, I ask unanimous consent that it be printed in the RECORD.

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

JUNE 12, 1991.

Senator DANIEL PATRICK MOYNIHAN,
U.S. Senate, Washington, DC.

DEAR PAT: Bill Roberts, Legislative Director of the Environmental Defense Fund, reached me in Jakarta this morning and asked me to contact you about the prohibition on tolls contained in the Moynihan Surface Transportation Efficiency Act of 1991 (S. 1204).

Roberts correctly points out that the language of the act, "Tolls may not be imposed on any existing free interstate highway," would seriously limit efforts to implement meaningful road pricing schemes for at least the next five years.

The Environmental Defense Fund has been urging your staff "to amend the bill to allow (but not require) tolls on Interstates if they are part of a congestion pricing program and if the program would be implemented in an area designated by EPA as a extreme, severe or serious nonattainment area under the Clean Air Act." This would permit the implementation of tolls on Interstates in about 25 large cities with serious air pollution problems.

The prohibition of tolls on urban Interstates seems to me to be highly inconsistent with the overall goals of your bill. I hope you will be willing to consider the amendment suggested by the Environmental Defense Fund.

If you or your staff has any need to contact me, my secretary, Kathy Warden, at 617-495-2185 knows how to reach me. My FAX number here in Jakarta is 6221 374 615.

Sincerely,

JOHN F. KAIN,
Professor of Economics.

Mr. MOYNIHAN. Mr. President, I shall suggest the absence of a quorum.

The PRESIDING OFFICER. Without objection, the time will be counted proportionally against either side.

Mr. MOYNIHAN. Mr. President, I sugggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Who yields time?

Mr. WARNER. Mr. President, I ask unanimous consent that the Senator from Virginia be yielded time by the Senator from Florida [Mr. GRAHAM].

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

Mr. WARNER. Mr. President, I have the privilege of serving on the committee and, indeed, the Subcommittee of Environment and Public Works which worked on the drafting of this bill. It was not a happy day for me when I had to cast the only dissenting vote.

Since that time I have worked with the distinguished Senator from Florida [Mr. GRAHAM]; the junior Senator from Florida [Mr. MACK]; and many others who have formed a group representing the interest of the donor States.

Early on in our work, we were given support by a group of State transportation officials, who, for the past 2 years, have linked themselves together under the title FAST. I was so impressed with that group in the long and arduous trail that they had worked for themselves over these 2 years that eventually I indicated that I would support, at an appropriate time, an amendment reflecting their interests. That amendment has now been laid before the Senate by my distinguished colleague from Florida [Mr. GRAHAM]. I wish to associate myself with the arguments that he has made today and with the objectives of his amendment.

Among those in the FAST organization is the secretary of transportation for the Commonwealth of Virginia, Mr. Millikin. He has given me steadfast advice throughout these many weeks that I have worked on this legislation, and I want to single him out today and accord him recognition and respect from this Senator for the contributions that he has made to the deliberations on this bill. He is joined by several in the office of the Governor of Virginia here in Washington, DC, who are the resident representatives of the Governor of Virginia, and he, together with other State transportation officials, brought together a large group of FAST representatives some several weeks ago, hosted by the office of the Governor of Virginia. There we had a free and open discussion on the merits of the FAST legislation.

So, in indicating my support for the objectives of the amendment of the Senator from Florida, I pay special recognition to my own secretary of transportation, a number of his subordinates, and to those highway and transportation officials across America who worked so diligently for these 2 years with the common purpose in mind to try to revise this formula, commonly referred to as the apportionment section of the bill, which we feel should be updated to reflect a more diversified series of bases for the calculations.

Mr. President, I rise in support of the FAST amendment.

As I have stated earlier in this debate, the FAST amendment is an alternative proposal which has a bipartisan coalition. It represents the collective efforts of 2 years of work by transportation officials in nearly 20 States. The Congress owes this group a lot of credit, particularly the Virginia Secretary of Transportation John Milliken.

As I predicted as early as the Environment and Public Works Committee markup of this bill, the floor debate would be the "battle of the charts." Certainly, after 6 days of deliberations, and countless charts prepared by the Federal Highway Administration, for every potential amendment my prediction has been proven.

The fundamental problem is inequity. The committee's bill, before amendments, perpetuates an inequitable allocation of Federal highway funds between the 50 States and the District of Columbia based on a formula largely that was drafted 40 to 70 years ago. The supporters of FAST do not expect, nor request, a 100-percent return; but we do seek an apportionment which closes the wide gap between donor and donee States. In one word—equity.

A second major problem is flexibility—flexibility is the power given to the States as to how their allocation is applied to their own priorities.

Mr. President, let me emphasize that this amendment also provides three guarantees to all States. They are:

First, there is a hold harmless provision based on 1991 apportionments. That means that no State will receive less than the apportionment it received in fiscal year 1991.

Second, there is a protection of one-half of 1 percent which guarantees each State a minimum of one-half or 1 percent of the total apportionments.

Third, there is a 90-percent minimum allocation.

The FAST amendment, embodies three principles as alternatives to sections of the committee bill.

First, the amendment retains a Federal partnership that has been the hall-

mark of national transportation policy since the outset of the Interstate Highway System in 1956.

And it does so by recognizing that our future national transportation system must link States with modern, well maintained corridors moving interstate commerce and people.

Second, the amendment gives the States maximum flexibility to deal with the particular needs that a State may have.

Third, in dividing up the money among the several States it follows what we believe should be the cardinal principle in the postinterstate era: "Put the money where the cars are." It offers a solution that is tied to the problem that many of our States face—urban and suburban congestion—gridlock.

It is gridlock that is ignored in the committee bill.

It is gridlock that causes a loss of $1.5 billion in productivity in the workplace, and $1.5 million in unnecessary gasoline consumption.

Let us get Americans moving again.

Let us get people moving on buses, by rail, and in cars.

FAST accomplishes this goal.

People sitting in gridlock day after day are the same people paying taxes into the highway trust fund.

They are the same people who must be served by this bill—but they are not.

The FAST amendment is simple and straight-forward. It is a two-part program consisting of a National Highway and Bridge Program, and an Urban and Rural Highway and Bridge Program equally divided 50 to 50 in terms of funding.

The amendment calls for the development of a national transportation system and earmarks half of the money going to any State for use on that system. The States, working with the Federal Highway Administration, would develop the actual system over the months to come. This can be new roads, or, more likely the designation of existing roads—roads which must be maintained to high standards.

There is a continuing need to provide for uniformity and connectivity to all parts of the Nation for interstate commerce and national defense, linking major population centers.

Importantly, when it comes to defining and meeting a transportation need in a corridor on the National System, maximum flexibility would be given to the State to meet that need in the most reasonable way.

The National Highway and Bridge System would provide that the Interstate System would be the cornerstone of the expanded system.

States would have the flexibility to designate other roads and bridges to be a part of the National Highway System and the U.S. Department of Transportation would certify the designations made, not by the Federal Government, but the States. That is flexibility.

That same type of flexibility exists in the other program under FAST. The Rural and Urban Highway and Bridge System would receive the other half of the funds. These funds can be used on any project except the most local roads at the discretion of the State.

To provide even greater flexibility, up to 20 percent of the funds in either of the two categories can be transferred to the other program to meet a State's needs.

The amendment provides for an 85-percent match from the Federal Government for both programs, making an important exception for the construction of high occupancy vehicle [HOV] lanes to help meet our clean air obligations. HOV lane funding would be a 90-percent match.

This amendment departs from the Federal aid surface transportation bill as introduced in one respect. The amendment provides for a new discretionary bridge program. It is intended to provide a source of funds to States for the replacement or rehabilitation of high-cost bridges. Specifically, high-cost bridges are defined as those costing over $20,000,000 or more than 10 percent of a State's annual apportionment.

I would like to emphasize that the other programs provided in S. 1204 would not be altered. My amendment does not change the Congestion Mitigation and Air Quality Program, it does not change the Interstate Completion and Substitution Program or other programs.

This amendment does provide for a more fair and equitable distribution of the highway trust fund among the 50 States. It recognizes that in the creation of a national transportation system there will be donor and donee States. That is the nature of a national system.

But, this amendment does say that with the completion of the Interstate System, the disparity between donor and donee does not have to be as great. This amendment is simply founded on the principles of fairness and equity.

I urge my colleagues to support this amendment to bring our Nation's transportation programs into the 21st century.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Who yields time?

Mr. BUMPERS. Mr. President, I ask unanimous consent that the time be charged to the Senator from Florida.

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

Mr. BUMPERS. Mr. President, I guess it was Sam Rayburn, I am not sure, who said one time, all politics is local. I have never seen a bill on the Senate floor where that was truer than it is now. Every Senator here is judging this legislation and the amendments thereto on the basis of how his State is going to fare.

I started out when this bill was first presented on the floor, indignant, outraged, and determined to do everything I could to redress the terrible inequity in the bill as far as my State was concerned. That is what Senators are paid $100,000 a year to do, to look out after their people. And when you look out after the people of Arkansas, you are saying I do not want my people discriminated against.

When it comes to discrimination, incidentally, it is an interesting phenomena, not deliberate, but it just so happens that every State in the old Confederacy takes a real shellacking because of the minimum allocation system under S. 1204. The reason for that is not because the North or the West is still trying to punish the South. The reason for that is because the allocation system under which this money is given does not take into consideration poverty, low incomes, and what-have-you.

The reason I voted for the Byrd amendment and the reason I will vote for final passage with the Byrd amendment now safely ensconced in the bill, is because it did two things that I thought were extremely relevant:

First, it takes into consideration a State which is making a strong effort to do something about its own highways with a gasoline tax. My State happens to have a higher than national average gasoline tax, so we profit handsomely under the Byrd amendment.

Second, the thing Senator BYRD did in his first amendment was to take into consideration per capita income, so that States like mine that are 46th and 47th in per capita income again benefit. So thanks to the Byrd amendment, the people of the great State of Arkansas are going to get $144 million more over the next 5 years than they were going to get under this original bill.

Over the past 34 years, the people of the State of Arkansas have given millions of dollars into the trust fund that has gone to other States. We did not like it. It still irritates me to even say it. Why in the name of all that is good and holy, is a State like Arkansas giving money to build highways, for example, in New York? I say this with the utmost respect for the State of New York.

I voted to bail New York City out, and I want you to know that was not the most popular vote back home that I ever cast in the U.S. Senate. I did it for a lot of good reasons, but that is beside the point. It just points out how flawed this allocation system is today.

It was designed to help States build their Interstate System. Highly meritorious. All the States understood that they had to help some of these other States build rather long Interstate Systems that they could not alone afford. But, so many millions from my State, $59½ million in 1989 alone from the 47th poorest State—maybe I should change that to say the fourth poorest State in the Nation.

Mr. President, you do not have to be a rocket scientist to know that there is something seriously wrong with a formula that would permit that.

Arkansas needs roads. Why do you think we have a gasoline tax higher than the national average? Because we believe that good roads are absolutely essential to economic development, and economic development and education are our primary goals in Arkansas.

In the last 5-year period, Mr. President, we gave $713 million to the trust fund which represents 1.4 percent of the total, and got back $582 million. That is a pretty healthy contribution from my State to all the other States in the Nation.

We got a nickel on each dollar for mass transit back. And so I started off in this bill supporting the proposition that Senator GRAHAM is now offering the Senate. I am probably not going to vote for him, simply because it will cost my State a lot of money. I voted for the Byrd amendment that will give my State $144 million more over the next 5 years, so here is a politician that has been bought and paid for. I am going to stick with that proposal, even though my respect and admiration for the Senator from Florida is unbounded. Because he, with this amendment, has put his finger precisely on the problem.

Think about using the 1980 census, which is totally outdated, through the year 1996. I may fare well under that formula, but everybody here knows there is something basically wrong with that. And the Interstate System is finished. Whatever rationale anybody could ever have used to justify for States like mine, and Virginia, and Florida, and Texas—paying massive sums into the trust fund, much greater sums than they got back, that rationale is over.

There has to be some kind of national system of highways because if there is not, then we might as well get the Federal Government out of the gasoline tax business and let the States have it all. You cannot justify a national gasoline tax, a Federal gasoline tax, unless there is some rationale for it. Otherwise, we should just let the State collect all the taxes and build highways where they please.

So, there are some things that have to be funded at the national level. Usually the way you get those things is what we call the carrot. In other words, we say here is a system—as we did in the case of the Interstate Highway System—and if you will build this system the way we have it laid out here, we will give you 90 cents of every dollar it costs you. Everybody jumped on that like a chicken after a June bug. We loved that 90 cents on the dollar from the Federal trust fund. But there has to be more equity in this than there has been in the past.

Here we are going to 1996 with the same formula we have been using that has cost the donor States so dearly. It is an anchronism, the allocation formula is out of date, it has no sane rationale.

So, as I said the other evening when I spoke on this subject, if I am here 5 years from now I will be standing right here at this desk. I have no intention of moving. I have been here for about 10 years. I like this seat. I can get to this door in a hurry when I want to leave.

Did you ever hear that great story about when the Puerto Ricans opened fire over in the House of Representatives? There was a Congressman from Alabama, and they tell me he weighed close to 300 pounds, and when the shooting started he jumped up from his seat and started waddling toward the door. Somebody said where are you going? He said I am going home to get my gun.

So, I like my seat, and if I am in this seat 5 years from now I am going to be standing right here, fighting like a saber-toothed tiger to change this allocation system we are going to be saddled with for the next 5 years, under this bill.

Mr. President, I will close my remarks by again paying my respects to the Senator from Florida, who has never wavered for an instant. I have sat in on meeting after meeting with him, and other Senators from the donor States, over the past week, or however long this bill has been up. Not one time has he bought into anything except changing this egregious allocation system. He deserves the praise of everybody here. He will not get enough votes to prevail and he will not get my vote, because my State would lose almost $100 million if I voted for this amendment right now. I cannot afford to do that. I would hate to go home and campaign on that one. Would my colleague not hate to do that?

So I will stick with the Byrd amendment. But I thank the Senator from Florida, who I personally believe knows about as much about this bill as anyone. There are three or four Senators in this body who really understand this complex issue and he is one of them. But I wanted to speak to express the concern I had as the Senator from Arkansas, for a State which has really been taking it on the chin for the past 34 years. I thank the Senator from Florida for his wise and sagacious comments, and his tenacity in sticking with what he really believed.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. GRAHAM. Mr. President, the Senator from Florida is controlling the time.

I would like, before yielding to my colleague, to thank the Senator from Arkansas for his very eloquent and kind remarks.

I would indicate to all of my colleagues the amendment which I have offered deals exclusively with the formula in the bill as reported by the committee. It does not alter the amendment which we adopted earlier today, the Byrd-Bentsen amendment.

I would also point out the amendment which I have offered, the amendment developed by State highway transportation officials, contains a 90-percent minimum allocation within the basic program, the program we have the greatest expectation will actually become reality.

We are all aware of the degree of tenuousness which is associated with the Byrd-Bentsen amendment, which was added today. I have not looked at the specific numbers, but it would be difficult for me to comprehend that the combination of changing from the antiquated formula in the committee bill to the formula as recommended by most of the State highway administrations with a 90-percent minimum allocation, plus the Byrd-Bentsen amendment as adopted today, would not result in the State of Arkansas being treated as well, as fairly, as equitably, as the status quo.

But I urge the Senator to review that matter because I know how strongly he feels about the mistreatment over a long period of time of his State and his commitment to total fairness in the allocation of Federal highway funds.

With that said, I yield 10 minutes to my colleague from Florida.

Mr. MACK. I thank my colleague for yielding. Let me express my appreciation for the work he has done, and the ability of the two of us to work together for what we believe is the best interests of our State, and for that matter, our Nation.

I come into this debate from a perspective of looking out for my State's interests. A term I have used is "Florida's fair share." I really got into this by looking, a couple of years ago, at the return, on the dollars we received from Federal grants.

A group in Florida called Florida's Tax Watch had indicated Florida was 50th out of 50 States with respect to the dollars we received in Federal grants. I think it was about 62.5 cents they indicated we were getting back on grants by the different agencies. We looked into this and we found it was a population-based problem. That is, many of the agencies were using old census data.

For a State like Florida, that grows 33 percent in a decade, imagine the impact using 1980 census data will have on the disbursement of grants in 1988–89—using census data that is almost 10 years old.

I have looked at other areas such as Medicaid reimbursement. We have looked at a formula that has been put forward by the General Accounting Office, one they think would be a fairer formula for the distribution of Medicaid funds for the States. This means about $500 million a year, in additional reimbursement.

The point that I am trying to make is that the Highway Program is only one of a whole series of Federal expenditures in which my State comes up on the short end. To put that in perspective, I heard my colleague from Arkansas mention earlier that over the 34 years of the Highway Program, his State had contributed something like $400-plus million to other States.

To put that into perspective, in the last 5 years, Florida has paid almost $800 million. In the last 5 years alone, $800 million from Florida has gone to other States. In fact, in the last 2 years, that number amounts to about $600 to $650 million.

To get back to the population point for a moment, as I understand the formula that is in the bill, 15 percent of that allocation is based on population. Unfortunately, the figures that are going to be used for population for 1992, 1993, 1994, 1995, and 1996 are going to be based on 1980 census data. It is just blatantly unfair to a State like the State of Florida that is growing, as I said, by 33 percent in the last decade.

A point that I have made, both in hearings in the committee and on this floor before, but again, I think it is worth saying, is that everyone seems to understand that Florida is a fast-growing State. This does not understand that Florida is a big State geographically. The best way to make that case is to remind my colleagues, as I have said before, that it is almost as far from Key West, FL, to Pensacola, FL, as it is from Pensacola, FL, to Chicago.

I think it is important this information be understood because, if we do not take into consideration the number of miles—whether those are urban miles or rural miles—the number of lane miles, and the number of cars traveling across them, the total amount of money going to the State of Florida is, in fact, just not fair.

Most of my colleagues voted for the amendment we just voted on earlier. Frankly, I felt like we were being bribed with our own money. The $8.2 billion that everybody is talking about, as I understand it, is money already in the trust fund that has been contributed over the years that has not been spent. That is our money.

We were asked to agree to a formula that gave half of that money to the so-called Byrd States, based on what was perceived as a fair allocation based on a State's gasoline tax. But what about States that raise a tremendous amount of money from other resources, whether that is diesel fuel, license fees, or registration fees? There are many things happening in the State of Florida that are not being given credit for in the amendment that was just agreed to.

So again, I make the case that the amendment offered by the senior Senator from Florida, Senator GRAHAM, is asking for basic fairness. If I have heard the word "fair" over the last several years, if I have heard it once, I have heard it at least 1,000 times. If you want to have some basic fairness in this program, then the FAST proposal that has been offered by Senator GRAHAM, is the way that we should be going. It will, in fact, give credit to States like Florida that not only have large populations, but also have a tremendous amount of geography to cover.

So I encourage my colleagues to take a look at this. This is, again, a fair approach to allocate limited resources. I do not think there is any question in anyone's mind that the heart of this issue is what to do about this formula.

The amendment that was offered earlier was, frankly, a smokescreen. It was a diversionary tactic to get us to move away from the main discussion about fairness of the formula.

Again, I believe my colleagues ended up being bribed with their own money, and I suggest that the money is not going to be there. Over this 5-year period, there are going to be votes on the floor of the Senate about the appropriation of the $8.2 billion. I do not think it is going to come forward. I do not think it is going to be there. And if there is a choice in 1994, 1995, and 1996, it is going to be how much are you going to take out of defense to put into roads. In 1993, it is going to be how much are you going to take out of domestic programs in order to fund highways.

I again congratulate my colleague for offering this amendment. It is an amendment that should be agreed to, and I urge my colleagues to support it.

Thank you, Mr. President.

The PRESIDING OFFICER. Who yields time?

Mr. SYMMS. Mr. President, I note that the Senator from Connecticut is here, and he wants to speak against the amendment. The Senator from Pennsylvania would like to speak on the highway bill.

I was going to inquire as to how much time Senator MOYNIHAN has left and how much time Senator GRAHAM has left.

The PRESIDING OFFICER. The Senator from Florida has 40½ minutes remaining, and the Senator from New York has 39 minutes remaining.

Mr. SYMMS. Forty minutes left, or 1 hour 40 minutes?

The PRESIDING OFFICER. Forty minutes left.

Mr. SYMMS. I yield 10 minutes to the Senator from Pennsylvania.

The PRESIDING OFFICER. On whose time?

Mr. SYMMS. I was going to inquire, would the Senator from Florida like to share 5 minutes of time with the Senator from Pennsylvania? He has other speakers, so I yield 10 minutes of Senator MOYNIHAN's time to the Senator from Pennsylvania. And following him, then, 10 minutes to the Senator from Connecticut.

The PRESIDING OFFICER. If the Senator will withhold.

Mr. GRAHAM. Mr. President, as I understand it, the Senator from Pennsylvania is recognized for 10 minutes, and then the Senator from Connecticut. I ask unanimous consent that immediately after the Senator from Connecticut, the Senator from Mississippi be recognized for 10 minutes.

Mr. LOTT. That will be fine. I thank my colleague.

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

Mr. SPECTER. Mr. President, I thank my colleague from Idaho for yielding 10 minutes. I had sought this time, as I have awaited some floor time, to discuss a number of important highway projects in the Commonwealth of Pennsylvania.

I regret that we do not have more funds available in this bill to allow us to direct funds for these projects. The amendment which I had offered last week to take the highway trust funds off-budget was not adopted, which would have made some $12 billion more available.

Mr. President, there are many, many vital highway projects across the country, and I think it worthwhile to comment on just a few in Pennsylvania. I cannot cover them all of course, in the course of 10 minutes, which is available at the moment.

One is the Exton bypass, which I visited yesterday. Exton, PA, is a prime example of a suburban area which had overwhelming land development in the 1980's and is now suffering severe mobility problems. The Exton bypass would encompass some 5½ miles involved in U.S. Route 30 and U.S. Route 100 and U.S. Route 202.

The bypass would remove approximately 60 percent of the current traffic along the limited access which is in the highway. It is complete, virtually, as to all environmental and design work.

Representative DICK SCHULZE in the House has introduced H.R. 30 to authorize $87 million as a demonstration project in the 1991 highway bill to advance this very important project.

As I say, I visited the project yesterday and can personally attest, not only

from yesterday's visit but from having been in the area on many occasions, to the tremendous bottleneck and the need for this important highway demonstration project.

Another very important project, Mr. President, is the Mon Valley Expressway. The 1987 highway bill established a pilot program to allow several States to blend Federal highway funds with toll revenues to develop new highway capacity. Under the pilot program, nine States were allowed to participate. Federal participation was limited to 35 percent of the project costs. The 1991 highway bill, as reported by the committee, expands on the 1987 language and allows all 50 States to participate. Federal participation was limited to 35 percent of project costs. The 1991 highway bill as reported by the Senate Environment and Public Works Committee expands on the 1987 language and allows all 50 States to participate.

In Pennsylvania, the Mon Valley Expressway was designated as the highway eligible to use Federal funds for construction as a toll facility. Consequently, cost of this economic development highway are large and the limit of 35 percent Federal share limits the State's ability to proceed with this important project.

I urge consideration of the value to toll financing and request that direct Federal funding be provided to the Mon Valley Expressway to demonstrate the toll financing and its economic development potential in economically depressed areas such as the Mon Valley of western Pennsylvania.

Another important program is Erie's east side sector, where Congressman TOM RIDGE has taken the leading role as an extremely important link for the entire northeastern Pennsylvania. It represents a missing link in Erie's transportation system.

Currently, truck traffic which services the port terminals must travel through the central business districts or through east side residential neighborhoods. A 5-mile transportation sector between Interstate 90 and the Port of Erie is proposed in order to advance intermodal opportunities of the port and to relieve congestion there. The total project cost is estimated at some $77 million.

Another matter of enormous importance—and I might say, Mr. President, that I have been on the Mon Valley Expressway on many occasions. I can attest to that important project. I have also been on the east side connector and can personally attest to the importance of that project.

When it comes to ranking of these items, it is not the order of importance in which I articulate these matters because all are of extreme importance, all are of vital importance. But I now refer to U.S. Route 33 and a project where the lead has been taken by Congressman RITTER, which involves Interstate 78 and a demonstrated need for a connector between Route 22 and I-78 between Bethlehem and Easton, PA. This project proposes a 3.2-mile extension of the current Route 33, which will connect Route 22 and I-78, allowing motorists passable access to major east-west interstates, with the total project cost being estimated at some $77.5 million.

Again, I have been on that highway, and, as most Senators, perhaps all Senators traveling extensively through their States, have firsthand knowledge, perhaps too much knowledge, of the deficiencies in the highway system. I can attest to the need on Route 33.

Another matter of great importance, again a route which I have traveled on many occasions, is Route 219, which is a limited-access, four-lane highway which has a significant impact on the economy of western Pennsylvania. This major artery is one of the few transportation routes which flow north-south through Appalachia. A study by the New York and Pennsylvania Transportation Departments has disclosed that the extension of Route 219 north into New York would create thousands of jobs, and the completion of Route 219 in Somerset County would have a similar result.

Mr. President, another route of tremendous importance is Route 15, which is the only major north-south highway in the central region of the Commonwealth. Primary interest in the State has focused on approximately 152 miles from Harrisburg to the New York State line. In many respects the highway serves as an interstate without being a four-lane highway. Again, I speak from personal experience of having traveled that route and know intimately the great need for improvement there.

Mr. President, I have the statistics on the number of accidents during the reportable period from 1983 to 1986 on this particular link. There were 2,202 reported accidents resulting in 2,275 serious injuries and 113 fatalities. I believe that if you were to take a look at all of these projects and, really, projects across the country, Mr. President, there would be a demonstration of the tremendous number of accidents, injuries, and enormous economic loss in addition to time spent and damages resulting from the decrepit and insufficient infrastructure which exists in our country.

Mr. President, touching on just a few of the other highways, because my time is about to expire, the Lackawanna Industrial Highway is a proposed economic development throughway which would run from Interstate 81 to Carbondale in northern Lackawanna County. Another major highway need is Interstate 83 at Harrisburg with a proposed widening exiting the beltway around the city of Harrisburg.

Another in a long list of Pennsylvania necessary projects is the North Scranton Expressway, which is a proposed realignment of some 3,000 feet of the North Scranton Expressway in Lackawanna County to connect with a new Mulberry Street bridge.

Still another important project, Mr. President, is the Wysox Narrows, which is a proposed widening of U.S. Route 6 near Wysox Narrows, in Bradford County, PA. And again, Mr. President, I do not by this recital mean to express or articulate all of the needed highway projects which exist in my State. Really, these are only illustrative.

Again, I ask unanimous consent that there be an elaboration in the CONGRESSIONAL RECORD as to the description on each one.

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

LIST OF IMPORTANT PROJECTS IN PENNSYLVANIA

Exton Bypass.—The Exton, PA, area is a prime example of a suburban area that had overwhelming land development in the 1980s and is now suffering from severe mobility problems. The 5.5 mile segment of U.S. Route 30 which passes through the heart of Exton is the weak link in this highway of national significance. Therefore, local leaders have proposed the Exton Bypass to complete the U.S. Route 30 Corridor by connecting the Coatesville-Downingtown Bypass to U.S. Route 202. The Bypass will remove 60 percent of the current traffic along limited access highway, traffic that is neither originating in the area nor destined to the area. All the environmental and design work is nearly complete. Representative Dick Schultz introduced H.R. 30 in the House of Representatives to authorize $87 million as a demonstration project in the 1991 Highway bill to advance this important project.

U.S. Route 33.—With the current construction of Interstate 78, local officials have demonstrated the need for a connector between Route 22 and I-78 between Bethlehem and Easton, Pennsylvania. The project would provide for a 3.2 mile extension of current Route 33 that will connect Route 22 with I-78, allowing motorists easy access to the major east-west interstates: I-80 and I-78. Total project cost is estimated at $77.5 million. Representative Ritter introduced H.R. 1540 in the House of Representatives to authorize this important highway connector.

Route 202 Highway-Transit Demonstration Project.—There exists a missing link between two on-going highway capacity projects in Pennsylvania along U.S. Route 202 between King of Prussia and Montgomeryville. The Montgomery County, Pennsylvania, Planning Commission has designated this section as the number one priority in the County. In addition, proposed is a park and ride station for SEPTA where Route 202 and SEPTA Lansdale Line cross in Lower Gwynedd Township. The proposal has the strong support of both the Planning Commission and SEPTA Officials. The Highway-Transit demonstration project is critically needed for improved travel and road safety in the region. The total cost of the highway and transit project are $30 million and $5 million respectively.

East Side Connector.—The East Side Connector Project is extremely important for entire Northeast Pennsylvania. It represents

a missing link in Erie's transportation system. Currently, truck traffic which services the port terminals must travel through the central business district or through eastside residential neighborhoods. A five mile transportation connector between Interstate 90 and the Port of Erie is proposed by local leaders to advance the intermodal opportunities of the Port and to relieve congestion in the region. Proposed is a five mile link between Erie's east side terminus of the Bayfront Parkway southerly to Interstate 90 and U.S. Route 17. Total project cost is estimated at $77 million.

Route 219.—Completion of Route 219 as a limited access, four lane highway would have a significant impact on the economy of Western Pennsylvania. This major artery is one of few transportation routes which flow north-south through Appalachia. A study by the New York and Pennsylvania transportation departments reveals that a project to extend Route 219 into New York would create more than 10,000 jobs. The completion of Route 219 in Somerset County would have similar results.

Mon Valley Expressway.—In the 1987 Highway Bill established a pilot program to allow several states to blend federal highway funds with toll revenues to develop new highway capacity. Under the pilot program, nine states were allowed to participate. Federal participation was limited to 35 percent of project costs. The 1991 Highway Bill as reported by the Senate Environment and Public Works Committee expands on the 1987 language and allows all 50 states to participate. In Pennsylvania, the Mon Valley Expressway was designated as the highway eligible to use federal funds for construction as a toll facility. Consequently, cost of this economic development highway are large and the limit of 35 percent federal share limits the state's ability to proceed with this important project. Direct federal funding is needed for the Mon Valley Expressway to demonstrate the toll financing and its economic development potential in economically depressed areas such as the Mon Valley of Western Pennsylvania.

Route 15.—Route 15 is the only major north-south highway in the central region of the Commonwealth. Primary interest in the State has focused on approximately 152 miles from Harrisburg to the New York State line. In many respects the highway serves as an interstate, without it being a four-lane limited access highway. During the four year period from 1983-1986, between Harrisburg and New York State there were 2,202 reportable accidents resulting in 2,275 serious injuries and 113 fatalities.

Lackawanna Industrial Highway.—Proposed economic development highway that would run from Interstate 81 to Carbondale in northern Lackawanna County. Cost of the project is estimated at $150 million.

Interstate 83 at Harrisburg.—Proposed widening of exiting beltway around the city of Harrisburg. Cost of the project is estimated at $25 million.

North Scranton Expressway.—Proposed realignment of 3,000 feet of the North Scranton Expressway in Lackawanna County to connect with a new Mulberry Street Bridge. Estimated cost of $12 million.

Wysox Narrows.—Proposed widening of U.S. Route 6 near Wysox Borough in Bradford County, Pennsylvania. Widen one mile stretch of the road to help safety at the "Wysox Narrows." Cost of the project is estimated at $4 million.

Route 422.—Proposal for a bypass at Indiana, Pennsylvania, to reduce urban congestion. Proposal is for a 6 mile limited Access highway between Route 119 and Route 422 in Indiana County. Estimated project cost is $60 million.

Fox Chapel Road Project.—Proposed highway widening at Fox Chapel in Allegheny County for relief from urban congestion. Cost of the project are estimated at $1.5 million.

Mr. SPECTER. In conclusion, Mr. President, I think the items which I have mentioned just briefly as to my State could be replicated in each of the 50 States of the country. We do need more attention to our highways, and I have not begun to articulate the tremendous number of bridges which are in need of repair. I think the day will come when we will take the highway trust fund and the mass transit trust fund off budget because I think Americans are willing to pay for an improved highway system but are not willing to pay a gasoline tax or other taxes when the money goes in as an offset against the deficit, which is what is happening at the present time.

Again I thank my colleague from Idaho.

The PRESIDING OFFICER. Under the previous order, the Senator from Connecticut is recognized for a period not to exceed 10 minutes.

Mr. LIEBERMAN. Mr. President, I thank the chairman and ranking member.

I rise to strongly oppose the amendment of my colleague from Florida. I do so because I strongly support the underlying committee bill. We have spent a good part of the last couple of weeks in the debate on this bill focused on the funding element, but what distinguishes and I think elevates the underlying bill is that this not only deals with money and allocation of money but it has a vision, it has a plan about how that money should be spent. There is a danger in the understandable struggle that has been going on here in this Chamber for the last several days over who gets what that we will forget the central question the committee bill has raised is where does that go and how will it affect our Nation.

This amendment offered by our distinguished colleague from Florida directly undercuts some of the central premises of the committee bill. It builds its allocation formula on usage factors. It encourages the use of fuel when we should be discouraging the use of fuel, at least encouraging the conservation and efficient use of fuel. It will, in that sense, not only undercut our quest for energy independence, it will further degrade our environment. And in committing one-half of the funds allocated to the National Highway System, this amendment deals a body blow to the central principle of State control, of flexibility at the State level where more is known about the needs of the State, and taking it away from the dictates of the Federal Government including the dictates of this body and Congress itself.

So, Mr. President, I am going to oppose this amendment. But I wanted to take this opportunity to speak a little bit more about some of the premises underlying this amendment and the one offered a short while ago by our distinguished colleague and President pro tempore, the Senator from West Virginia [Mr. BYRD].

I voted for that amendment because I saw it as a way to move this bill along and get it adopted and to help the infrastructure needs of our country. But in the Graham amendment, and the Byrd amendment before it, there is a philosophy suggested that ought not to go unanswered. I would like to spend just a few moments now talking about the concept of minimum allocation and fiscal capacity and tax effort.

Much has been made about minimum allocation guaranteeing a State that it will have a fixed percentage of the money that it gives through gas taxes to the highway fund. I say that there are two basic problems with allocating funds in that way. First, that system ignores the true needs of individual States and the Nation as a whole. Second, it stands in stark contrast to how we allocate Federal money more generally across the board.

Mr. President, I want, at least rhetorically, to raise the suggestion that we ought to be consistent and consider not just gasoline taxes, if we are concerned about minimum allocation, but all Federal taxes. Those are, after all, user fees to fund general purposes of the Federal Government.

At present we allocate Federal spending for housing, social welfare, defense, agriculture and every other purpose of Government on the basis of perceived needs and the appropriateness of governmental support. That is a deliberative and, in many ways, a painful process. But after all, it seems to have served this Nation pretty well for over 200 years now.

Under this process, the one that prevails, my State of Connecticut, in a very direct way through its tax contribution to the Federal Government, provides 2.1 percent of the Department of Agriculture's funds. But to say the obvious, we receive no cotton price supports.

Should I then be asking for a minimum allocation of Agriculture money for the State of Connecticut?

Well, the northeast part of our country shoulders 27.8 percent of the burden of funding the Bureau of Reclamation. The bureau does not have a single bureau project subsidizing electricity. The Bureau of Reclamation operates only in the States west of the 100th meridian by statute. Parenthetically, maybe there is no coincidence here, 10 of the 11 Northeastern States have electricity rates that are substantially higher than the national average.

Should we be asking for some minimum allocation for these funds to the Northeast?

Consider, Mr. President, expenditures on education. If a minimum allocation based on tax burden were applied, States with low per capita incomes and consequently low tax burdens might not receive enough funding to administer programs like Head Start, for which they have an obvious and profound need.

Similarly, imagine if the funds available for low-income housing were allocated based on respective State's share of tax burden. There is no guarantee. In fact, there is some probability that would not be a decent response to need.

Mr. President, I cannot resist turning to what amounts to the single biggest regional transfer of wealth in American history. That is the savings and loan bailout. Between fiscal years 1988 and 1990 Federal resolution costs, as they are called, for State-chartered thrift institutions totaled $32.8 billion. Of that amount, the Federal Government spent $22.4 billion in just one State, Texas. That is 68 percent. Assuming conservatively that taxpayers end up footing 75 percent of the savings and loan bailout bill, Connecticut residents paid $518 million of the resolution costs I just mentioned. None of that money was returned to the State of Connecticut.

What if we imposed or asked for an 85-percent minimum allocation? I am pleased to say that we would receive over $440 million in Connecticut as a result of that program.

Mr. President, to suggest this is to suggest how ridiculous the proposal is and how fundamentally at odds it is with the fact that we are one Nation, one Nation that taxes and one Nation that responds to the Nation's needs without general application of minimum allocation concepts.

If you begin to take some of the donor States under the highway trust fund, and consider the amount of money that they give to the Federal Government and receive overall, not just highway funds, trust funds contribution, but overall, the numbers are startling. I am going to print the list of 15 of the donor States with what they would receive or how much less they would receive under this formula.

But let me just say in the aggregate, these 15 States' shares of allocable Federal expenditures overall exceeded their shares of the Nation's tax burden by an astonishing $290 billion between fiscal years 1981 and 1988, despite the fact that they are somewhat disadvantaged by the highway trust fund apportionments.

Of course that money has to come from somewhere. You will not be surprised to hear where it comes from. Let me list just a few. Between fiscal years 1981 and 1988, if the following States' share of allocable expenditures, Federal Government across the board, had been equal to their share of tax burden, New Jersey would have received $80 billion more; New York would have received almost $60 billion more; Minnesota, $12 billion more; my own State of Connecticut, would have received $7.7 billion more.

Mr. President, you can see why, if we are going to start talking in terms of minimum allocation, many of us in some of the general donor States to the Federal Government would be very happy to have an 85 percent or greater minimum allocation.

We abdicate responsibility as legislators if we determine that apportionments must equal tax payments, no more and no less. We do tremendous damage to the principles of federalism on which our country is based, to the notion that out of many we are one. That is why I will oppose this amendment, and I felt that the underlying premises in the Byrd amendment had to be responded to.

Mr. President, if I have a moment more, I want to deal very briefly with the question of per-capita income and fiscal capacity. The Byrd amendment rewarded certain fiscally strapped but high-tax-effort States with $4.1 billion in bonus applications over the life of the highway bill.

In doing so, while the amendment moved generally in the right direction, I think it relies on an inexact, inaccurate measure of such capacity. For the past 30 years, Mr. President, our own Advisory Commission on Intergovernmental Affairs has warned that per capita income is a poor indicator of fiscal capacity of the States to raise revenue. In March 1982 the ACIA adopted a resolution which said:

> The Commission finds that the use of a single index, resident per-capita income to measure fiscal capacity seriously misrepresents the actual ability of many governments to raise revenue.

The PRESIDING OFFICER. The Chair informs the Senator that the 10 minutes allocated to him have expired.

Mr. MOYNIHAN. How much time have we remaining, Mr. President?

The PRESIDING OFFICER. Eight and one-half minutes.

Mr. MOYNIHAN. I yield the Senator as much time as he requires.

Mr. LIEBERMAN. I thank the Senator from New York. I will try to be brief.

The flaw with per capita income as a surrogate for fiscal capacity is that it fails to take into account other revenue sources. For instance, there are some States that can impose a severance tax on coal or on oil. Of course the attractiveness to those States of those taxes is that the burden of paying them ultimately falls on the end user who is usually not a resident of that State. States like my own State of Connecticut, States like New York cannot impose a severance tax of this kind because we do not produce those kinds of resources.

Mr. President, ACIA, the Treasury Department and other organizations, both public and private, have devoted considerable resources and expertise to development of a fiscal capacity alternative to resident per capita income. There are many available. I cite them in my prepared statement. But I believe I may be mistaken on this, that only the alcohol, drug abuse, and mental health block grant [ADAMHA] uses anything other than resident per capita income as a measure of fiscal capacity.

Using this standard also fails to take into consideration regional differences in the cost of providing services. In an article entitled "Cost as a Factor in Federal Grant Allocations," Ray Whitman, a distinguished economist, argues that because costs vary significantly from State to State, a measure of the variability required to produce Government services ought to be included in grant formulas. I will include in my prepared statement, Mr. President, some examples of his thinking.

Robert Rafuse of the U.S. Department of the Treasury echoed those views when he said:

> A measure of revenue-raising ability alone is a seriously incomplete indicator of the overall ability of a State or local government to finance its service responsibilities.
>
> Only when revenue-raising capacity is related to the costs of the public service responsibilities of a Government can it be said that its general fiscal situation is accurately represented.

That is the end of that quote.

Mr. President, finally, resident per capita income also fails to take into account differences that are considerable in the cost of living. I know much has been made in this debate, by my friend from Florida particularly, of the high per capita income in my own State of Connecticut. Yes, it is true, people in Connecticut make more. But I can tell you that they also pay more, Mr. President, a good deal more.

The National Association of Home Builders rates housing markets in our State and the rest of the Northeast as among the highest in the country. The EIA [Energy Information Administration] reports that Connecticut has the highest energy prices of any State in the country. The Bureau of Labor Statistics says that the cost-of-living expenses in my State and the Northeast are the highest nationwide, except for Hawaii and Alaska. So to base these allocation formulas on resident per capita disposable income is just not a useful and realistic way to measure relative fiscal capacity.

Mr. President, these are some of the reasons why I wanted to speak out in the RECORD against some of the premises in the previous amendment we adopted, and why I feel so strongly

that we should defeat the amendment offered by the Senator from Florida.

I yield the floor.

Mr. MOYNIHAN. Mr. President, if the Senator from Mississippi will allow me to proceed for a minute.

Mr. LOTT. Certainly.

Mr. MOYNIHAN. The Senator from Connecticut is rapidly becoming an ornament in this Chamber, and I have even to add to the very careful and thoughtful remarks. I am not sure I bring him good news, but later in this debate, we are going to enter a table of donor and donee States to cover all the programs involved.

We know that in collecting this data of the donor States of the Nation, first is New Jersey and second is Connecticut; fifth is New York. I want to say that there are Senators in this body who will wish the hour had not come when the distinctions donor-donee have become so much part of our rhetoric and the language of our debates, because this will not be the last time we hear those terms.

The PRESIDING OFFICER. Under the previous order, the Senator from Mississippi [Mr. LOTT] is recognized for a period not to exceed 10 minutes.

Mr. LOTT. Mr. President, I have found this legislation to be one of the most interesting bills that I have seen debated in the Senate in the past 2½ years. It is not a partisan issue. It is even hard to get a fix on how regional an issue it is. It really boils down to how well you do or how poorly you do under the formula, and the details of the bill that has been reported by the committee.

I think it really depends just on where you are from. If you are from Connecticut, you do well and you are for it. If you are from Mississippi, you do poorly and you are against it.

For the life of me, I do not understand why it is bad to have an amendment that says that 50 percent of a highway bill goes for highways. I mean, it seems to me that is the very minimum we should be doing.

So I rise to support the amendment of the Senator from Florida to have minimum allocations and to have levels of efforts considered. Certainly, that is something that should be in this kind of legislation.

I want to emphasize at this point that I am not put out with the committee that reported this legislation. They did the best they could. They were wrestling with a lot of extraneous details and bells and whistles that were added in committee. We are not protesting what they did. They protected their States, in most instances. But that is understandable, too.

But still, I think we have every right, once this legislation gets to the Senate, to try to make improvements and to try to make changes in it. I urge my colleagues to look at the fairness of this Graham amendment, because it deals with fundamental problems in the bill.

The major problem is the formula for allocation. How in the world can you defend a formula that continues to say that Mississippi, the poorest State in the Nation, is going to be a donor? This is a State with terrible highways, and a State that makes maximum effort. We are well above the national effort in trying to provide highways. Yet, we only get 80 cents on the dollar return of the money we put in the highway trust fund. There is no way that can be justified or defended. So this amendment would change the formula of allocation and make it fairer and make it deal with the problems of highways in this country.

It was interesting to me, as we came to realize that there were problems with this bill, that, voila, we came up with $8.2 billion. The money had been sitting over here somewhere and we had not found it, and all of a sudden there it was. We had a great debate about how to divide this up: $4.1 billion to the donor States and $4.1 billion to the States, based on the level of gasoline taxes and poverty.

That is fine. I voted for it, because my own State benefited from those additional funds. But I am very worried about it, because it still did not change the fundamental problem of the formula. Instead of it being assured of a formula that will be fair, and where my State would get at least 100 percent return of its money, we do not know for sure what we will get. It will still have to go through the appropriations process, and it still will have to be pitted at some point against other social programs and defense. It is a bet on the come. I have my doubts that we are going to get this money. So the way to fix this problem is to fix the formula, as Senator GRAHAM would do.

There is another problem with this legislation that really has sort of been lost in the shuffle, because there has been such a fight over the allocation; that is, the Federal matching ratios. The Graham amendment would improve the Federal-State matching ratios. It would keep the interstate completion funds at 90–10, 90 percent Federal, 10 percent State and local. Interstate maintenance would be 90–10, bridges at 85–15. Under the bill from the committee, the Moynihan bill, it is 90–10 for interstate, 80–20 for interstate maintenance, as I understand. It would be 75–25 for single occupancy, and 80–20 for all other.

I think that we should at least leave the Federal-State matching ratios at the existing levels. We should not be reducing that.

I know full well that the administration is saying that the State and local governments ought to put up more. Once again, I can tell you, if my own State has to come up with 25 percent matching for single occupancy, bridges, we are not going to be able to come up with that money. Therefore, our road situation, our bridge situation, will get even worse than it already is.

So I think, at a minimum, we should keep the existing formulas on Federal matching ratios. But the Graham amendment actually improves that by making the Federal matching ratio share 85–15 for bridges. This is a very important issue in States that are in a very bad situation economically already, having difficulty paying for just basics in their States that have to come up with a balanced budget under their own State constitution. So to increase the State matching ratio is a big mistake. The Graham amendment would deal with that problem.

So on every count, with emphasis on highways, on coming up with a fairer allocation formula, and on the Federal matching ratios, the Graham amendment improves this bill. I urge my colleagues in the Senate to support this amendment. Then we can have a bill that we can all truthfully support as a highway bill.

Mr. President, I yield the floor.

Mr. MOYNIHAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. MOYNIHAN. Mr. President, I yield myself 1 minute.

Mr. President, may I say to my friend from Mississippi that in matters of great concern, I would think to Mississippi as to New York, the present matching rates for primary roads, secondary roads, and urban roads is 25–75.

Under the committee bill that 25 percent that Mississippi must now pay for rural roads goes to 20. You have a lower match than you do now.

I thank the Chair.

The PRESIDING OFFICER. Who yields time?

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida [Mr. GRAHAM].

Mr. GRAHAM. I yield 6 minutes to the Senator from Missouri.

The PRESIDING OFFICER. The Senator from Missouri is recognized.

Mr. BOND. Mr. President, I thank my good friend from Florida for the time, and I also commend him for his effort on achieving fairness in the Surface Transportation Act.

As I mentioned before on this floor, we have been through long and contentious sections because we believe this measure is vitally important to the citizens of this Nation and the citizens of our State.

I previously thanked the distinguished senior Senator from Virginia, Senator WARNER, Senator BENTSEN from Texas, and others. They, along with both Senators from Florida, my colleague from Mississippi who just spoke, and others, have fought for basic essential fairness in this vitally important legislation. I have made the

point before—and I make it again—as I see the national needs that this bill must address, we must spend out funds that have been accumulated in the highway trust fund because we have great needs for our infrastructure. We lose money, we lose time, and we lose lives when we have inadequate roads, highways, bridges, and transportation.

Second, there must be flexibility, flexibility so each State with differing needs can spend the funds as they need to spend those funds to assure an adequate and safe transportation system.

Third, we must have money for bridges because bridges in disrepair pose great risks to those who travel over them. I do not have to remind people of the horror stories and the scare as we all saw the bridges collapsing in San Francisco from the earthquake.

Finally, and most important, we need a fair funding formula, a funding formula up to date, addressing the needs of today and tomorrow.

What is a fair formula? I think a fair formula is one which is based on use and need. This measure establishes a whole new list of factors which would put the money where the cars, the trucks, and the other vehicles traveling the roads are. These factors would include the number of vehicle miles traveled in a State, the number of State rural and urban lane miles, and the amount of diesel fuel purchased in the State. This is very similar to a use-and-need formula which I included in highway legislation I introduced earlier this year.

The Graham amendment also addresses the critical issue in our States of flexibility. It will allow States to transfer up to 20 percent of their highway money from one program to another. As differing needs emerge in differing States than money could be transferred. This would allow State's to put their money where the needs are, whether it be in bridges, as in my State, or in mass transit in other States.

I have previously expressed my concern over some of the aribitrary limitations continued in the underlying bill. I do not need to go into those other than to say I think those do limit flexibility, needed flexibility, and I think that the emphasis that this measure puts on maintaining a National Highway System, giving the States and the State decisionmakers the opportunity to allocate the money is vitally important.

The amendment before us would also retain the discretionary bridge program as a separate component, and I support that. Missouri has the dubious distinction of ranking second in the Nation in bad bridges, and we desperately need funding to address this critical problem. We have bad bridges because we have such high usage of our highways. We are a crossroad State—people going North and South come through Missouri; people going East and West travel through Missouri; and those who travel the roads and the highways in my State know how severe those problems are.

The underlying basic provision would also contain a hold-harmless provision so that no State will receive less than it did in 1991.

There has been talk also about who is a donor State and who is a donee State. I do not expect that a fair funding formula necessarily is going to take my State off of the donor State rolls. There are States in the West, particularly where there are great expanses, that need to have not only adequate highways built but maintained.

So I say that it is right that we have a factor in the formula such as miles of highways. I think there is a fair means of arriving at an equitable allocation. This is the formula developed by many of the State highway and transportation officers who have worked together to try to propose what would be a national formula.

We have heard many people talk about crafting a Surface Transportation Act for the nineties and the 21st century. I think that is a noble objective, and I want to support that objective. But why do we drag into that bill a dinosaur of a formula going back to 1916 as the basis of allocating highway funds? I am told that in 1916 the only maps available were U.S. postal maps and that is why miles of postal roads were put in. Surely, we have and we do have more accurate formulas now.

I am very pleased that ultimately we will have a GAO study. But I can tell you what the 1986 GAO said and that is that the formula then in existence and now being perpetuated in the underlying bill is outmoded. We must come up with a fair funding formula.

I cannot support this measure on final passage without a fair funding formula. I believe that we must look to the future, and I would hope that our colleagues in the other body would address the formula. I urge colleagues to support this amendment.

I thank the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. MOYNIHAN. What time does the Senator yield?

Mr. SYMMS. Five minutes.

The PRESIDING OFFICER. The Senator from South Dakota [Mr. PRESSLER] is recognized for 5 minutes.

Mr. PRESSLER. Mr. President, I thank my colleagues.

Mr. President, the Federal highway bill is always one of the classic struggles in Congress, as has been pointed out here so well. Time and time again, we in Congress debate the issue of how to best apportion highway funds to the various States. I come from the State of South Dakota, which has not been a donor State under most of the previous formulas. But there are a number of factors about South Dakota and similar States that must be taken into consideration. First of all, in South Dakota we have many miles of highway with a relatively low population. Although we have a population of approximately 700,000 people, over 2 million tourists per year come to our State.

Also my State of South Dakota does not have Amtrak service. I say that as one who has been supportive of Amtrak. Airline deregulation also has been especially hard on smaller cities and rural areas. Therefore, we rely on highways and roads more than other States that are blessed with Amtrak, federally subsidized railroads, or federally subsidized airports. Also, I wish to say with pride that my State has not been a recipient of S&L bailout funds, according to our calculations.

The point I am making is that the people of each State are able to make a number of arguments both pro and con, regarding the fairness of Federal programs. For example, my State has the highest voluntary repayment rate of Federal student loans of any State in the Nation. So I could continue to advocate the merits of my State or the demerits of another State. This debate is a classic form for the States here in the U.S. Senate. So I rise with great pride in pointing out many of the virtues of my State of South Dakota.

I am pleased that the Environment and Public Works Committee has produced, and is near passing a highway bill that is well balanced, visionary, and, most of all, fair.

The bill not only gives States the funds required to meet their unique transportation needs, but also gives them the flexibility to use these funds in the most efficient way possible. The members of the committee deserve our appreciation and congratulations on a job well done.

I know that members of the committee, particularly Senator MOYNIHAN and Senator SYMMS, have been at the middle of some very heated discussions both on and off the Senate floor. Their leadership in this debate will ensure the passage of this important legislation.

Mr. President, one of the most important aspects of the committee's transportation bill is that it retains the donor donee apportionment relationship. Senators from donor States argue this is an unfair relationship—that their States are being short-changed by this system. This assertion lacks a practical foundation.

My State of South Dakota has large, wide-open spaces with long stretches of highway. However, we have a relatively small population which must carry the primary burden of financing these long stretches of highways. In fact, South Dakotans pay $382 per capita on highways, while the national average is only $236. So it depends on whose sta-

tistics you look at in determining which States are paying the most.

My constituents pay more per capita than the national average, although we are classified as a "donee" State.

The level of effort made by South Dakotans on our highways is one of the highest in the Nation. Indeed, South Dakotans pull more than their own weight in financing our Nation's highways.

Mr. President, these long stretches of highway in South Dakota benefit all Americans. The effectiveness and efficiency of our overall national economy depend on them every day. The connecting highways in South Dakota and other Midwestern States are used to transport the products of east coast and west coast businesses, by tourists traveling the United States, and for various other purposes.

I look upon the highways in South Dakota and the Midwest as connective tissue, so to speak, used by people from across over country.

The key point is that our highways in South Dakota are used as connectors of the Nation, and do not exist just for the benefit of South Dakotans.

Some argue that the 85-percent minimum allocation funding formula is unfair. They say that they should not have to help pay for highways in South Dakota and other rural States.

Mr. President, the simple truth of this issue is that in receiving Federal program funds, some States win and some States lose. South Dakota traditionally receives more Federal dollars than it contributes to the highway trust fund. But this has been the exception, not the rule.

My State of South Dakota has contributed to many other Federal programs from which we receive little or no benefit. One only needs to look at the hundreds of failed savings and loan institutions in this country. That is not a South Dakota problem, but we have contributed to cleaning it up.

My point is that the scales even out on these things when we look to the big picture. All Americans benefit from having quality roads in South Dakota connecting the east and west coasts. Citizens of both rural and urban areas are the beneficiaries of the increased efficiency afforded by a well-developed National Highway System. We must continue with this national approach if we are to have a transportation system which truly serves national interests.

So I feel we must work together in developing a national highway bill, not a patchwork quilt made up of the needs of each individual State. The Environment and Public Works Committee has done a good job in this regard. I plan to vote for this highway bill, which is good for all of our States.

The PRESIDING OFFICER. The Chair informs the Senator from South Dakota that his time has expired.

Mr. MOYNIHAN. I thank the Senator from South Dakota for his very generous words.

The PRESIDING OFFICER. Who yields time?

Mr. GRAHAM. Mr. President, I yield up to 10 minutes to the Senator from North Carolina.

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

Mr. SANFORD. Mr. President, I am proud to support my distinguished colleague from Florida in his effort to put before this Senate an amendment that has been prepared thoughtfully and with the utmost concern for fairness.

I think the last two opponents to speak to this amendment have made the argument in favor of it. First of all, the distinguished Senator from South Dakota argued that his State needs more highway funds than other States. It is a sparsely populated State. It has a fairly large geographical area. All along we have expected to have the States that have greater population help those States with great land areas and less population.

But it makes the point that if we are going to decide State by State, plea by plea, Senator by Senator, what States have special problems, then we are not goint to find it possible to come to a fair solution that serves the best interests of all of the people of the Nation.

The Senator from Connecticut made the same arguments with the opposite facts or he is from a highly populated State, a State with small land area, and high income; just the opposite of South Dakota. And he made the case why they needed additional funds to be contributed from other States, because they could not, as in the case of South Dakota, quite take care of their situation.

We will never find a national solution if we are going to vote according to self-interest, State by State.

What I find disappointing in the work of the subcommittee is not so much that they have been unfair, but that they did not try. They well knew the old formula, based on old census figures, and antiquated factors such as postal miles was out of date. But they did not try to come up with a new formula that would have been fair and equitable to all States.

I think it would have been worth the effort to have tried to find a formula. Certainly no one will dispute the fact that an old formula does not fit a new situation.

My State, as I have indicated, has long been on the donor side. The North Carolina Secretary of Transportation participated in the deliberations that came up with the FAST formula which leaves North Carolina in the neighborhood of a 90 percent return on what was paid in. And I asked him: Why not go to 100? He said, "I think we have arrived at a fair formula," looking at the elements that ought to be looked at." North Carolina does not receive 100 percent return, but in the new fair formula, it achieves a better balance between contributions to the highway trust fund and receipts.

In this amendment offered by Senator GRAHAM, North Carolina will not fare as well as we would fare under the Byrd amendment that was adopted. On the other hand, in the long run the FAST formula is the most fair and proper way to allocate Federal-aid highway funding.

I have heard now two or three times, Mr. President, the argument that federalism cannot flourish if States are not going to care for one another. Certainly each State cannot have its own way. That is for certain, and that is most fundamental to a proper system of federalism.

But it is true different kinds of programs require different kinds of divisions of resources. New York certainly needs some of the social services beyond other States, and they get a fair proportion because it is based on the individual need in that individual State, and no one can complain about that too much.

Certainly, in the case of highways, we have to be concerned with one another, concerned with the national roads system, and I am. But I would like to think that we would, in observing federalism, in caring federalism, attempt to be fair with one another.

I think the committee, in its determination to get a bill to the floor as rapidly as possible, may simply have overlooked the factor of fairness, overlooked the need to bring the formula up to date, overlooked the need to bring the census figures up to the present. And so I hope, Mr. President, that we can revert to statesmanship and we can revert to fairness when we go into conference with the House.

It is my hope that the House will come up with a fair and equitable formula. This formula will be better than a formula that is decades old. It may not be a perfect one. But at least it will be worked out in a fair and equitable way. I support the FAST formula for that very reason—it is fair and equitable.

I think it is incumbent on us to be fair and to attempt to find a formula that treats every State as fairly as possible. It is not a question of getting all you can, but is a question of our finding a fair formula that best serves the nation.

The PRESIDING OFFICER (Mr. WELLSTONE). Who yields time?

Mr. GRAHAM. Mr. President, how much time is remaining?

The PRESIDING OFFICER. The Senator from Florida has 19½ minutes. The Senator from New York, 6½.

The Senator from Florida is recognized.

Mr. GRAHAM. Mr. President, I yield myself such time as is necessary.

This may be the conclusion of this debate. I would like to make a few points as our colleagues reach a decision as to how to vote.

The first of those is that we are dealing exclusively with the dog. The tail that we adopted earlier today, the amendment offered by Senator BYRD, is not affected by this amendment. Look at what your State will receive under the Byrd amendment. You will receive that irrespectve of whether the amendment before the Senate at this time is adopted or defeated.

Second, we have in the legislation before us a fundamentally warped formula. It is a dog which is deformed. In part, it is deformed out of age. An old dog has problems: It may become blind, halt; it may develop other illnesses and symptoms. And a formula which carries a 1916 postal route factor into a 1996 allocation formula is almost equally certain to have some inperfections and defects. A formula which purports to use the 1980 census as the basis for allocating funds in 1996, as incredible as that statement sounds, is certainly a formula that is going to have weaknesses.

What are some of the weaknesses of this formula? The most obvious one is that we have ended up with almost 40 percent of the States in America being minimum allocation States. That means that whatever the formula said was an appropriate level of funding, whatever the formula said was an appropriate allocation, whatever the formula was that was supposed to put States in a position where they could compete with their wit and wisdom, using money intelligently to achieve efficient, intelligent highways, has been essentially because the formula puts 40 percent of the States in the category that they just get the basic crumbs that are thrown out. They are not able to participate in all of these positive things that are going to occur.

As I said earlier on more than one occasion, this is happening in an environment were we are, in this Nation, disinvesting in transportation, disinvesting in our basic commitment to our highways and our public transit system.

We also have a worn and lumpy dog—program—because of the egregious mismatch between receipts and expenditures. We are going to have the Nation operating at a $96 billion program in 1996 with $81 billion of expenditures, each of those figures being for the 5 preceding years cumulative. We are almost assuring a major disruptive crisis in our Federal support for transportation just 5 years from now.

The amendment we have offered is the product of 4 years of head work by some of the ablest people in our Nation, by some of the people on whom our individual States have placed the responsibility for actually putting these dollars into useful transportation projects. They have recommended by an overwhelming majority that we adopt the program before us in the Federal aid surface transportation amendment.

The States appreciate the fact that this gives them maximum flexibility. We will have two basic Federal programs, a National Highway Program and an Urban-Rural Road and Bridge program. As opposed to the legislation that was reported by the committee, which has special categories for congestion, for air quality, special programs for interstate maintenance, special programs for bridges, and now a special program, which is not going to be disturbed by my amendment, but we have added another program, an incentive program to the States.

The amendment before us would give us the maximum degree of assurance that people at the local level who are most knowledgeable would be able to put the funds in the programs that would be of most benefit to their citizens as part of a National Highway System.

The most consistent criticism that has been made about our proposal is that it would, in some bizarre way, encourage fuel consumption because fuel consumption is a factor in the formula. Where is it a factor in the formula? One-third of the formula for distributing the National Highway System money is diesel fuel. Why do we use diesel fuel? Because that is the most direct proxy, as recommended by the General Accounting Office, as well as State highway officials, for truck traffic.

Why are we concerned about truck traffic? Because it is the trucks that inflict most of the damage to the highways. The formula from the committee gives no recognition to that special demand imposed on highways as a result of large-scale truck traffic, another example of its failure to relate to what is required for an intelligent allocation of Federal highway funds to the States.

This formula in no way is going to be causing States to put up billboards to advertise for people to use more fuel so they can get a larger share of Federal highway funds back into their State. To make such a proposition is patently absurd. The reason those factors are used is because they are relevant to what it is we are trying to do, to maintain our highway system.

The committee has given us an old, a tired, a battered dog, one that ought to be, in the best standards of humanity and consideration for animals, put gratefully to bed. Rising in its place should be a new dog, a new dog upon which the tail of the Senator from West Virginia will be afixed, which will direct us toward the 1990's and beyond in terms of matching relevant factors, relevant to highway maintenance and highway capacity, relevant to the relationship of the Federal Government and the States in meeting our common transportation needs, relevant in terms of adequately funding a National Highway System.

This new dog is a dog that can, together, give us comfort and support and leadership as we move toward the postinterstate era. That new dog is embodied in this amendment, and I urge its adoption.

If no one else wishes to speak, and if the floor managers are ready to yield back their time, I am prepared to yield back mine.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. MOYNIHAN. The Senator from Montana wishes to speak?

The Senator yields 5 minutes to the Senator from Montana.

The PRESIDING OFFICER. The Senator from Montana is recognized.

Mr. MITCHELL. Mr. President, I wonder if I could ask if the Senator would permit me to request a unanimous-consent agreement regarding disposition of the bill beyond this amendment? Will the Senator yield?

Mr. BAUCUS. I yield.

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, a vote will occur at approximately 7:25 this evening on the Graham amendment. That will be the last rollcall vote today. At 10 a.m., the Senate will take up the bill again and will turn to the Lott amendment, and there will be a vote on that at 10:15 a.m. tomorrow. I will repeat what I have been saying for several days. I hope and expect we can finish the bill tomorrow. I hope this time my statement proves to be accurate. I thank the managers again for their diligence and effort in this regard. I thank the Senator from Montana for yielding.

The PRESIDING OFFICER. The Senator from Montana is recognized.

Mr. BAUCUS. Mr. President, I rise in opposition to the amendment offered by the Senator from Florida.

As I have stated on this floor several times over the past week, I believe S. 1204 strikes a fair balance between the competing interests that have made debate on this legislation so difficult.

In addition, as the lead Senate author of last year's Clean Air Act, there is not a doubt in my mind S. 1204 in its current form will help communities throughout this Nation clean up their air.

This legislation does not base its allocation formula on fuel consumption or vehicle miles traveled. Furthermore, S. 1204 gives those States with automotive related air quality problems unprecedented flexibility to spend their highway dollars on mass transit or on highways.

Unfortunately, this amendment—the so-called FAST proposal—would largely allocate highway funds among the

States on the basis of fuel consumption and vehicle use.

This would set off an environmentally dangerous chain of events:

Under this amendment, the more fuel a State consumes, the more Federal highway money it would receive;

To keep these dollars flowing, local planners will build more highways. Gone would be S. 1204's current incentive for the States to establish mass transit, light rail, HOV lanes, and ride-sharing programs. Expanding such programs is a necessity if we are to clean up the air in this Nation's most polluted cities; and

It logically follows that increased highway capacity means more auto-related air pollution—more cars mean more pollution.

In addition, I doubt the wisdom of encouraging fuel use at a time when we are developing a national energy strategy to reduce our reliance on imported oil.

Last year's Clean Air Act amendments require the States to take aggressive action to lower emissions from cars and trucks in our most polluted cities. These requirements encourage, and in some cases mandate, States to develop programs which will limit vehicle use.

Thus, if the Sentate adopts this amendment, we will penalize States for complying with the Clean Air Act.

We cannot let that happen. Last year, Congress and the President took bold action to clean up the air we breathe. Passage of this amendment would be one giant step backward for the environment and the public health.

In contrast, in its current form. S. 1204 puts this Nation on the course toward innovative new transportation and environmental policies. I urge my colleagues to stay that course.

Finally, Mr. President, I bring to my colleagues' attention a letter signed by the Environmental Defense Fund, the Sierra Club, and the National Wildlife Federation strongly opposing the FAST formula, for the reasons I have just indicated. I ask unanimous consent that this letter be printed in the RECORD.

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

ENVIRONMENTAL DEFENSE FUND, SIERRA CLUB, NATIONAL WILDLIFE FEDERATION,

June 11, 1991.

Hon. MAX BAUCUS,
U.S. Senate, Washington, DC.

DEAR SENATOR BAUCUS: As the principal Senate author of the Clean Air Act Amendments of 1990, we write to urge you to oppose efforts by a number of states, embodied in the so-called "FAST" proposal introduced as S. 1121, to build into the Surface Transportation Efficiency Act of 1991 a strong disincentive for states to comply with the Clean Air Act and reduce energy consumption.

Under the FAST proposal, state apportionments will be determined by fuel consumption and growth in vehicle use. This proposal would penalize states that use innovative transportation alternatives to increase vehicle occupancy, encourage shifts to other modes of travel, or implement requirements to comply with the Clean Air Act. The FAST proposal allocates funds if a state's fuel consumption increases or if a state's overall vehicle use increases.

As part of the Clean Air Act Amendments of 1990, which received overwhelming support in the Senate, many states who have urban areas with air that is unsafe to breathe are required to take steps to reduce or stop the growth in vehicle use. Each of these states must develop implementation plans to comply with these requirements.

Under the FAST apportionment formula, a state which does a better job of complying with the Clean Air Act requirements is penalized by a reduction in transportation funding, while a state which allows vehicle use to grow out of control is entitled to more funds.

By contrast, S. 1204—the Surface Transportation Efficiency Act of 1991 actually rewards states who comply with the Clean Air Act and successfully control the growth in vehicle use. As a result, S. 1204, if enacted, will complement the objectives of the Clean Air Act Amendments of 1990. The FAST proposal will undermine those objectives.

In addition, the FAST proposal allocates funds based on a state's consumption of diesel fuel. The more fuel a state consumes, the more money it receives. As the Congress and President struggle to develop a comprehensive energy strategy to encourage less reliance on imported oil and greater effort to conserve energy, it simply makes no sense to penalize a state which takes strong steps to control or lower fuel use.

Allocating funds among the states is a difficult and challenging task, but we believe that with enactment of the Clean Air Act Amendments of 1990 and the compelling need for a national energy strategy, the Senate must reject an allocation scheme that encourages vehicle use or fuel consumption.

Sincerely,

WILLIAM J. ROBERTS,
Environmental Defense Fund.
DAVID GARDINER,
Sierra Club.
SHARON NEWSOME,
National Wildlife Federation.

Mr. BAUCUS. I yield the floor.

Mr. MOYNIHAN. Mr. President, I simply thank the Senator from Montana, who could not be more explicit. If you are against the environment, you are for this measure; if you are for the Saudis, you are for this measure; but if you are for the bill that this committee has brought to this floor, you will be against this measure.

Mr. President, this new dog will not hunt. The Senator yields back his time.

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. KOHL. Mr. President, as a cosponsor of the amendment being offered by the Senator from Florida, I want to begin by commending Senator GRAHAM for his leadership on this issue. Over the past few weeks, the Senator from Florida has impressed me with not only his exceptional understanding of this issue, but his tenacity. No Senator has been more forceful and more vocal in this formula fight than Senator GRAHAM, and I want to personally thank him for all of his hard work on behalf of all of us who represent donor States.

Mr. President, Wisconsin is a donor State. As I pointed out last week, my State gets back an average of 74 cents of every $1 dollar in Federal gas taxes we send to Washington. Since 1956, Wisconsin has contributed $1.15 billion more in Federal gas tax dollars than we've gotten back in Federal highway aid.

Now I don't begrudge our past generosity. But I see no reason, as I said last week, for continuing—as this bill does—an inequitable and archaic formula of allocating Federal highway dollars to States. Which is why I strongly support the amendment being offered by the Senator from Florida.

I suspect, unfortunately, that this amendment will not pass. I also suspect that this amendment will not garner as many votes as it would have had it been offered before the Byrd amendment. And that I find troubling—because there is considerable support in this body for the so-called FAST proposal.

I do not mean to belittle the efforts of the distinguished chairman of the Appropriations Committee. Indeed, the distinguished Senator from West Virginia is to be commended for his efforts to forge a compromise on the funding formula issue. But the Byrd amendment only corrects a little of the inequity, not the cause of the problem.

I voted for the Byrd amendment. I did so because it offers the State of Wisconsin the possibility of an additional $222 million over and above what the State would receive under S. 1204 without modification.

But, with all due respect to the Senator from West Virginia, the Byrd amendment does not solve the formula dispute. It merely attempts to dissolve it.

The Byrd amendment was the $8.2 billion solution. The Senator from West Virginia innovatively found an additional $8.2 billion in budget authority to use or provide additional funds to donor States. And those of us from donor States are certainly grateful for his efforts to assist us.

Yet we are now being asked to take our additional $8.2 billion and go home. We are being asked to ignore the remaining $88 billion in this bill that continues to be allocated unfairly. And this Senator is not prepared to do so.

Supporters of the bill argue that a State such as Wisconsin gets more than an even return on its dollar under the Moynihan bill as modified by the Byrd amendment. It does, if one measures it on a dollar in, dollar out basis. But one needs to consider the following point.

Over the next 5 years, approximately $81 billion in Federal gas tax receipts

are likely to be deposited into the highway trust fund. Yet this bill authorizes $96 billion in Federal highway program spending over the same time period. If we were only authorizing $81 billion for Federal highway programs, then the fact that Wisconsin gets a dollar back for every dollar contributed would mean something. But it rings hollow when we are actually authorizing 18 percent more in spending than what is coming in over the same time period.

Mr. President, under the FAST proposal, the State of Wisconsin would receive an additional $235 million over and above what it would receive under the Moynihan bill without the Byrd amendment. If one was to add the additional funding provided under the Byrd amendment, Wisconsin would do even better—receiving an additional $457 million over the next 5 years.

Mr. President, let us be sure as we move toward a vote on this amendment that we don't mix apples and oranges. The Byrd amendment dealt with the allocation of an additional $8.2 billion pot of money. The Graham amendment deals with the allocation of the underlying $88 billion in authorized funding for Federal highway programs. In my mind, there is no debate here over which of the two amendments is more fair, more important, and more necessary.

I yield the floor.

IMPORTANCE TO WISCONSIN OF ENACTING A HIGHWAY BILL THAT CORRECTS PAST INEQUITIES

Mr. KASTEN. Mr. President, I rise today to speak on the importance to Wisconsin, and I believe the Nation, of enacting a surface transportation bill that corrects some of the technical formulas that determine the manner in which highway funds are distributed to the States. As has been pointed out by almost every speaker, and indeed by subcommittee Chairman MOYNIHAN during the debate on the last bill finally enacted in 1987—we have reached a watershed.

The last 35 years have focused on the designing and building of the fine Interstate System that now links all the regions of our country. Wisconsin has contributed to the development of this national system in a very significant way. Since 1956, Wisconsin taxpayers sent $1.15 billion more in transportation tax dollars to Washington than it has received back in Federal funds. We have been a chronic donor State, and the consideration of this surface transportation bill is the perfect time to reassess what our new outlook should be for the next 35 years.

Since 1956 we have received back 74 cents for each dollar paid into the Federal Government. This type of system cannot remain in effect. We were early participants in the highway program, building much of our system back when each dollar bought more road. We have 1 percent of the Nation's interstate mileage, 2 percent of the Nation's population, and about 2 percent of its land area. Yet we only have received back about 1 percent of the highway dollars expended. My State has been penalized for its wise and early investment strategy in regard to its roads and bridges.

The main concern that I have with the committee's formulas is the continuation of business as usual in regard to the funding formulas. It seems we have recognized the new postinterstate era that we are about to be entering in our statements, but not where it counts most—in the funding formulas. While we cannot undo the inequities of the past, there is certainly no reason to maintain them.

In fact the distinguished chairman of the subcommittee admitted that about the only thing recommending the formulas which are in the bill was the fact that they had been the ones in existence. I am aware of the effort to have a study help us determine how to better allocate these highway moneys in the future. However, why weren't we ready to adopt the new funding formulas in this first highway bill of the postinterstate era?

Together with the need for equity, Wisconsin is also pleased with the flexibility of the FAST proposal which is embodied in S. 1121 which was introduced by Senator WARNER and in the amendment now offered by the Senator from Florida [Mr. GRAHAM]. I am pleased to be cosponsor of S. 1121 and the current amendment and hope that the wisdom of this proposal is seen by the majority of my colleagues.

The flexibility of the Warner proposal is another feature that appeals to me and the Wisconsin Department of Transportation. I am proud that the Wisconsin DOT played an instrumental role in the development of this proposal. Under FAST the States are given the flexibility to address their own priorities, with appropriate Federal coordination, through a simpler programmatic structure. There is an ability to transfer up to 20 percent of the funds between the National Highway Program and the Urban and Rural Road and Bridge Program.

The structure of having separate programs is not necessary in my view. For example, Wisconsin early on saw the value of investing State money to address the problems with our bridges. We would like the flexibility of using our funds for bridges or roads as our needs dictate, not as our program structure dictates.

Finally, it is important to note that this amendment speaks to the $88 billion which is the heart of the highway program. We have already voted to adopt the equalization formulas of the Byrd-Mitchell-Bentsen proposal. We were trying to equalize the disproportionate amounts that the donor States received for the moneys they paid in.

I would hope that we might adopt the FAST proposal which would bring fairness to the underlying 90 percent of the moneys to be distributed, rather than focusing on just the last $8.2 billion which we found to equalize the burdens borne by the donor States under the old formulas of S. 1204.

I strongly urge the Senate to adopt this amendment to equalize the distribution formulas and not just live with the inequities of the past while waiting for one more GAO study.

Mr. GRAHAM. Mr. President, if no one else wishes to speak, just briefly I will speak.

No one is proposing that a State is going to be urging big trucks to come and operate over its highways inflicting the amount of damage which it takes 9,600 automobiles to create in order to put itself in a position that it can sell a little more diesel fuel. That is an absurd proposition.

We do not have in this legislation what the administration had, which is that 70 percent of the formula would be on motor fuel use. The only factor that we have in here that relates to consumption is one-third of the National Highway Act would be on diesel fuel, and the reason that we have diesel fuel is because that is the most relevant proxy to truck traffic, and truck traffic is the most relevant statement as to how much damage you are likely to be inflicting upon your highways, a totally rational position endorsed by the General Accounting Office, endorsed by the large majority of our State highway commissioners, and now trashed as our poor dog is just trying to emerge as a young, bright puppy from the kennel.

Mr. President, this is a serious matter. The question is: Are we going to go boldly into the 21st century behind our 1916 postal road system? Are we going to look boldly toward 1996 utilizing as our standard the 1980 census? If our friends who are so vehement in their opposition feel that we came upon, almost a century ago, the perfect formula, postal road miles for distributing Federal highway funds, then I assume that our sons, grandsons, daughters, and granddaughters, who will be here in the years in the future, will still be at the feet with appropriate Federal kennel rations before this old dog who we revere and wish to continue in service to the Nation.

I suggest it is time to adopt a new approach, an approach for the nineties, an approach that will meet the needs of our States, an approach that will provide equitable funds for all of our States with maximum flexibility for the citizens of a State, that community, to meet its needs.

I urge adoption of the amendment, Mr. President.

If the floor manager is prepared to yield back his time, I yield back the remainder of my time.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment of the Senator from Florida.

Mr. DOMENICI. I ask the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Arizona [Mr. DECONCINI] is necessarily absent.

I also announce that the Senator from Arkansas [Mr. PRYOR] is absent because of illness.

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

The result was announced—yeas 41, nays 57, as follows:

[Rollcall Vote No. 96 Leg.]

YEAS—41

Bentsen	Gramm	Metzenbaum
Bond	Hatfield	Nickles
Boren	Heflin	Nunn
Breaux	Helms	Packwood
Bumpers	Hollings	Riegle
Coats	Johnston	Robb
Cochran	Kasten	Sanford
Danforth	Kohl	Sasser
Dixon	Levin	Seymour
Ford	Lott	Shelby
Fowler	Lugar	Simon
Glenn	Mack	Thurmond
Gore	McCain	Warner
Graham	McConnell	

NAYS—57

Adams	Dole	Mitchell
Akaka	Domenici	Moynihan
Baucus	Durenberger	Murkowski
Biden	Exon	Pell
Bingaman	Garn	Pressler
Bradley	Gorton	Reid
Brown	Grassley	Rockefeller
Bryan	Harkin	Roth
Burdick	Hatch	Rudman
Burns	Inouye	Sarbanes
Byrd	Jeffords	Simpson
Chafee	Kassebaum	Smith
Cohen	Kennedy	Specter
Conrad	Kerrey	Stevens
Craig	Kerry	Symms
Cranston	Lautenberg	Wallop
D'Amato	Leahy	Wellstone
Daschle	Lieberman	Wirth
Dodd	Mikulski	Wofford

NOT VOTING—2

DeConcini	Pryor

So the amendment (No. 357) was rejected.

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

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

The motion to lay on the table was agreed to.

FEDERAL LANDS HIGHWAYS—AMENDMENT NO. 353

Mr. SARBANES. Mr. President, the amendment that Senator MIKULSKI and I are offering would set aside $100 million in additional funding for rehabilitation of federally owned parkways, including the Baltimore-Washington Parkway.

According to the Federal Highway Administration, there is a backlog of $1.5 billion in work needed to bring the 7,400-mile U.S. Park and Parkway network up to acceptable standards. One such parkway in the National Capital area—the Baltimore-Washington Parkway—is a vital transportation link between Baltimore and Washington for millions of commuters and tourists each year. A major portion of the highway is federally owned by the National Park Service. Congress recognized the need for improvements to the parkway and authorized funds for its reconstruction 15 years ago in the Federal Highway Act of 1970.

In 1984, the Federal Highway Administration completed an engineering study on the parkway and found that age and unanticipated heavy traffic volumes have contributed significantly to the deterioration of the roadway, its bridges, and interchanges. Between 1980 and 1986, average daily traffic increased a dramatic 25 percent on this major roadway, and the number has grown substantially since then. The highway now carries more than 75,000 vehicles per day—far above the volume anticipated when it was originally constructed in the early 1950's. The traffic congestion and poor condition of the roadway precipitate accident conditions. The Federal Highway Administration study identified a critical need for significant improvements to the mainline highway and interchanges to improve safety and traffic operations and restore the parkway to an acceptable level of performance.

Funding appropriated in the last 6 years under the existing authorization has enabled the Federal Highway Administration to undertake engineering and design work, initiate bridge and interchange construction, and make pavement repairs and safety improvements. To date, $75.3 million has been appropriated, exhausting the previous authorization.

New estimates prepared by the Federal Highway Administration in March of this year indicate the need for an additional $93.3 million to complete the rehabilitation of the federally owned portion of the Baltimore-Washington Parkway. This amendment would help provide the resources necessary to complete work on federally owned parkways such as the Baltimore-Washington Parkway.

Ms. MIKULSKI. Mr. President, I am glad to join my friend and colleague Senator SARBANES in offering this amendment to the Surface Transportation Act.

This amendment is great news for the more than 75,000 commuters who use the Baltimore-Washington Parkway every day.

This amendment addresses the day-to-day needs of these commuters. I know from personal experience how badly we need this amendment.

I take the Baltimore-Washington Parkway back and forth from my home in Baltimore to Capitol Hill every day the Senate is in session. And let me tell you, we need to get moving on its rehabilitation. The parkway today is an obstacle course of grade changes, lane closings, and lengthy delays. It is bad for my car's transmission and it is bad for my mental health. Almost every day at rush hour, the Baltimore-Washington Parkway becomes what I call a "rolling backup."

With the funds authorized under this amendment, the Federal Government will be able to smooth the potholes and fix the bridges—and in the process, make life a little better for the working men and women who need to use the Baltimore-Washington Parkway to get back and forth between their homes and their offices, shops, and industrial parks.

I thank the managers of the bill for accepting this amendment, and I urge its adoption by the Senate.

Mr. SARBANES. Mr. President, on behalf of the commuters of my State of Maryland, I want to thank the distinguished managers of the bill, Senator MOYNIHAN and Senator SYMMS, for their assistance with this very important amendment.

Senator MIKULSKI and I would like to address some questions to Senator MOYNIHAN concerning this amendment.

Is it accurate to state that the intention of this amendment is to provide funds for the ongoing rehabilitation of the Baltimore-Washington Parkway?

Mr. MOYNIHAN. Yes. The ongoing rehabilitation of the Baltimore-Washington Parkway is clearly eligible under this amendment. I understand the importance of the Baltimore-Washington Parkway as a major commuter route between the Baltimore metropolitan area and the Washington, DC, metropolitan area. It is critical that this rehabilitation continue, and that Federal funds be available to accomplish it. That is why I'm delighted to support this amendment.

Ms. MIKULSKI. As I understand it, Federal lands highway projects such as those contemplated in this amendment are 100 percent federally funded; is that correct?

Mr. MOYNIHAN. The Senator is correct. No State matching funds would be necessary to carry out ongoing rehabilitation of Federal lands highway projects under the Parks and Parkways Program.

Ms. MIKULSKI. I thank Senator MOYNIHAN, and congratulate him for his leadership on this important bill.

Mr. KOHL. Mr. President, I would like to point out for my colleagues a provision in this bill which is very important to the way we oversee our Nation's transportation system, and plan for its future. I had the pleasure of working with Senator MOYNIHAN to develop guidelines for a new Bureau of Transportation Statistics which we are creating with this legislation.

I believe that the new statistical agency we have created will provide policymakers and transportation officials with invaluable information about the quality of our highway system, the demand for different modes of transportation, and the research necessary to prepare for the 21st century.

The annual report, called for in this legislation, will provide an ongoing review of our current system and the information for planning the transportation system of the future. The study by the National Academy of Statistics will provide the necessary vision to assure that this statistical agency can anticipate the information needs of policymakers and administrators.

This bill is also sensitive to the need for protecting the confidentiality of those individuals or companies providing information for statistical purposes. There is a careful balance drawn here between protecting that confidentiality and maintaining open and public access to Government information.

Through working with the Federal statistical community I have learned that there are a number of provisions necessary for a strong and independent statistical agency. Those provisions are included in this bill.

This is a historic bill in many dimensions, not the least of those is the awareness of the need for good information to develop good policy. It has been my pleasure to work with Senator MOYNIHAN to make this happen, and I commend him for his excellent leadership in developing this bill.

Mr. RIEGLE. Mr. President, the outcome of the debate in the Senate in the past 2 weeks will go far in shaping the future of transportation in our Nation. We need a surface transportation bill that will meet the needs of tomorrow and provide a level of fairness for all States. A continuation of old Federal highway policy meets neither of these tests.

The transit piece of the reauthorization of the surface transportation act went through the Banking Committee and I worked to craft a policy that meets the needs of both urban and rural communities. I have already made a statement about that portion of this legislation. Now, I would like to speak about the highway portion of the bill.

Our Nation's economic strength is largely dependent on the quality of our infrastructure. Transportation represents a major component of our economic base; it accounts for about 17 percent of our GNP. Our roads, bridges, railroads, and airports must be in top shape in order to move workers to jobs and goods to markets.

Far too many years now, we as a nation have not invested enough in the quality of our infrastructure, creating enormous physical problems that hamper our Nation's ability to grow economically. In that late 1960's, net investment in public works in the United States was 2.3 percent of GNP; today it is less than one-half of 1 percent. Analysts draw a close connection between the quality of a State's or a nation's infrastructure and its economic productivity. Investment in public works increases productivity in the private sector by improving the ability to move goods and services efficiently. As our investment in public works has dipped, our economy's growth rate has slowed.

Our economic rivals understand the importance of investing in infrastructure. Last year, Japan spent 5.7 percent of their GNP on public works and Germany spent 3.7 percent of their output on physical infrastructure.

Before I share my concerns with the surface transportation reauthorization bill reported by the Environment and Public Works Committee, I would point out that it contains a number of positive attributes. For example, it contains provisions written by the Senator from New Jersey [Mr. LAUTENBERG] to encourage the development of intelligent vehicle highway systems.

IVHS research that is being done at the University of Michigan and at other places around the country promises to reduce traffic congestion, improve safety, and make our roads more efficient. Highway congestion costs us over $40 billion a year in extra fuel costs and lost time. IVHS technology can make travel more efficient by enabling cars and trucks to avoid delays and select the fastest routes. Since it will be difficult and expensive to build new roads connection urban and suburban areas, we need to look at innovative ways, such as IVHS, to reduce congestion.

I am also pleased that the bill contains provisions to meet key needs other areas. Funding to enable communities to improve air quality will help us preserve our environment for the next generation of Americans. Support to help implement the Americans with Disabilities Act is an important step forward in making our Nation accessible to all citizens.

Despite its good points, the original bill as reported by the committee was flawed by a defective funding formula that benefited a number of rural western States and a handful of northeastern States without addressing the transportation needs of the entire Nation. The legislation perpetuated a formula that wasn't appropriated 4 years ago, isn't appropriate now, and won't be appropriate in the future. A highway bill in this form would not benefit the citizens of Michigan and the majority of Americans who depend on safe, uncongested, and well-maintained highways.

Years ago, there was some logic to the idea that relatively greater funding was necessary to build interstates in big, rural States in the West. We all benefit from a country well-connected by highways. But hose highways have been completed and have been for some time. We now need to channel resources toward areas where the roads and bridges have been worn out by wear and tear from intensive use.

Our challenge in this highway bill is to maintain and improve the roads that have been worn by high-traffic volume and age. Sixty percent of U.S. roads are substandard and 40 percent of bridges are structurally deficient or functionally obsolete. We need to pass a highway bill that will address these problems effectively and equitably.

My State of Michigan is among a number of donor States that pay more in gas tax than they receive in highway construction and maintenance funding. These donor States contain the vast majority of citizens and generate the vast majority of economic output in this country. Highway use and congestion tends to be higher in these States than in States that receive more than they contribute. More funding should be allocated to these donor States.

My State of Michigan faces major challenges in the area of transportation over the next 5 years and beyond, but suffers from unfair distribution of Federal highway funding. At a time in which roads and bridges are crumbling in Michigan, its citizens send 15 cents on every gas tax dollar to other States. This inequity must be corrected.

A recent article in the Washington Post entitled "Cutting Corners on Maintenance in Michigan: Cash-Strapped Transportation Engineers Try To Shave Costs Without Sacrificing Safety," outlined the dilemma created by deteriorating roads and bridges and inadequate funding. Bridges in Michigan are not being repaired until they are falling apart. Over 40 percent of the local bridges in my State are inadequate and are in need of repair. But there isn't enough money available to take care of the problem.

The State government can't make up the difference; it doesn't adequately fund worthy road projects now. Human service budgets are being slashed and there is no room in the budget to pay for additional road work. Michigan citizens cannot afford to keep sending so much money to other States to fix their highway problems while their own needs are not being met.

I support the Byrd amendment. This proposal improves the original bill significantly by allocating greater funding to donor States, reducing the flow of tax dollars out of States like Michigan. While it does not address the underlying problems with the funding formula, it sets a common level of funding for the donor States.

The deck was stacked against the donor States. It has taken a great deal of work to craft this amendment that improves the bill and increases funding

to my State and other States that pay more in gas taxes than they receive. I urge my colleagues to support the Byrd amendment.

Mr. MOYNIHAN. Mr. President, we come now to the end of our consideration of the Surface Transportation Act for the day. I believe that it can be said with confidence that the measure will be completed in the early afternoon tomorrow.

There are several amendments that are still to be offered. The very able Senator from Mississippi has one with which we will begin at 10 o'clock in the morning. The Republican leader has an amendment. We are not sure of any others, but they have a way of appearing. In any event, we expect to be to final passage early tomorrow.

I want to thank all Senators for their toughtfulness in the debate today. No one has raised his or her voice. Not everyone has been able to agree about every ratio and every correlation coefficient in these enterprises. But we have been surprisingly equitable about what those points were on which we could not agree.

The bill is intact. An apportionment formula is in place. There was a resounding victory of the proposal by our President pro tempore. I do not know how it can be described as victory; there was no opposition. But there was near unanimous support in that regard, and on the emphatic measure here, the decision on this vote, on the amendment of Senator GRAHAM. The bill is intact. The substance is in no way different than the measure that was reported from the Committee on Environment and Public Works, 15 to 1.

Thanks to the frugal habits of the chairman of the Committee on Appropriations, there is more money for this purpose. I think it will be well spent, and I think we are well on our way to sending this bill to the House.

Mr. SYMMS. Mr. President, I agree with the distinguished floor manager, and it looks to me like if we can get all Senators in tomorrow morning and start moving on these amendments—we have one committee amendment that has been cleared on both sides that takes care of several minor technical and other amendments in the bill. We have the Lott amendment, and there will be a Mack amendment dealing with the census.

And there may not be too many other amendments other than Senator DOLE's amendment on the test of how much States are actually contributing. Once that is settled, I see no reason we cannot go to final passage. I hope we would have this all done by very early in the afternoon, if not even in the morning.

Mr. MOYNIHAN. Mr. President, seeing no Senator wishing to comment, I ask unanimous consent to print several letters in support of the bill into the RECORD at this point.

Tnese letters have been signed by:

The National League of Cities.

The National Conference of State Legislators.

The American Public Transit Association.

The National Association of Regional Councils.

The American Planning Association.

Northeast States for Coordinated Air Use Management.

South Coast Air Quality Management District.

The Surface Transportation Policy Project.

America's Coalition for Transit Now.

The National Trust for Historic Preservation.

Scenic America.

The Rails-to-Trails Conservancy.

The National Wildlife Federation.

The Environmental Defense Fund.

The Natural Resources Defense Council.

The Natural Resources Council of Maine.

1000 Friends of Oregon.

League of Conservation Voters.

Gov. Mario M. Cuomo of New York.

The New York City Chamber of Commerce/New York City Partnership.

The New York Metropolitan Transportation Council.

The Capitol Region Council of Governments (Hartford, CT).

The Chittenden County Metropolitan Planning Organization (Essex Junction, VT).

The Toledo Metropolitan Area Council of Governments.

Neighborhood Transportation Network (Minneapolis, MN).

National Growth Management Leadership Project (Portland, OR).

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

NATIONAL LEAGUE OF CITIES,
Washington, DC, May 20, 1991.

Hon. DANIEL PATRICK MOYNIHAN,
Chairman, Subcommittee on Water Resources, Transportation and Infrastructure, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: On behalf of the cities and towns represented by the National League of Cities, I am writing to express our support for S. 965, the Surface Transportation Efficiency Act of 1991. Local officials believe your legislation would help ensure that federal transportation dollars are used most efficiently and productively by enhancing our nation's commerce centers and our economic vitality.

We are pleased to see the emphasis placed on flexibility for state and local officials in meeting mobility needs. We are also gratified at your recognition that local officials need to play a key role in transportation decision-making.

Specifically, NLC supports preservation and maintenance of the existing Interstate system as our national network of highways, the surface transportation program which separates the needs of urban and rural communities, a separate bridge program, federal matching requirements that are uniform across modes, targeted funding and increased local decision-making in planning and selecting projects within local jurisdictions, and the separate funding to meet congestion and Clean Air goals S. 965 would provide.

We also urge your support for one provision not included in S. 965, billboard reform. We endorse S. 593, the Visual Pollution Control Act, which would allow increased local discretion over sizing and removal of billboards.

Once again, thank you for your leadership in introducing such a far-reaching surface transportation proposal that we believe will help our nation achieve its mobility and environmental goals. We look forward to working with you to achieve Congressional approval of S. 965.

Sincerely,

SIDNEY BARTHELEMY,
President, Mayor, New Orleans.

NATIONAL CONFERENCE OF STATE LEGISLATURES,
Washington, DC, May 1, 1991.

Hon. DANIEL MOYNIHAN,
Chairman, Subcommittee on Water Resources, Transportation and Infrastructure, Committee on Environment and Public Works, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The National Conference of State Legislatures is very pleased that you have introduced S. 965, the Surface Transportation Efficiency Act of 1991. We find it conforms, in large part, to our official policy and addressess many of our objectives concerning flexibility, decisionmaking, responsiveness, and funding. Our support is tempered somewhat by concern about certain details of the legislation, but commend you nonetheless for the approach you have taken.

NCSL has longed called for increased state participation in transportation planning and programming. The current multitude of federal categorical programs has permitted the mere availability of funds to drive state transportation decisionmaking. The inclusion of the new Surface Transportation Program in your reauthorization package effectively expands the ranks of transportation stakeholders, and undoubtedly will shift traditional bases of power. Clearly, comprehensive and consensus planning is the hallmark of this legislation.

The restoration of the states as laboratories can only serve to move the nation's transportation network forward. The goals of the Interstate era will soon be accomplished, and a new state-federal partnership should be founded on progressive goals that recognize the importance of mobility and system efficiency. The national network is only as good as its weakest link, and under this proposal, states will be challenged to make infrastructure improvements which foster an interconnected system. To those critics who decry this proposal as a dismantling of a cohesive federal system, I would respond that a true federal system is the sum of its parts: the states.

You have obviously taken much care in recognizing and providing for the variances among the states. To have done so without generating an acrimonious debate over equitable distribution of federal funds is laudable. The proposal fulfills the commitment to complete the Interstate system and protects states without an adequate revenue base to fully maintain their portion. In those areas where demands are great to improve deficient bridges or where states face federal sanctions for clean air non-attainment, this proposal dedicates needed funding.

The legislation is indeed a bold step in the right direction. As S. 965 is examined by the

Senate, I urge you to take into consideration the following concerns:

(A) The proposed five-year total of $105 billion, while reflecting new budget constraints, does not adequately reduce the Highway Trust Fund surplus nor reclaim last year's five-cent gas tax increase.

(B) Much new authority is extended to non-governmental entities and local governments in the absence of needed clarification of the state role as final arbiter of statewide project priorities and designator of non-federal sources.

(C) In the interest of providing a national non-Interstate network of major arterials to improve commercial access to the Interstate system, the addition of a designated national system would be in order.

(D) The inclusion of a "reprogramming" mandate for state adoption of seatbelt and helmet laws establishes a dangerous precedent for further erosion of state flexibility.

Again, this legislation would allow states to tailor transportation programs to meet specific goals, demands and opportunities. The National Conference of State Legislature looks forward to further refinements to this innovative measure.

Sincerely,

JOHN L. MARTIN,
Speaker, Maine House of Representatives, President, NCSL.

AMERICAN PUBLIC TRANSIT ASSOCIATION,
Washington, DC, May 2, 1991.

Hon. DANIEL P. MOYNIHAN,
Chairman, Subcommittee on Water Resources, Transportation and Infrastructure, Hart Senate Office Building, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The American Public Transit Association wishes to express its support for the concepts embodied in S. 965, the federal surface transportation reauthorization bill.

The transit industry welcomes this proposal, which offers a framework for a new era in transportation policy and investment across the United States.

We are particularly supportive of the Surface Transportation and Congestion Mitigation and Air Quality Improvement Programs. These provisions will provide the flexibility to ensure that national investments in surface transportation also support other national goals, such as clean air, energy conservation and economic development.

S. 965 offers a much-needed restructuring and reorientation of the federal surface transportation program. We applaud your leadership on this legislation and look forward to working closely with you and your colleagues on the Senate Banking Committee to craft a fully-coordinated response to the Nation's surface transportation needs.

Sincerely,

JACK R. GILSTRAP,
Executive Vice President.

NATIONAL ASSOCIATION OF REGIONAL COUNCILS,
Washington, DC, May 9, 1991.

Hon. DANIEL PATRICK MOYNIHAN,
Chairman, Subcommittee on Water Resources, Transportation, and Infrastructure, Committee on Environment and Public Works, Dirksen Senate Office Building, U.S. Senate, Washington, DC.

DEAR SENATOR MOYNIHAN: The National Association of Regional Councils applauds your vision and leadership in introducing highway reauthorization legislation that establishes a fresh, new approach to meeting our nation's metropolitan and rural transportation needs. We fully support your concepts for restructuring the current federal-aid highway program to enable the states and local governments to respond to pressing mobility problems in both metropolitan and rural America.

Our association is the national organization which represents metropolitan planning organizations mandated under federal highway and transit statutes to perform metropolitan transportation planning and program management. Over the last four years local elected officials, who comprise the substantial majority of the governing boards of our member MPOs, have devoted considerable time to assessing and debating a possible future direction for the federal highway and mass transit programs. We collectively have determined that in order to respond more effectively to current and emerging transportation needs, the federal program had to be fundamentally restructured.

We believe the new federal program must be designed in the following manner:

To focus investments on integrated, multimodal approaches to reducing traffic congestion;

To provide sufficient flexibility to invest a broad range of highway, transit, and demand management strategies that will meet mobility needs while responding to environmental concerns such as air quality;

And, to enhance the role of local elected officials in project selection and programming decisions through a strengthened metropolitan planning and programming process. The process we envision would require the collaboration and concurrency of the states, the local governments and transit operators in making transportation investment decisions that respond to federal objectives and to state and regional mobility needs.

We offer our strong support of the Surface Transportation Efficiency Act of 1991, which incorporates the above features. We congratulate you and your colleagues on introducing a bill that offers a bold, new alternative to traditional, modal approaches to meeting mobility needs.

Sincerely,

JOHN A.F. MELTON,
President, National Association of Regional Councils.

T.J. "TED" HACKWORTH,
Chairman, Transportation Advocacy Group.

AMERICAN PLANNING ASSOCIATION,
Washington, DC, May 8, 1991.

Hon. DANIEL P. MOYNIHAN,
Russell Building, Washington, DC.

DEAR SENATOR MOYNIHAN: On behalf of the 27,500 members of the American Planning Association, thank you for introducing S. 965, The Surface Transportation Efficiency Act of 1991. If enacted, this bill would be a major improvement over current law and the Administration's proposal.

We strongly support the flexibility S. 965 gives states and localities in deciding which mode of transportation best meets their mobility needs. By giving states and localities other options, this bill will allow them to develop a transportation system which also helps meet our national goals of economic competitiveness, energy efficiency and environmental quality.

We believe, however, that the planning provisions in S. 965 need some minor clarification in order to be truly effective. We are presently working with staff to address these concerns. We also feel that the inclusion of billboard reform provisions would be an important asset to S. 965.

On the other hand, we are concerned that the National Recreation Trails Act (Title II) was included. It seems to encourage the use of motor vehicles which could increase air pollution in environmentally sensitive areas.

Again, we thank you for introducing this significant legislation and for your leadership.

Sincerely,

CONNIE B. COOPER,
AICP President.

NORTHEAST STATES FOR COORDINATED AIR USE MANAGEMENT (NESCAUM),
May 17, 1991.

Hon. DANIEL PATRICK MOYNIHAN,
U.S. Senate, Washington, DC.

DEAR SENATOR MOYNIHAN: The Northeast States for Coordinated Air Use Management (NESCAUM) are writing to express our strong support for the "Surface Transportation Efficiency Act of 1991", S. 965, which you introduced on April 25, 1991 on behalf of Senators Burdick, Chafee, Lautenberg, and Symms.

NESCAUM is an interstate association of air quality control divisions in Connecticut, Massachusetts, Maine, New Hampshire, New Jersey, New York, Rhode Island, and Vermont. All of our member states, with the exception of Vermont, are either partially or entirely designated as nonattainment areas for the federal criteria pollutant ozone. Most Northeast states also have one or more carbon monoxide nonattainment areas. This situation poses a potential public health threat to millions of residents of the region. Motor vehicles currently contribute approximately 50% of all hydrocarbons, 50% of all oxides of nitrogen, and 75% of carbon monoxide emitted in the Northeast.

As part of the effort to bring all areas of the Northeast into attainment with the National Ambient Air Quality Standards, the NESCAUM states will rely on a host of new programs to minimize emissions from motor vehicles including: (1) the design, manufacture and certification of cleaner new vehicles; (2) the use of less polluting gasoline; (3) the adoption of enhanced inspection and maintenance programs to ensure that in-use vehicles are performing to their design standards; and (4) transportation control measures aimed at reducing vehicle use. Even drastic reductions in emissions from individual vehicles will not be sufficient without strategies to control the increase in vehicle miles travelled. In the past, the rapid growth in automobile use has offset technology gains.

Recent computer modelling exercises for the Northeast transport cooridor suggest that attaining the ozone health standard throughout the region will be difficult even with the implementation of extremely aggressive control measures. The NESCAUM Directors regard the control of growth in vehicle trips and vehicle miles travelled as a key component of the overall strategy to bring all areas of the region into attainment with the National Ambient Air Quality Standards.

S. 965 presents a rational and environmentally sensitive approach to transportation planning in the U.S. which acknowledges the goals outlined in the Clean Air Act Amendments of 1990. NESCAUM supports the basic tenets promoted in S. 965, including the integration of long range transportation and

air quality planning and the flexibility given to states to use transportation funds for either highway or mass transit programs.

NESCAUM strongly supports the $5 billion Congestion Mitigation and Air Quality Improvements Program proposed in Section 107 of the Bill. This program would fund projects capable of contributing to attainment of the NAAQS and would effectively eliminate funding for new roadway capacity, with the exception of high occupancy vehicle facilities where the add-on lanes would exclude single occupant vehicles during peak travel periods. Appropriations under this section would be apportioned according to the severity of the ozone design values, with additional funds allocated to carbon monoxide nonattainment areas. NESCAUM supports the population-based appropriation formula, with a severity factor, for allocating Congestion Mitigation and Air Quality Improvement funds. This process could, however, be strengthened by adopting the VMT Index Amendment proposed by the Environmental Defense Fund. Such a program would provide an economic incentive for states to control or reduce VMT, as required by the Clean Air Act Amendments of 1990.

The Northeast states petition the sponsors of S. 965 to add language to Sections 113 and 114 that would only permit those projects with a rasonable likelihood of being funded during the applicable planning period to be included in plans and programs.

NESCAUM proposes that language be added to S. 965 requiring an annual vehicle registration fee of $4.00, specifically earmarked to state and/or local air quality agencies to offset the cost of transportation and motor vehicle related activities required by this Bill and the Clean Air Act provisions. Although the proposed Bill does recognize and address the need for substantial funding to promote congestion mitigation and air quality improvements, the air quality control agencies in the Northeast are concerned that shrinking state budgets will leave them without sufficient funding to carry out the extensive transportation planning and implementation responsibilities that will be required to meet the ambitious goals of S. 965. See the attached model amendment for specific program format and language suggestions. While it is suggested that this fee be collected as part of the vehicle registration process, states should retain the flexibility to collect these fees through a variety of other mechanisms such as motor vehicle licenses or insurance policies.

While NESCAUM generally supports the equitable federal matching share provisions for all projects the Bill promotes, the Northeast states propose that preferential funding be provided for mass transit programs in nonattainment areas.

S. 965 would promote the integration of transportation and air quality planning, reinforcing the requirements contained in the Clean Air Act Amendments of 1990. The proposed Bill would also significantly reduce infrastructure investment in facilities that promote the proliferation of single occupant vehicle use in areas where such facilities contribute to air quality nonattainment problems. The NESCAUM Directors enthusiastically support the Bill and offer our assistance.

Sincerely,

EDWARD DAVIS,
NESCAUM Chairman.

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT,
El Monte, CA, May 15, 1991.

Hon. QUENTIN N. BURDICK,
Chair, Senate Environment and Public Works Committee, Washington, DC.

DEAR SENATOR BURDICK: The South Coast Air Quality Management District congratulates you and your colleagues on the committee for the introduction of S. 965, which provides a bold new approach to addressing this country's transportation needs.

As you well know, the Clean Air Act Amendments of 1990 establish a link between improvements in transportation efficiency and improvements in air quality. We are heartened that S. 965 confirms this linkage with the creation of a flexible-funding program which allows states and localities to address the key national interests of transportation and energy efficiency, economic competitiveness and environmental quality.

In addition, we are pleased that you and the other co-sponsors of S. 965 have recognized the need to make addressing air quality issues a high priority in nonattainment areas by creating the Congestion Mitigation and Air Quality Improvement Program. This program will significantly improve our opportunities to implement programs which directly address the transportation needs in this, the nation's only extreme air quality nonattainment area, with environmentally sound approaches to our mobility needs.

While we strongly support the program structure and emphasis on efficiency, productivity, and air quality, there are certain provisions of S. 965 that we believe need clarification to ensure effective implementation and integration with the requirements of the Clean Air Act Amendments of 1990. We would like to work with you on these aspects of the bill in the coming weeks.

The South Coast Air Quality Management District commends you and offers our support for this legislation. We offer our cooperation and assistance to you as you continue to address the reauthorization of the Surface Transportation Assistance Act.

JAMES M. LENTS, PH.D.,
Executive Officer.

TRANSPORTATION COALITION PRAISES "INNOVATIVE" SENATE BILL

A bipartisan Senate leadership bill for highway funding, which departs from the Administration's proposal to create a new National Highway System, is an innovative and important step toward a transportation policy in the national interest, according to the Surface Transportation Policy Project (STPP).

"The Senate bill recognizes that local officials need to solve many different transportation problems, not just to build roads," said David Burwell, President of the Rails-to-trails Conservancy, a member of the STPP. "Rather than fund a national highway system more than three times the size of our current interstate system, as proposed by the Bush Administration, the Senate bill instead allows funding to be used for the many kinds of transportation that will best serve the nation's communities and its economy."

By dedicating funds to all forms of transportation, which under the Administration's proposal are dedicated just to highways, the Senate bill makes a fresh start and moves toward a transportation policy that would assure the national interests of energy efficiency, environmental quality, economic competitiveness, and enhanced communities, according to the STPP.

AMERICA'S COALITION FOR TRANSIT NOW,
May 7, 1991.

Hon. DANIEL PATRICK MOYNIHAN,
U.S. Senate,
Washington, DC.

DEAR SENATOR: The undersigned members of America's Coalition for Transit NOW support the major concepts embraced in S. 965, the Surface Transportation Efficiency Act of 1991.

This bill establishes a new and important principle for our Nation's surface transportation system by permitting the use of traditional, federal "highway" funds to finance a broader range of transportation improvements, including transit and rail. The bill explicitly rejects a "more of the same" approach to surface transportation, and charts a future course that responds to a host of national concerns.

The bill will permit state and, in particular, local officials to exercise greater discretion in the use of federal highway funds to achieve national goals including clean air, energy conservation, economic development and congestion relief.

S. 965 offers a surface transportation policy that is equitable and responsive. With the transit legislation being developed by the Committee on Banking, Housing, and Urban Affairs, S. 965 offers the United States a transportation policy that can move our nation into the 21st century.

We urge your support of the important principles around which S. 965 was fashioned.

Sincerely,

ABB Traction Inc., A.B.P. Inc., ACUSON, Aetna Insurance Company, Alliance of American Insurers, Alliance for a Paving Moratorium, Alliance to Save Energy, Amalgamated Transit Union, AFL-CIO, American Chamber of Commerce Executives, American Institute of Architects, American Insurance Association, American Lung Association, American Pedestrian Association, American Planning Association, American Public Health Association, American Public Transit Association, Amphion Environmental, Inc., Angeles Corporation, Association for Commuter Transportation, Association for Public Transportation, Inc., ACORN-Association of Community, Atlantic Track and Turnout Co., AVX Corporation, Bay Area Council, Bearn Stearns & Co.

Building Owners and Management Association International, Cartwright & Goodwin, Inc., Catholic Golden Age, Central Hudson Gas & Electric Corporation, Chase Securities, Inc., Chemical Securities, Inc., Child Welfare League of America, Inc., Coach and Car Equipment Corporation, Community Transportation Association of America, Computer & Communication Industry Association, Consoer, Townsend & Associates, Inc., Conservation Foundation of DuPage County, Consumer Federation of America, DAMES & MOORE, Daniel, Mann, Johnson & Mendenhall, De Leuw, Cather & Company, Dean Witter Reynolds Inc., Del-Jen Inc., Deloitte & Touche, Delon Hampton & Associates, Chartered, Detroit Diesel Corporation, The Detroit Edison Company, Dillon, Read & Co., Inc., Disability Rights Education and Defense Fund, Dumont Electrical Inc.

Edison Electric Institute, Ehrlich Bober & Co., Inc., Electrack Division of EMJ/McFarland-Johnson Engineers, Inc., Fluor Daniel, Inc., Fredrick R. Harris,

Inc., The First Boston Corporation, Gannett Fleming, Inc., GenCorp Polymer Products, General Electric, Gibbs & Hill, Inc., Goldman, Sachs & Co., Greater Philadelphia Chamber of Commerce, Greater Philadelphia First Corporation, Hawaiian Electric Company, Inc., High Speed Rail Association, Hewlett-Packard, Howard, Needles, Tammen & Bergendoff, Hughes Aircraft Company, ICF Kaiser Engineers, Inc., Indiana Transportation Association, Indianapolis Power & Light Company, Industrial Unions Department, AFL-CIO, Institute for Transportation & Development Policy, Institute for Urban Transportation, J.P. Morgan Securities.

J.W. Leas & Associates, The Keith Companies, Katherine McGuinness & Associates, Inc., KPMG Peat Marwick, Lazard Freres & Co., Lebenthal & Co., Inc., Lomarado Group, LS Transit Systems, Inc., Luminator, A MARK IV INDUSTRIES Company, Manufacturers Hanover Securities Corporation, Marin Rainbow Coalition, Marine Midland Banks, Inc., Merrill Lynch Capital Markets, Metropolitan Planning Council of Chicago, Midwest Bus Rebuilders, Corp., Morrison Knudsen Corporation, M.R. Beal & Company, National Association of Area Agencies on Aging, National Association of Counties, National Association of Families Caring for Elders, National Association of Industrial and Office Parks, National Association of Transit Consumer Organizations, National Association of Meal Programs, National Association of Nutrition and Aging Service Programs, National Association of Railroad Passengers.

National Association of Regional Councils, National Council of Senior Citizens, National Council on the Aging, National Easter Seal Society, National Growth Management Leadership Project, National Industries for the Severely Handicapped, National Interstate Insurance Agency, Inc., National Jobs with Peace Campaign, National League of Cities, National Multiple Sclerosis Society, National Rural Electric Cooperative Association, National Urban Coalition, National Urban League, National Womens Political Caucus, National Resources Defense Council, The Nettleship Group, New Flyer Industries, Ltd., New York Building Congress, New York Chamber of Commerce and Industry, New York City Partnership, Older Womens League, Organizations for Reform Now, Paine Webber Incorporated, Paralyzed Veterans of America, Parsons Brinckerhoff Quade & Douglas, Inc., Philadelphia Electric Company.

Portland General Corporation, The Promus Companies, Public Financial Management, Inc., Pryor, McClendon, Counts, & Co., Inc., Read Communications, Renew America, Ricon Corporation, Rides for Bay Area Commuters, Rocky Mountain Institute, Russell's Printing and Publishing, Shearson Lehman Brothers, Sierra Club, Simon & Company, Inc., Stone & Webster Engineering Corporation, The Stride Rite Corporation, Summit Communications, Transportation Communications Union, Transport Workers Union, AFL-CIO, Transportation Manufacturing Corporation, United Auto Workers, AFL-CIO, United Transportation Union, AFL-CIO, United States Conference of Mayors, Universal Coach Parts, Inc., Urban Engineers, Vapor Corporation, Western Insurance Information Services, Wisconsin Power and Light Company, WR Lazard Laidlaw & Mead, Inc.

MAY 8, 1991.

Hon. DANIEL P. MOYNIHAN,
Chairman, Subcommittee on Water Resources, Transportation and Infrastructure, Committee on Environment and Public Works, U.S. Senate, Washington, DC.

DEAR CHAIRMAN MOYNIHAN: We congratulate you and your colleagues on the Senate Environment and Public Works Committee for introducing a bold new approach to meeting our nation's transportation needs. S. 965 represents a dramatic improvement over current law and the Administration's most recent proposal for a new highway program.

By enabling the majority of funds to be spent on the best means of meeting transportation needs, rather than dedicating them just to highways as the Administration has proposed, S. 965 assures that states and localities are able to address the key national interests of transportation and energy efficiency, economic competitiveness, and environmental quality. This is the kind of national program we must have to stay competitive and at the same time maintain our quality of life.

While we strongly support the program structure and emphasis on efficiency, productivity, and air quality, there are certain provisions of S. 965 that we believe need clarification to ensure effective implementation. We also are concerned about the absence of the billboard reform provisions of S. 593 and the inclusion of Title II, which promotes motor vehicle use in environmentally sensitive areas. We would like to work with you on these aspects of the bill in the coming weeks.

Again, we offer you our sincere thanks for the leadership you have shown in introducing this important legislation.

Sincerely,

J. Jackson Walter, National Trust for Historic Preservation; David G. Burwell, Rails-to-Trails Conservancy; Keith A. Bartholomew, 1000 Friends of Oregon; Connie B. Cooper, American Planning Association; Janet S. Hathaway, Natural Resources Defense Council; John J. Bosley, National Association of Regional Councils; Sally G. Oldham, Scenic America; Sharon Newsome, National Wildlife Federation; William J. Roberts, Environmental Defense Fund; Bill Wilkinson, Bicycle Federation of America; Everett B. Carson, Natural Resources Council of Maine.

LEAGUE OF CONSERVATION VOTERS,
Washington, DC, June 13, 1991.

Hon. DANIEL PATRICK MOYNIHAN,
Chairman, Subcommittee on Water Resources, Transportation and Infrastructure, Committee on Environment and Public Works U.S. Senate Washington, DC.

DEAR CHAIRMAN MOYNIHAN: On behalf of the League of Conservation Voters, I am writing to urge you to strongly oppose adoption of the Breaux-Durenberger Amendment to S. 1204, the Surface Transportation Efficiency Act of 1991. This is the most important environmental amendment the Senate will consider during its deliberations of S. 1204, because it is the one amendment that will fundamentally undermine the flexibility states and localities need to shape their transportation systems to reduce air pollution, relieve congestion, and save energy.

This amendment will undermine the state and local flexibility embodied in S. 1204 by requiring that a substantial percentage of flexible funding be earmarked for an undefined National Highway System. The Committee on Environment and Public Works has wisely recommended that the Administration devote the next two years to study the development of this new Highway System. But, the Breaux-Durenberger Amendment will compel states and local governments to spend a substantial share of their funds on projects that may do little or nothing to address state and local transportation needs.

The essential strength of S. 1204 is that it gives states and localities the freedom and discretion to make transportation investment decisions. The Breaux-Durenberger Amendment will cut off that freedom and flexibility and force states and localities to fund a federal road system that will be developed by the federal government without public input, without criteria, and without Congressional review.

Many commentators, transportation experts, environmentalists and Senators have commended S. 1204 for its vision and innovation. The Breaux-Durenberger Amendment will convert S. 1204 into a traditional "highway" bill and hamper the ability of states and localities to meet their transportation needs.

Sincerely,

JIM MADDY,
Executive Director.

STATEMENT BY GOV. MARIO M. CUOMO

The highway bill introduced today by Senator Pat Moynihan demonstrates once again his superb leadership and expertise in developing sensible national legislation. The bill reaffirms the Federal commitment to America's highways, and appropriately acknowledges the necessity of both increased funding and essential improvements to our highway infrastructure.

This is more than just a simple highway bill. It is the blueprint which will propel our vital highway systems into the 21st Century.

Unlike the Administration's recent transportation proposal, Pat Moynihan's bill recognizes that sound Federal highway policy does not simply mean passing greater financial responsibility onto the states. State and local governments continue to outspend significantly the Federal Government for virtually every mode of transportation, and we will continue our substantial support. This new bill increases Federal funding, but appropriately refrains from mandating yet greater state matching requirements.

The Moynihan bill also wisely avoids divisive debate on new formulas for distribution of Federal funds because it provides increased funding to improve existing highways and bridges based on each state's historic share of highway funding. Thus, no state would receive an advantage at the expense of another state.

Enactment of this important legislation makes good sense not only from a national perspective, but from a New York perspective as well. The bill will provide New York with almost $4.5 billion over the next five years for the preservation and improvement of our highways and bridges. In addition, we will receive more than $100 million per year to address aggressively air quality and traf-

fic congestion problems in the New York City metropolitan area and in most of our upstate cities. We are also assured of receiving our full share of the Westway trade-in.

The $90 billion Surface Transportation Efficiency Act of 1991 will provide New York with $1.3 billion more in Federal highway funding than we received over the previous five years.

The proposal offers greater flexibility in the use of Federal funds by allowing states to transfer monies between highway and mass transit accounts. This will enable states to target funds toward their most pressing transportation needs. The bill also provides greater latitude for the development of new potential sources of revenue for highway improvement.

Pat Moynihan demonstrated his usual foresight by including several important traffic safety provisions in his bill. It increases the Federal emphasis on rehabilitating and replacing deficient bridges and on maintenance and preservation of the existing Interstate Highway System. It protects both passengers and property by establishing national seat belt and motorcycle helmet programs similar to those already in place in New York.

With an eye toward the future, the Moynihan bill also provides funding to design, construct, and test a U.S.-developed magnetic levitation (Maglev) transportation system along Federal-aid highway rights-of-way. Maglev has the potential to become a major, efficient, and safe mode of transportation.

I applaud Pat Moynihan for developing and introducing landmark legislation which at once meets the highway rehabilitation needs of today and provides funding and flexibility through a variety of multi-modal measures to address the growing concerns of air quality and traffic congestion. It provides a prudent transition from the highway program that has served this State and Nation so well in the 20th Century to a program designed to meet the transportation needs of the future.

I offer my assistance and that of my Administration in working for the enactment of this important legislation.

NEW YORK CHAMBER OF COMMERCE,
NEW YORK CITY PARTNERSHIP,
New York, NY, May 20, 1991.

Hon. DANIEL PATRICK MOYNIHAN,
U.S. Senate,
Washington, DC.

DEAR SENATOR MOYNIHAN: I want to thank you, on behalf of the New York City Partnership and the New York Chamber of Commerce and Industry, for your leadership in introducing the Surface Transportation Efficiency Act of 1991. We believe your bill, in contrast to the Administration's proposal, will better enable states to achieve the important goals of economic development, congestion relief, clean air, and energy conservation.

Attached is a copy of the letter we sent to the members of the Environment and Public Works Committee urging them to support your bill.

We will continue to work with our members and in coalition with other organizations to ensure that this important legislation becomes law.

Sincerely,

RONALD K. SHELP, *President and Chief Executive Officer.*

NEW YORK METROPOLITAN
TRANSPORTATION COUNCIL,
New York, NY, May 3, 1991.

Hon. DANIEL P. MOYNIHAN,
Russell Senate Office Building, Washington, DC.

DEAR SENATOR MOYNIHAN: I am writing on behalf of the New York Metropolitan Transportation Council (MYMTC) to express our support for the Surface Transportation Efficiency Act of 1991. NYMTC is the Metropolitan Planning Organization (MPO) designated by the Governor for the New York Metropolitan region. Our MPO encompasses New York City, Long Island, and the lower Hudson Valley.

We want to commend you for your leadership in setting a new direction in federal support for transportation. You have taken the words in the USDOT's National Transportation Policy Statement and turned them into bold new legislation. We are particularly pleased with the section on metropolitan planning. It is very supportive of MPOs and provides the necessary funding to meet our expanded responsibilities contained in the bill.

We are hopeful that the Senate Committee on Banking, Housing, and Urban Affairs will produce a companion bill consistent with the major previsions of your bill, particularly in regard to a significant increase in transit planning funds for MPOs.

We look forward to working with you as your bill advances through the Committee and the full Senate.

Sincerely,

ROBERT J. BONDI,
NYMTC Co-Chairperson,
Putnam County Executive.

CAPITOL REGION
COUNCIL OF GOVERNMENTS,
Hartford, CT, April 26, 1991.

Hon. DANIEL PATRICK MOYNIHAN,
Chairman, Sub-Committee on Water Resources and Infrastructure, Committee on Environment and Public Works, Dirksen Senate Office Building, Washington, DC.

DEAR SENATOR MOYNIHAN: I am writing on behalf of the Capitol Region Council of Governments, the Metropolitan Planning Organization for Hartford, Connecticut, to express our strong support for your proposed Surface Transportation Efficiency Act of 1991.

This bill provides the overall policy and fiscal support direction that will allow for planning and implementation a truly integrated transportation system. The incorporation of the Clean Air Act, land use, energy and other concerns is essential as your bill recognizes.

Enactment of this landmark legislation will provide the infrastructure required to ensure the economic viability of the United States in the 21st Century. The Council of Governments will do all it can in supporting you and your efforts to ensure passage of this bill.

Sincerely,

DANA S. HANSON,
Executive Director.

CHITTENDEN COUNTY METROPOLITAN
PLANNING ORGANIZATION,
Essex Junction, VT, April 25, 1991.

Hon. DANIEL PATRICK MOYNIHAN,
U.S. Senate, Washington, DC.

DEAR SENATOR MOYNIHAN: I understand that you will be introducing the "Surface Transportation Efficiency Act of 1991" at 2:30 p.m. today. I believe it is important that federal transportation legislation renew the strong federal-state-regional partnership in providing high quality transportation infrastructure to our nation. This can only be achieved by: 1. Maintaining a strong federal funding presence; 2. Creating balanced systems (highways and public transportation) that are coordinated with land use plans; and 3. Strengthening the urban transportation planning process as performed by metropolitan planning organizations.

Congratulations on developing a workable "common sense" approach to a national transportation program.

Sincerely,

CRAIG T. LEINER,
Transportation Director.

TOLEDO METROPOLITAN AREA
COUNCIL OF GOVERNMENTS,
Toledo, OH, April 26, 1991.

Senator HOWARD METZENBAUM,
Russell Senate Office Building, Washington, DC.

DEAR SENATOR METZENBAUM: On Thursday, April 25, 1991 Senator Moynihan introduced the "Surface Transportation Efficiency Act of 1991". This Bill, which would replace the Administration's "Surface Transportation Act of 1991", would be very beneficial to our hard pressed urban areas.

The Administration and the Congress are proposing the most significant changes to the process by which the federal government is providing funding to the surface transportations system, both highways and mass transportation, since the creation of the Interstate System almost thirty years ago. In February the Administration released its proposed Surface Transportation Assistance Act of 1991. Although generally moving in the right direction, it certainly does not contain all of the necessary policy changes for the next century. In particular, the proposal misses its mark when it deals with managing the transportation problems in urban America.

When the federal government first became involvement in the surface transportation system in the early 1900s it was to solve issues which involved a major segment of its population, the rural population, by "getting the farmers out of the mud." Today the United States is primarily composed of urban centered metropolitan regions. Major modifications are needed to what is being proposed by the Administration to more adequately meet the needs of the majority of our population in the United States which now live in metropolitan areas.

We feel that the Moynihan Bill much more adequately addresses the issues of urban America. It does not put major resources into the National Highway System. It provides more funding for the urban system. It provides more funding and more responsibilities for local elected officials through the Metropolitan Planning Organizations (MPOs), such as TMACOG, to manage the urban problems: congestion and decaying bridges and streets.

We urge your support of this proposal.

Sincerely,

CALVIN M. LAKIN,
Executive Director.

NEIGHBORHOOD
TRANSPORTATION NETWORK,
Minneapolis, MN, May 16, 1991.

Re Surface Transportation Efficiency Act of 1991 (S. Bill 965).

Hon. DANIEL PATRICK MOYNIHAN,
U.S. Senate, Washington, DC

DEAR SENATOR MOYNIHAN: We applaud your sponsorship of S. Bill 965. The bill provides

the vision necessary to enable this country's metropolitan areas to be competitive in a world economy that will face changing and challenging times in the 21st Century. It also provides the courage for this country to address our extreme dependence on automobiles. And it sets a stage that will allow us to come to grips with the heavy prices we are now paying for that dependence in the form of social and environmental consequences.

The Neighborhood Transportation Network is a coalition of community groups in Minneapolis who joined forces to address transportation. Our members represent 45,000 people who are concerned that our air quality does not meet Federal standards—yet the state highway department is striving to bring us Los Angeles-style freeways that will worsen our air quality. And the resulting decreases in transit services will increase unemployment throughout the region among people who depend on transit for their basic needs.

In the 1980s, we became the country's largest metropolitan area that does not have rail transit. We are the largest region that is totally dependent on streets and highways. We are the largest region that is completely vulnerable to fluctuations in the supply and pricing of fossil fuels, located in a State that has no fuel supply of its own.

Now is the time for action. A major fuel crisis will occur in the next 40 years, perhaps the next 20 years. The economic security of Minnesota and of the Twin Cities Metropolitan Area mandates that the highest priority be given to bringing us rail transit.

We urge your continued leadership in crafting the strongest, most environmentally-sensitive, transit-oriented Federal legislation possible. We need your leadership today.

Sincerely,

S. DORÉ MEAD,
President.

NATIONAL GROWTH MANAGEMENT LEADERSHIP PROJECT,
Portland, OR, May 7, 1991.

Re the Surface Transportation Efficiency Act of 1991 (S. 965).

Hon. Daniel Patrick Moynihan,
U.S. Senate, Washington, DC.

DEAR SENATOR MOYNIHAN: I am writing to congratulate you and your colleagues on the Environment and Public Works Committee for introducing S. 965, The Surface Transportation Efficiency Act of 1991, a bill that, if enacted, would establish a bold new approach to meeting the nation's transportation needs. The bill represents a substantial improvement over current law and the Administration's recent proposal for a new highway program.

By enabling the majority of funds to be spent on the best means of meeting transportation needs, rather than dedicating them just to highways as the Administration has proposed, S. 965 assures that states and localities are able to address the key national interests of transportation and energy efficiency, economic competitiveness, and environmental quality. This is the kind of national program we must have to stay competitive and at the same time maintain our quality of life.

The National Growth Management Leadership Project (NGMLP)[1] does have some concerns with certain details of the bill. For example, the section on transportation planning is not, in our opinion, adequate to assure that federally funded transportation projects are integrated with energy efficient land uses. If not corrected, this deficiency could lead to further waste of federal funds by squandering transportation capacity on energy-wasteful sprawl development. Attached is a list of several concepts that could be used to alleviate this program.

The planning provisions aside, the bill's creation of a "Surface Transportation Program" is a monumental improvement. Particularly impressive are the provisions assuring mode neutrality, proportional allocation within each state, and federal match incentives to promote alternatives to single occupancy automobile travel. These are precisely the types of program measures that are essential to providing sustainable, liveable communities across the nation. As the Committee has recognized, current transportation funding priorities are in dire need of adjustment. The Surface Transportation Program of S. 965 provides that adjustment.

NGMLP strongly supports S. 965's program structure and we offer our sincere thanks to you for the leadership you have shown in introducing this important legislation. We would be happy to work with you on possible improvements to the planning sections of the bill.

Very truly yours,

KEITH A. BARTHOLOMEW,
Staff Attorney.

TALKING POINTS—CENTRAL ARTERY

(1) The $2.55 billion for the Central Artery/Third Harbor Tunnel was contained in the Administration's highway reauthorization proposal, was included in the Moynihan bill under debate today, and was included in the Warner substitute bill as well.

(2) The project has had and continues to have broad bipartisan support, from the Bush Administration and the new Republican Weld Administration in Massachusetts to the former Dukakis Administration and Massachusetts' Democratic Congressional delegation.

(3) The state share of funds for the Central Artery/Third Harbor Tunnel was continued in a transportation bond issue passed by the Massachusetts legislature and recently signed into law by Governor Weld. The local funding is in place.

(4) The Federal Highway Administration recently issued its Record of Decision for the project, marking the successful completion of the administrative and environmental review process.

(5) The first major construction contract for the Third Harbor Tunnel, amounting to over $200 million for tunnel tube fabrication and installation, has been advertised for bid and will be awarded this fall. This project is well underway.

(6) The funds in this bill for Massachusetts are there because of a compromise reached in the 1987 Surface Transportation Reauthorization measure. That compromise, which was the result of long and hard work in the House-Senate conference committee, resulted in only a portion of the Central Artery project being eligible for Interstate Construction funding. It is only that portion which is represented by the funds in this bill. There is no reason to tamper with the 1987 compromise. Now the time has come to make good on the Congressional commitment made at that time.

(7) Along with projects in California and Hawaii, the I-90/93 project in Massachusetts represents the last major gap in the Interstate system. The language in this bill is necessary to ensure the efficient closure of this gap and the completion of the Interstate System.

(8) The money in this bill is equivalent to the amount that Massachusetts has lapsed to other states over the past ten years, when adjusted for inflation. In fact, over the past three years alone, Massachusetts has made available, through the Federal Highway Administration's administrative process, over $700 million for re-apportionment to other states. Now that this project is underway, it's Massachusetts' turn to receive the funds to which it is entitled.

CENTRAL ARTERY PROJECT FACTS

The Central Artery (I-93) is the most congested Interstate highway in America. If nothing is done, the region will have 14 hours a day of rush hour congestion.

The Central Artery is not a true Interstate highway. It was designed by the Commonwealth before the beginning of the Interstate program. It does not meet Interstate standards.

Massachusetts proposed to upgrade the Central Artery in 1975. Costs of the depression of the Central Artery were first put in the ICE by FHWA in 1976. These costs have been included in every ICE passed by Congress since 1976, including the 1981 ICE and the ICE passed in March 1984.

The 1987 highway reauthorization limited the portion of the project eligible for federal funds, and only those funds are contained in the present bill.

The project will eliminate the present untenable congestion of the Central Artery. It will eliminate twelve hours of traffic congestion. It will double the capacity of the Central Artery.

According to the AASHTO calculations of cost benefit, the traffic benefits, alone, of the project will save 184.2 million dollars per year. The annual rate of return on the project will be 7.4%. It will save 20.9 million hours of travel time savings per year, almost three times as high as any of the recently approved large Urban Interstate projects (I-105 in Los Angeles, I-478 in New York, I-90 in Seattle, I-10 in Phoenix and I-95 in Baltimore).

The project will employ 75,000 construction workers for the life of the project (7,500 full time jobs per year for the 10 years of construction).

[1] The NGMLP is a confederation of seventeen regional and statewide organizations promoting sound growth management throughout America. Representing more than 125,000 individuals, NGMLP members include organizations from California, Colorado, Florida, Georgia, Hawaii, Illinois, Maine, Maryland, Massachusetts, New Jersey, Oregon, Pennsylvania, Rhode Island, South Carolina, Vermont, Virginia, and Washington.

MORNING BUSINESS

Mr. MOYNIHAN. Mr. President, I ask unanimous consent there be a period for morning business with Senators permitted to speak therein.

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

TRIBUTE TO A.B. "HAPPY" CHANDLER

Mr. THURMOND. Mr. President, I rise today to pay tribute to a great American and a good friend, Albert Benjamin "Happy" Chandler, who passed away on June 15. Happy Chandler was a man of character, compas-

sion, and intellect, and his death is a great loss for both his native State of Kentucky and this Nation.

Happy Chandler was born in Corydon, KY, on July 14, 1898. He earned his undergraduate degree from Transylvania College and his law degree from the University of Kentucky, and served in the Army during World War I.

Happy was from a poor family and his parents separated when he was quite young. Although he attained great heights, he never forgot his humble beginnings and always remained a champion of the common man.

Even as a youngster, Happy made an impression with the positive outlook and upbeat personality that earned him his nickname. Throughout his long and colorful life, he pursued each goal he set with vigor and imagination. Although he is best known for his career in public service, he also practiced law, raised tobacco, and published a weekly newspaper with the same energy and commitment he brought to politics.

Happy Chandler's involvement in Kentucky politics spanned over a half century, and his skill and determination earned him a reputation as a tough opponent and a loyal friend. He served as a State senator, Lieutenant Governor, two-time Governor and U.S. Senator, always bringing his unique perspective to bear on the issues at hand. He also served as a Democratic national committeeman and as commissioner of baseball.

As Governor, he reorganized the State government of Kentucky, overhauling a bureaucracy which was mired in the arcane practices of another century. He was also responsible for the creation of the A.B. Chandler Medical Center at the University of Kentucky, an achievement of which he was justifiably proud.

A well-known fan of athletics, Happy became known as a champion of players' rights during his tenure as baseball commissioner. This did not earn him the gratitude of the owners, but did get him elected to the Baseball Hall of Fame in 1982.

Happy Chandler was a man of passionate beliefs. He was an old-school southern Democrat when it came to big government, believing that government should intrude as little as possible on the private lives of citizens. He was renowned as an orator of rare persuasion and talent, and people came from miles around to hear him speak—sometimes as much for entertainment as anything else. He was also known as a die-hard University of Kentucky fan, and his flamboyant demonstrations of support for Kentucky athletic teams were legendary.

Mr. President, Happy Chandler was a rugged individualist. He was a distinguished stateman, loyal friend, and devoted husband and father. He served Kentucky and this Nation with dedication, integrity, and patriotism and he will be greatly missed.

I would like to take this opportunity to extend my deepest condolences to his lovely wife, the former Mildred Watkins, his four children, and the rest of his fine family at this difficult time.

OUTDOOR ADVERTISING

Mr. HATCH. Mr. President, outdoor advertising is of great economic value to business in Utah and across our country. No other medium of advertising allows the businessperson the selectivity in reaching their clientele as does outdoor advertising. One display 5 miles on the approach side of a highway motel or restaurant will reach a much higher percentage of prospective customers than any other medium.

Outdoor advertising has the built-in ability to reach people while they are on the road to shopping, dining, vacationing, and most other consumer activities. With many shoppers, it is the last advertising they will experience before selecting their purchases.

Outdoor advertising is also superior in the field of brand or name recognition. Nowhere is this more evident than in the field of politics. Most successful politicians rely heavily on outdoor advertising. Here again, the medium's selectivity allows the person running for office to concentrate his message within strict limits. The message is not wasted on areas where it is not needed or heeded.

Proof of the economic value of outdoor advertising is demonstrated by the fact that last year, American businesses spent over $1 billion on outdoor advertising. American businesses are not noted for wasting money; they want results for their dollars, and they get it with outdoor advertising.

ELECTRONIC COMMUNICATIONS PRIVACY ACT

Mr. LEAHY. Mr. President, in 1986, Congress passed the Electronic Communications Privacy Act [ECPA], which updated the Federal wiretap statute to cover emerging technologies. In the 5 years since we passed ECPA, technology has continued to improve at a great pace. Developments in cordless phone technology, improved cellular systems, and caller-ID are examples of changes that demand our continued attention.

I have found that this area raises difficult questions—both in terms of policy and technology. Success depends on approaching these issues with full and accurate information about how the technologies actually work and what impact they will have on the public, the business community, and the Government. It is vital for industry and privacy advocates to work together with Congress to address these new technologies comprehensively. To that end, I convened a task force earlier this year to consider the privacy issues raised in the context of new technologies and to provide its opinions and recommendations to the Technology and the Law Subcommittee.

The task force spent many hours wrestling with the difficult issues arising in the context of new technologies. The final report of the privacy and technology task force is an excellent examination of radio-based technologies, out-of-band signaling, 800- and 900-number services, electronic mail, and government monitoring. I am very grateful to this group for providing not only their expertise, but their time and commitment to furthering our understanding of these issues.

We hear much about the American people becoming discouraged with the legislative process. The work of this task force shows not only that citizens care about the process, but that they are willing to take part in it. It is an extraordinary group and all of us are thankful that they took the time to get involved.

I would like to say a special thank you to John Podesta, who chaired the task force, and Leah Gurwitz, who worked with him to prepare the report. I am grateful to all of the dedicated members of the privacy and technology task force: David Johnson, Esq., Wilmer Cutler & Pickering; Ronald L. Plesser, Esq., Piper & Marbury; Mr. James Sylvester, director of infrastructure, Bell Atlantic; Mr. Elliot E. Maxwell, assistant vice president, policy and issues management, Pacific Telesis; Martina Bradford, Esq., vice president, Government affiars, AT&T; Marc Rotenberg, Esq., Computer Professionals for Social Responsibility; Prof. Glenn Smith, California Western School of Law; Janlori Goldman, Esq., American Civil Liberties Union; Jerry Berman, Esq., Information Technology Project of the American Civil Liberties Union; Mr. Thomas Mills, director of public affairs, New England Telephone—Vermont; Ms. Debra Berlyn, executive director, National Association of State Utility Consumer Advocates; P. Michael Nugent, Esq., associate general counsel and vice president, Citicorp/Citibank; Mr. Michael F. Cavanagh, executive director, Electronic Mail Association; John J. Byrne, Esq., Federal legislative counsel, American Bankers Association; and Mr. John Gilroy, executive director, Vermont Public Interest Research Group.

TERRY ANDERSON

Mr. MOYNIHAN. Mr. President, I rise to inform my colleagues that today marks the 2,285th day that Terry Anderson has been held captive in Lebanon.

WELCOMING THE POLISH-GERMAN TREATY

Mr. PELL. Mr. President, yesterday, Poland and Germany signed a comprehensive treaty that ushers in a new phase in relations between the two countries, and indeed, for all of Europe. The treaty puts to rest the disagreements that have plagued the two nations for generations. In the treaty, Poland and Germany pledge to abstain from using force; to establish the Oder-Neisse line as the definitive Polish-German border; and to guarantee minority rights. It is a historic event scarcely conceivable a few years ago.

I particularly welcome the treaty's unequivocal recognition of the Polish-German border. In the spring of 1990, with the prospect of German unification imminent, I was deeply concerned by the seeming reluctance of West German leaders to declare unambiguously their acceptance of the Polish-German border. At that time, with the cosponsorship of 15 of my colleagues, I submitted a resolution that would have linked United States support for a treaty on German unification to Germany's recognition that its current borders are legal, permanent, and unalterable.

The day after I submitted the resolution, Chancellor Kohl stated his intention to provide the essential assurances about the Polish-German border. He further proposed that the West German Bundestag and the new East German Parliament agree to an identical resolution on the border issue. It was widely reported that international pressure, including that generated by prospective action on my resolution, contributed to Chancellor Kohl's welcome and historic decision.

In October of last year, on the eve of German unification, the United States gave its advice and consent to the Treaty on the Final Settlement with Regard to Germany. In that treaty—signed by the two Germanys, France, Great Britain, the Soviet Union, and the United States—the two plus four—the united Germany pledged to confirm the existing border with Poland. In its consideration of the treaty, the Foreign Relations Committee "ascribed great importance to the fact that the treaty expressed a solemn confirmation and commitment that the borders of the united Germany shall be confined to the territory of the two German states and that the definitive nature of the borders of the united Germany is an essential element of the peaceful order in Europe."

Mr. President, in signing the treaty with Poland, Germany has fulfilled its obligations under the treaty to which we gave our advice and consent last fall. Together with Poland, Germany has made an important contribution to building a new Europe.

MESSAGES FROM THE HOUSE

At 4:31 p.m., a message from the House of Representatives, delivered by Mr. Hays, one if its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 2608. An act making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1992, and for other purposes.

ENROLLED BILL SIGNED

The message also announced that the Speaker has signed the following enrolled bill:

S. 64. An act to authorize appropriations to establish a National Education Commission on Time and Learning and a National Council on Education Standards, and Testing, and for other purposes.

MEASURES REFERRED

The following bill was read the first and second times by unanimous consent, and referred as indicated:

H.R. 2608. An act making appropriations for the Departments of Commerce, State, and Justice, the Judiciary, and related agencies for the fiscal year ending September 30, 1992, and for other purposes; to the Committee on Appropriations

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-102. A resolution adopted by the Senate of the State of Michigan; to the Committee on Armed Services.

"SENATE RESOLUTION 152.

"A resolution honoring the National Guard and Reserves.

"Whereas, The members of this legislative body unite to honor the military forces of the United States, in conjunction with their coalition allies, who have successfully forced Iraq to give up its hold on the nation of Kuwait. We strongly urge the President, the Secretary of Defense, and the Congress to ensure that the post-war Michigan National Guard forces structure and equipping levels will reflect the outstanding job done by our troops in the Desert Shield/Desert Storm Operation and will assure their capability to meet federal constitutional responsibilities as part of the Total Force, and also to fulfill their responsibilities to the state as a civil and natural disaster response force; and

"Whereas, Michigan Army and Air National Guard and Reserve forces of the Army, Navy, Air Force, Marines, and Coast Guard have served valiantly alongside their active component counterparts in their courageous effort. These brave men and women can now return to their homes and families; and

"Whereas, We commend those employers, support groups, and all other citizens who have so generously and steadfastly supported these brave men and women while they were serving in the Gulf and who assisted in easing the burdens placed on their families and loved ones during their absence in the service of freedom; now, therefore, be it

"Resolved by the Senate, That we recognize the outstanding role that our National Guard and Reserve forces played in fulfilling their Desert Shield/Desert Storm mission as part of this nation's total force. We commend the President, the Secretary of Defense, the Service Secretaries and their staffs on the confidence that they placed in our troops and, we pledge the continued efforts of this state to provide capable National Guard forces fully committed to their Total Force role. We strongly urge the President, the Secretary of Defense, and the Congress to ensure that the post-war Michigan National Guard forces structure and equipping levels will reflect the outstanding job done by our troops in the Desert Shield/Desert Storm Operation and will assure their capability to meet federal constitutional responsibilities as part of the Total Force, and also to fulfill their responsibilities to the state as a civil and natural disaster response force; and be it further

"Resolved, That suitable copies of this resolution be transmitted to the President of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives, the Secretary of Defense, and each member of the Michigan congressional delegation, and the Michigan National Guard and Reserves."

POM-103. A joint resolution adopted by the Legislature of the State of Alaska; to the Committee on Armed Services:

"JOINT RESOLUTION 29

"Be it resolved by the Legislature of the State of Alaska:

"Whereas the members of our Armed Forces were called upon to liberate Kuwait and defend Saudi Arabia and Israel from the aggression of Iraq; and

"Whereas many of the U.S. troops sent to the Persian Gulf were pulled away from civilian lives at great personal sacrifice; and

"Whereas many of our U.S. troops, including Sergeant David Douthit of Alaska, made the ultimate sacrifice by giving their lives while serving in the Middle East; and

"Whereas the Allied troops endured the uncertainties and hardships caused by separation from their loved ones for months while stationed in the harsh climate of the Middle Eastern desert under conditions that left them vulnerable to unpredictable missile attacks and terrorist activities; and

"Whereas the troops successfully performed their mission with great dispatch, exemplifying the high degree of dedication, professionalism, and training that underlies the technological and strategic superiority of our military strength;

"Be it resolved that the Alaska State Legislature:

"(1) commends the bravery of Alaska's military personnel, all the men and women who served in the Allied Forces in the Persian Gulf, and the civilians residing in the area; and

"(2) congratulates the Allied commanding officers for pursuing tactics that led to a speedy cease-fire to end the ground war with very little loss of American or other Allied troops' lives; and be it

"Further resolved that the legislature requests the Alaska Legislative Council to direct the Legislative Affairs Agency to send the following message to all returning Alaskans and persons stationed in Alaska who served in the U.S. military forces in the Persian Gulf conflict: 'The Alaska State Legislature thanks you heartily for your efforts in stopping Iraq's aggression, liberating Kuwait, and laying the foundation for a just and lasting peace in the Middle East. You deserve a hero's welcome.'"

POM-104. A concurrent resolution adopted by the Legislature of the State of Hawaii; to the Committee on Appropriations:

"HOUSE CONCURRENT RESOLUTION 117

"Whereas, in 1954 the people of Rongelap Atoll in the Marshall Islands were exposed to radioactive fallout from the United States "Bravo" nuclear weapons test, and within three days the people of Rongelap were removed from their ancestral homeland; and

"Whereas, these people returned three years later in 1957, after they were assured by U.S. scientists that Rongelap Atoll was once again safe; and

"Whereas, following their return, the people from Rongelap began to experience cancer and other health problems not previously experienced, notwithstanding U.S. assurances to the contrary; and

"Whereas, they concluded that these problems were caused by the radiation from the U.S. atmospheric nuclear weapons tests in the Marshall Islands; and

"Whereas, in 1985 the Rongelap people were again forced from their ancestral home because they feared for the safety of their children; and

"Whereas, this fear was generated by a U.S. Department of Energy report that suggested that their homeland was dangerously contaminated with radiation left by radioactive fallout; and

"Whereas, the United States Congress recognized the plight of the Rongelap people in 1985 and acknowledged an obligation to address it; and

"Whereas, Congress included a special provision within the Compact of Free Association (Compact) with the Marshall Islands enabling legislation that:

"(1) Mandated a review of the U.S. Department of Energy Report that had caused the people to flee Rongelap; and

"(2) Directed that an independent, comprehensive scientific study of Rongelap Atoll be undertaken if necessary to ensure its safety and habitability;

"and

"Whereas, after the initial study, questions still remain as to the safety and habitability of Rongelap Atoll, and further scientific study is now under consideration; and

"Whereas, it is essential that the plight of the Rongelap people, who remain exiled from their homeland, must not be forgotten as these studies are undertaken; and

"Whereas, since 1985 the Rongelap people have lived a life of hardship on a remote and desolate island; nevertheless, they face their day-to-day existence with courage, trusting that the United States will fulfill the commitment made to them in 1985 and that one day they will indeed be able to return home without fear; and

"Whereas, the Rongelap people have suffered life in exile for close to six years, yet no one can offer or promise with any certainty when, if ever, the Rongelap people will safely return home; and

"Whereas, as new and potentially lengthy scientific studies commence, the hardships of the Rongelap people must, first and foremost, be alleviated because this suffering, although courageous, people deserve no less; and

"Whereas, the United States stood for many years as the United Nations guardian and trustee of the freedom and independence the Marshall Islands now enjoy; and

"Whereas, there is little question that the people of Rongelap have, both individually and as a group, been adversely affected by the past U.S. atmospheric nuclear weapons testing program; and

"Whereas, to permit the Rongelap people to await an answer to their fate without assistance is morally wrong because this would deny them the rights and benefits to which they are entitled under the Compact; and

"Whereas, if the Compact is to serve the best interests of both the people of United States and the people of the Republic of the Marshall Islands, it must first and foremost serve the interests and protect the rights of those whose freedom and independence the Compact was designed to guarantee because the Compact cannot, nor will it ever, succeed in this endeavor if the people of Rongelap fail to find meaning within the scope of the Compact; and

"Whereas, this is a matter of humanitarian concern, and the Legislature seeks to ensure that the obligations to the people of the Marshall Islands, as those obligations have been set forth in the Compact, are guaranteed to the fullest extent; and

"Whereas, Hawaii's historical relationship with the people of these Pacific Islands commands no less; now, therefore,

"Be it resolved by the House of Representatives of the Sixteenth Legislature of the State of Hawaii, Regular Session of 1991, the Senate concurring, that the Hawaii Congressional delegation be requested to secure without delay such funds as are necessary to ensure humanitarian assistance and relief to the People of Rongelap while they await the outcome of those studies that are undertaken pursuant to Section 103(i) of the Compact of Free Association; and

"Be it further resolved that the U.S. Congress immediately provide this humanitarian assistance to the Rongelap Atoll Local Government of the Republic of the Marshall Islands for the express purpose of improving the Rongelap people's current living conditions, meeting their special needs, and otherwise addressing the unique circumstances following the aftermath of U.S. atmospheric nuclear weapons testing; and

"Be it further resolved that certified copies of this Concurrent Resolution be transmitted to the President of the United States Senate, the Speaker of the United States House of Representatives, the Hawaii Congressional Delegation, President Amata Kabua of the Republic of the Marshall Islands, and Senator Jeton Anjain of the Republic of the Marshall Islands."

POM-105. A resolution adopted by the Legislature of the State of Michigan; to the Committee on Appropriations:

"SENATE RESOLUTION 84

"Whereas, there is a consensus among educators, business leaders, and policymakers that United States students are lagging far behind students of other industrialized nations in nearly every area of learning; and

"Whereas, it is also widely acknowledged that our country's future economic success and competitiveness are dependent upon a strong and productive educational system; and

"Whereas, the federal government contributes large sums of money to the states to fund welfare and other social programs, but contributes less than ten percent of the total funding necessary for educating our young people; and

"Whereas, the resources of the federal government would be better spent on educating our young people so that they can become productive members of our society, thereby relieving the demand for funds to be used to address problems caused by a deficient education system; now, therefore, be it

"Resolved by the Senate, That we hereby memorialize the United States Congress to appropriate more money to the states for K-12 education; and be it further

"Resolved, That a copy of this resolution be transmitted to the President of the United States Senate, the Speaker of the United States House of Representatives, and the members of the Michigan congressional delegation."

POM-106. A concurrent resolution adopted by the Legislature of the State of Minnesota; to the Committee on Appropriations:

"CONCURRENT RESOLUTION 3

"Whereas, Congress enacted the low-income home energy assistance program in 1981 to provide funds to low-income Americans to help them pay for the costs of energy to heat their homes; and

"Whereas, since 1986, the funding level for the program has been reduced by approximately $600 million to a level of $1.415 billion, while eligibility for the program has been expanded to include energy assistance for household cooling, resulting in financial hardship for many low-income Americans in cold-weather states; and

"Whereas, the secretary of health and human services has indicated, in a letter to the federal office of management and budget, his intention to reduce program funding by two-thirds, to $468 million for fiscal year 1992, and to concentrate operation of the program in the six New England states, New York, New Jersey, and Pennsylvania, where low-income residents are most likely to use fuel oil for home heating; and

"Whereas, sharply curtailing the funding and availability of program funds in states, like Minnesota, with harsh climates could result in life-threatening conditions for low-income persons; now, therefore,

"Be it resolved by the Legislature of the State of Minnesota that the President and Congress should resist efforts to reduce funding for the low-income home energy assistance program and to concentrate its operations in a few selected northeastern states, to the detriment of other cold-weather states like Minnesota.

"Be it further resolved that Congress should increase the appropriation to the low-income home energy assistance program to reflect the increasing cost of heating fuel and to anticipate events that could further affect its cost and supply.

"Be it further resolved that the President should support and sign into law legislation enacted by Congress increasing the appropriation to the low-income home energy assistance program and should disavow the efforts of his secretary of health and human services to curtail operations of the program in most of the country.

"Be it further resolved that the Secretary of State of Minnesota shall transmit copies of this resolution to the President of the United States, the President and the Secretary of the Senate of the United States, the Speaker and the Clerk of the House of Representatives of the United States, and to Minnesota's Senators and Representatives in Congress."

POM-107. A concurrent resolution adopted by the Legislature of the State of Louisiana; to the Committee on Armed Services:

"SENATE CONCURRENT RESOLUTION NO. 59

"Whereas, the closure of England Air Force Base would result in a serious negative impact on the economy of Rapides Parish and central Louisiana; and

"Whereas, the local community would need all assistance available to avoid as much as

possible a very critical downturn in the local economy; and

"Whereas, a transfer of the physical properties to local authorities would aid in assisting economic development for the local and regional community to offset the negative impact resulting from a closure of the base.

"Therefore, be it resolved that the Legislature of Louisiana memorializes the Congress of the United States to transfer England Air Force Base to local authorities in the event that the base is closed.

"Be it further resolved that a copy of this Resolution be transmitted to the Secretary of the United States Senate and to the Clerk of the United States House of Representatives and to each member of the Louisiana congressional delegation."

POM-108. A resolution adopted by the House of Representatives of the State of Hawaii; to the Committee on Armed Services:

"HOUSE RESOLUTION 106

"Whereas, pursuant to United Nations and Congressional authorizations, the United States led a coalition of 28 nations to implement the 12 UN resolutions calling on Iraq inter alia to withdraw from Kuwait; and,

"Whereas, General Norman Schwarzkopf planned and brilliantly directed Operation Desert Storm which ousted Iraq from Kuwait with an astoundingly small number of casualties; and,

"Whereas, Iraq has formally accepted all 12 UN resolutions and has begun implementing them by annulling its annexation of Kuwait and returning Allied prisoners and Kuwaiti civilian detainees; and,

"Whereas, the United States has long sought to promote a settlement of the Arab-Israeli conflict and succeeded, under President Jimmy Carter ten years ago, in bringing peace between Israel and Egypt; and,

"Whereas, in his speech to Congress on March 6, 1991, President George Bush pledged to work for peace and reconstruction in the Middle East; now therefore,

"Be it resolved by the House of Representatives of the Sixteenth Legislature of the State of Hawaii, Regular Session of 1991, that this body acclaim President George Bush for his decisive leadership, congratulate General Schwarzkopf for his brilliant generalship, and applaud the bravery and courage of all the men and women of all 28 nations for the complete success of Operation Desert Storm in carrying out the United Nations mandate; and reaffirm our support of United States policy for peace and reconstruction in the Middle East."

POM-109. A concurrent resolution adopted by the Legislature of the State of Minnesota; to the Committee on Armed Services:

"CONCURRENT RESOLUTION 1

"Whereas, the President of the United States, with the authorization of Congress, has ordered military action against Iraq in an effort to force Iraqi Armed Forces from occupied Kuwait; and

"Whereas, more than 500,000 men and women of the United States Armed Forces are now involved in armed conflict; and

"Whereas, 158,000 members of the Reserves and National Guard have been called to active duty since August 22, 1990, and approximately 2,400 from Minnesota have become involved in armed conflict; and

"Whereas, the citizens of Minnesota have great pride in the men and women of the United States Armed Forces and support them in their efforts; and

"Whereas, the citizens of Minnesota deeply appreciate the great personal sacrifices being made by our military personnel in the Persian Gulf and by their families and loved ones back home; now, therefore,

"Be it resolved by the Legislature of the State of Minnesota that it joins Congress in unequivocally supporting the men and women of our Armed Forces who are carrying out their missions with professional excellence, dedicated patriotism, and exemplary bravery.

"Be it further resolved that the Legislature supports the President in negotiating a peaceful settlement of the conflict.

"Be it further resolved that it calls upon all the parties to the conflict to minimize civilian casualties and to honor international law including the Geneva Convention on prisoners of war.

"Be it further resolved that the Legislature urges federal, state, and local government agencies, religious institutions, employers, schools, charitable organizations, and all our citizens to do all that is humanly possible to assist the families and loved ones of our Armed Forces members with all necessary and available support.

"Be it further resolved that the Legislature requests the Governor of the State of Minnesota to declare a day of prayer for peace and to ask all religious institutions to participate.

"Be it further resolved that the Legislature deplores the burning or disrespectful use of our National Flag and reaffirms its support for the Constitution and the Bill of Rights.

"Be it further resolved that the Secretary of State of the State of Minnesota is directed to prepare certified copies of this memorial and transmit them to the President of the United States, the President and Secretary of the United States Senate, the Speaker and Chief Clerk of the United States House of Representatives, and Minnesota's Senators and Representatives in Congress."

POM-110. A resolution adopted by the Senate of the State of Michigan; to the Committee on Armed Services:

"SENATE RESOLUTION 146

"A resolution to memorialize the Congress of the United States and officials of the Pentagon to transfer the tanker unit of Wurtsmith Air Force Base to Selfridge Air National Guard Base if the Wurtsmith facility is closed.

"Whereas, United States Secretary of Defense Richard Cheney has included the Wurtsmith Air Force Base near Oscoda on a list of bases that the Pentagon is considering closing as a cost-saving measure. The Wurtsmith Air Force Base includes two main units, a squadron of B52 bombers and a squadron of KC135 refueling tankers; and

"Whereas, The closing of the Wurtsmith base would be a major loss for the state of Michigan. While we would hope that such a loss would not have to occur at all, if the Wurtsmith Air Force Base is closed, it would seem prudent from many points of view to locate the tanker aircraft within Michigan. There would likely be advantages in relocation costs to a facility reasonably close to Wurtsmith. In addition, the major loss in jobs and money would be softened considerably if Michigan could keep as much of the units as is possible; and

"Whereas, Selfridge Air National Guard Base in Macomb County offers an opportunity to maintain the tanker unit in this state. The capabilities of Selfridge would easily accommodate the addition of the tanker aircraft, while keeping some of the jobs and payroll loss from the base closing within this state; now, therefore, be it

"Resolved by the Senate, That the members of this legislative body hereby memorializes the Congress of the United States and the United States Department of Defense to consider relocating the tanker unit from Wurtsmith Air Force Base to Selfridge Air National Guard Base if the Wurtsmith facility is closed; and be if further

"Resolved, That a copy of this resolution be transmitted to officials of the United States Department of Defense, the President of the United States Senate, the Speaker of the United States House of Representatives, and the members of the Michigan congregational delegation."

POM-111. A concurrent resolution adopted by the Legislature of the State of Hawaii; to the Committee on Energy and Natural Resources:

"SENATE CONCURRENT RESOLUTION 185

"Whereas, upon the annexation in 1899, the Republic of Hawaii ceded to the United States of America approximately 1,800,000 acres of land and other public property at no cost to the United States government; and

"Whereas, since the annexation, Congress had indicated in various measures that a special trust relationship exists between the public land ceded to the United States and the inhabitants of Hawaii; and

"Whereas, the Hawaiian Homes Commission Act, 1920, as amended, enacted in 1921 by the United States Congress provides for the rehabilitation of the native Hawaiian people through a government sponsored homesteading project; and

"Whereas, because of various restrictions and the exclusion of some of the best agricultural lands, the Act was significantly weakened, and the realization of the goals of the Act were severely handicapped due to the quality, characteristics, and location of the remaining lands; and

"Whereas, when Hawaii joined the Union as a state on August 21, 1959, the State accepted the terms of admission in the Admission Act which enabled the federal government to retain control of 409,555 acres of ceded land, including the island of Kaho'olawe and 237,048 acres of land used for national parks; and

"Whereas, the State received approximately 1,200,000 acres of ceded land from the United States, for five purposes stated in Section 5(f) of the Admission Act; and

"Whereas, the State entered into a compact with the United States to assume the duties of the management and disposition of the Hawaiian home lands; and

"Whereas, Act 395, the Native Hawaiian Trusts Judicial Relief Act was enacted in 1988 and Section 5 of the Act requires the Governor to present to the 1991 Legislature proposals to resolve controversies that occurred between August 21, 1959 and July 1, 1988; and

"Whereas, the Governor submitted such proposals in a report titled An Action Plan to Address Controversies Under the Hawaiian Home Lands Trust and the Public Land Trust in compliance with Section 5 of Act 395, Session Laws of Hawaii 1988; and

"Whereas, the Legislature finds that the action plan meets the intent of Section 5 of Act 395, Session Laws of Hawaii 1988; and

"Whereas, the action plan was reviewed and discussed in a series of public meetings at various sites across the State, including Hawaiian homestead and other communities with large Hawaiian and native Hawaiian

populations, giving the beneficiaries of the trusts and others an opportunity to express their reactions to the plan and other concerns; and

"Whereas, the Legislature has held public hearings to allow further review and comment from beneficiaries and others about the action plan and related legislation; and

"Whereas, the Legislature continues to have concerns about the following issues:

"(1) A desire of beneficiaries for more input into the Commission's decisions resolving land claim disputes;

"(2) Beneficiaries' concern with restrictions placed on beneficiary access to Department of Hawaiian Home Lands water, the adequacy of water reservations for future development, acceleration of the water infrastructure construction schedule, and more information on rate basis;

"(3) A need for acceleration of subdivision infrastructure construction and more frequent progress reports on the master planned communities;

"(4) The concern of many beneficiaries that applications for homestead waiting lists are not handled in a consistent manner and that policies are not written and readily available for public inspection; and

"(5) The extent and nature of individual claims that may be brought as a result of breaches of trust under the Hawaiian Homes Commission Act, as well as the cost and appropriateness of specific remedies; now, therefore,

"Be it resolved by the Senate of the Sixtenth Legislature of the State of Hawaii, Regular Session of 1991, the House of Representatives concurring, that the Legislature accepts the Governor's action plan to address controversies under the Hawaiian Home Lands Trust and the Public Land Trust; provided that the following issues be addressed to strengthen the action plan, by amending the report to:

"(1) Forbid the implementation by the Hawaiian Homes Commission of proposed resolutions of land claim disputes without opportunity for public input including input from the trust beneficiaries; the Hawaiian Home Lands Claims Task Force should report to the 1992 Legislature on its work and accomplishments, recommendations for appropriation of funds, conveyance of additional lands to the Department of Hawaiian Home Lands, and other matters;

"(2) Require the Department of Hawaiian Home Lands to present a plan of action with the necessary budget requests to accelerate construction of water systems which ensure that beneficiaries have access to water in any location where water restrictions are preventing homesteading activities and that sufficient provisions are made for future water needs in new homestead communities; and

"(3) Require the state administration to pledge to authorize the sale of additional general obligation bonds to finance the design and construction of on-site and off-site improvements required as a prerequisite for subdivision and home construction for all lots awarded on an unimproved basis prior to 1991; and

"Be it further resolved that an interim legislative committee be created by appointments by the President of the Senate from the Senate Committee on Housing and Hawaiian Programs and Ways and Means, and by the Speaker of the House of Representatives from the House Committees on Water, Land Use and Hawaiian Affairs, and Finance, in consultation with the Office of Hawaiian Affairs, the Department of Hawaiian Home Lands, the Office of State Planning, and affected community groups to:

"(1) Explore land exchanges, transfers, and return of ceded lands to the Department of Hawaiian Home Lands or the Office of Hawaiian Affairs, or both;

"(2) Explore the issue of compensation for these land transfers, including the question of going beyond a value-for-value basis, the right of first refusal when lands are returned to the State, and the resulting impacts on the Hawaiian Home Lands Trust and the Public Land Trust;

"(3) Explore the possibility of allocating twenty per cent of revenues derived from August 1959 to June 15, 1980 to either the Hawaiian Home Lands Trust or to the Office of Hawaiian Affairs if the federal government is required to pay to the State all revenues from leases, rents, and revocable permits from federally-controlled ceded lands;

"(4) Prepare comprehensive legislation to implement the Governor's Action plan; and

"(5) Propose legislation which would implement the findings of the interim committee; and

"Be it further resolved that a claims review panel accept, investigate, and develop advisory opinions on the merit and possible compensation of each individual beneficiary claim arising as a result of breaches of trust under the Hawaiian Homes Commission Act that occurred between August 21, 1959 and July 1, 1988 in a report for discussion by the State Legislature; and

"Be it further resolved that the findings and recommendations of the interim legislative committee be presented for public hearing and discussion during the Regular Session of 1992; and

"Be it further resolved that certificated copies of this Concurrent, Resolution be transmitted to the Governor, the members of Hawaii's, congressional delegation, the commissioners of the Hawaiian Homes Commission, the trustees of the Office of Hawaiian Affairs, the Chairperson of the Hawaiian Homes Commission, the Director of the Office of State Planning, the President of the Senate, and the Speaker of the House of Representatives."

POM-112. A resolution adopted by the Legislature of the State of Hawaii; to the Committee on Energy and Natural Resources:

"SENATE RESOLUTION 192

"Whereas, the federal government has the power of eminent domain to take private property for public use; and

"Whereas, that power to deprive an individual of ownership of private property has been described as a power that can be used to terrorize and oppress the owner of property unless that power is kept in check by clear and specific limitations which are designed to protect the property rights of the individual; and

"Whereas, inherent in the reason for the power of eminent domain is the dedication of the property to the public use for which the property is condemned; and

"Whereas, if the property so condemned is no longer utilized or required for the public use initially intended under the condemnation, the reason for the condemnation no longer obtains; and

"Whereas, the original private landowners of such condemned properties should have a right to regain ownership of their properties which are no longer being used for the particular public use for which it was originally condemned under the federal government's eminent domain powers; now, therefore,

"Be it resolved by the Sixteenth Legislature of the State of Hawaii, Regular Session of 1991, that it is the sense of this body that all lands originally condemned by the federal government for particular public uses and which are no longer used for such particular public uses should be returned to the original landowners on mutually acceptable terms and conditions with the federal government; and

"Be it further resolved that the Congress of the United States be and is hereby requested to fashion, consider, and enact appropriate legislation to provide for the return of lands originally condemned by the federal government for public uses and which are no longer used for such public uses to the original landowners on equitable terms, and compensation; and

Be it further resolved that certified copies of this Resolution be transmitted to the President of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives, and Hawaii's congressional delegation."

POM-113. A resolution adopted by the House of Representatives of the State of Florida; to the Committee on Energy and Natural Resources:

"HOUSE MEMORIAL 955

"Whereas, the use of domestic alternatives to oil in the nation's motor vehicles could reduce our nation's foreign trade deficit and relieve our dependence on foreign oil and foreign governments, and

"Whereas, alcohol fuels for motor vehicles can be produced from domestically grown crops, such as corn, sugar cane, beets, and wheat, as well as from inedible vegetable waste, and

"Whereas, the American farmer could grow crops for alcohol fuel on farmland currently withheld from production, saving tax dollars paid in government subsidies to farmers not to grow crops, and

"Whereas, the production of alcohol fuels is labor intensive and would provide employment for large numbers of American workers, and

"Whereas, the use of cleaner-burning alcohol fuels, rather than oil, in motor vehicles would result in reduced carbon monoxide and ozone emissions, thus reducing air pollution and protecting the environment, and

"Whereas, alcohol fuels are a renewable resource, in direct contrast to oil, which is a finite, nonrenewable resource: Now, therefore, be it

Resolved by the Legislature of the State of Florida, That the Congress of the United States is hereby urged to take such action as may be necessary to initiate a comprehensive program to develop alcohol fuels and convert the nation's fuel economy from dependence on oil to the use of alcohol as the primary fuel for the nation's motor vehicles.

"Be it further resolved that copies of this memorial be dispatched to the President of the United States, to the President of the United States Senate, to the Speaker of the United States House of Representatives, and to each member of the Florida delegation to the United States Congress."

POM-114. A joint resolution adopted by the Legislature of the State of Colorado; to the Committee on Environment and Public Works:

"SENATE JOINT RESOLUTION 91-26.

"Whereas, Legislation will be introduced in the One Hundred and Second Congress to reauthorize the "Resource Conservation and Recovery Act"; and

"Whereas, Through said legislation the Congress will determine whether the Envi-

ronmental Protection Agency or the state governments will have the lead regulatory authority over mine wastes; and

"Whereas, In Colorado mining continues to produce almost one-half of one billion dollars worth of minerals annually and is a major source of employment in many rural areas; and

"Whereas, In Colorado it is understood that mine wastes differ dramatically from each other and from industrial, municipal, and hazardous wastes and should be regulated by state experts knowledgeable in mine specific wastes; and

"Whereas, In Colorado the state regulates all mining operations and requires extensive reclamation of all permitted mines through the "Mined Land Reclamation Act of 1976" which recognizes that handling and disposal of mine wastes must be based on site specific factors; and

"Whereas, In Colorado mining operations are also regulated by the "Water Quality Control Act", which includes surface water, ground water, and storm water controls, and the "Air Quality Control Act", and numerous other state environmental programs; and

"Whereas, In Colorado, the General Assembly is concerned about the unnecessary duplication and growth of federal requirements and the increase in bureaucratic entanglements even though the state is responding adequately to protect the public health and welfare and the environment; and

"Whereas, In Colorado the General Assembly through various environmental statutes has recognized the need to balance economic development with environmental protection in order to assure continued mineral production along with sound environmental practices; and

"Whereas, In Colorado the General Assembly opposes the establishment of federal mandates which may be imposed upon the state without funding and without considering the costs to the state; and

"Whereas, In Colorado the Governor and the General Assembly believe that permitting authority over mine waste should remain with the state agencies and not be usurped by the Environmental Protection Authority; and

"Whereas, The Environmental Protection Agency should only be given authority to develop guidelines, set minimum program requirements, and review programs and permits but not have authority to issue or deny permits if they comply with the approved state mine waste programs; now, therefore,

Be It Resolved by the Senate of the Fifty-eighth General Assembly of the State of Colorado, the House of Representatives concurring herein:

"That the Colorado General Assembly hereby urges the Congress of the United States to adopt a provision in the "Resource Conservation and Recovery Act" that allows the states to continue to have the permitting authority and to maintain control of the regulation of mine wastes and that any changes in programs under the "Resource Conservation and Recovery Act" should establish a state based approach for protection of public health and the environment taking into account site specific, waste specific, and waste management specific practices that are currently in use.

"*Be It Further Resolved*, That copies of this resolution be sent to the President of the United States Senate, the Speaker of the United States House of Representatives, Members of the Senate Committee on Environment and Public Works, Members of the House Committee on Energy and Commerce, to each member of the Colorado Congressional delegation, to the Energy and Environment and Executive Committees of the National Conference of State Legislatures, the Executive Committee of the Western Legislative Conference, and the Executive Committee of the Western Governors Association."

POM-115. A joint resolution adopted by the Legislature of the State of Alaska; to the Committee on Environment and Public Works:

"JOINT RESOLUTION NO. 16

"Be it resolved by the Legislature of the State of Alaska:

"Whereas the construction and maintenance of an adequate highway system is vital to the economic health of the states and the nation; and

"Whereas the principle of relying on user fees held in a trust fund to finance the federal highway program has been recognized as a sound one by the Congress; and

"Whereas, as a response to the federal deficit, the Congress enacted a five-cent motor fuels tax increase, of which half was earmarked for the federal highway trust fund with one-half cent designated for transit projects, and this increase is scheduled to expire in 1995; and

"Whereas the Congress has for too long been holding back the highway trust fund money from its intended use in order to make it appear that the federal budget deficit is not as large as it actually is; and

"Whereas the money in the highway trust fund is sorely needed by the states for their highway systems; and

"Whereas the unique nature of Alaska's transportation needs has been recognized through an exemption in current federal law that allows the state to transfer funds between categories designated under the federal highway system; and

"Whereas the federal aid highway program is due to expire in September 1991; be it

"*Resolved*, That the Alaska State Legislature urgently calls upon the Congress to make federal highway trust fund money available immediately to the states for obligation in fiscal year 1991, or, in the alternative, requests that the states be repaid in later years for using state money for projects that should be financed by federal trust fund money; and be it further

"*Resolved*, That the five-cent motor fuels tax be continued beyond 1995 and that the entire amount be earmarked for highway purposes; and be it further

"*Resolved*, That when the Federal Surface Transportation Assistance Act is extended, it should retain the same matching requirements and allocation formula for distributing money to the states that are used in the current Act and the same exemption that allows Alaska to transfer funds between categories designated under the federal highway system; and be it further

"*Resolved*, That the Alaska Marine Highway System should be considered to be a part of the national highway system for purposes of federal transportation assistance."

POM-116. A resolution adopted by the New Jersey State Federation of Women's Clubs opposing legislation which would increase the size and weight of trucks on America's highways; to the Committee on Environment and Public Works.

POM-117. A joint resolution adopted by the Legislature of the State of Nevada; to the Committee on Environment and Public Works.

"SENATE JOINT RESOLUTION NO. 6

"Whereas, Approximately 95 million acres of wetlands currently exist in the lower 48 states of this nation; and

"Whereas, The federal policy toward those wetlands has been reversed in the past few years; and

"Whereas, The regulatory policies of several federal governmental agencies affect land determined to fall within the definition of "wetland"; and

"Whereas, Several differing definitions of the term "wetland" have been adopted by those agencies; and

"Whereas, Many Nevadans are adversely affected by the overlapping of these inconsistent and occasionally incomplete definitions; now, therefore, be it

"*Resolved by the Senate and Assembly of the State of Nevada, jointly*, That the Nevada Legislature hereby urges the Congress of the United States to adopt legislation that will provide a universal definition of the term "wetland" generally applicable to all federal laws and regulations referring to wetlands and the related issues; and be it further

"*Resolved*, That the definition so adopted should specify that "wetland" means a naturally occurring area of predominantly hydric soils that presently support hydrophytic vegetation not common to cultivated land or farming practices; and be if further

"*Resolved*, That for the purposes of the "wetland" definition the phrase "hydric soil" should be defined to mean soil which is consistently wet enough to maintain an anaerobic condition that supports primarily hydrophytic vegetation, and "hydrophytic vegetation" should be defined to mean plants that grow in water or in soils which are made deficient of oxygen because of excessive water content and are generally considered to be a swamp or bog; and be it further

"*Resolved*, That the definition of "wetland" should specifically exclude land previously converted to farming as well as small acreages below a stated size; and be it further

"*Resolved*, That the definition of "wetland" should also specifically exclude areas created artificially by irrigation that would no longer meet the definition of "wetland" if the irrigation ceased, unless the artificial wetland was created specifically to replace a natural wetland no longer regulated as such because of that replacement; and be it further

"*Resolved*, That the Congressional approach to a wetlands program should protect private property rights as defined in federal Executive Order No. 12630, including water rights; and be it further

"*Resolved*, That the Congressional approach to a wetlands program should not consider farming practices such as leveling the land, regardless of the method used, as "dredge and fill" operations subject to regulation; and be it further

"*Resolved*, That the Congressional approach to a wetlands program should recognize that unique conditions exist in each state which require flexibility in the application of the federal policy toward wetlands of "no net loss"; and be it further

"*Resolved*, That a copy of this resolution be transmitted by the Secretary of the Senate to the Vice President of the United States as presiding officer of the Senate, the Speaker of the House of Representatives and each member of the Nevada Congressional Delegation; and be it further

"*Resolved*, That this resolution becomes effective upon passage and approval."

POM-118. A resolution adopted by the Board of Supervisors of the County of Los

Angeles, California, supporting legislation relative to free trade between the United States and Mexico, the Committee on Finance.

POM-119. A joint resolution adopted by the Legislature of the State of Colorado; to the Committee on Finance.

"HOUSE JOINT RESOLUTION 91-1034

"Whereas, It is in the best interests of the United States, Mexico, and Canada to negotiate and enact a North American Free Trade Agreement ("NAFTA"), since such an agreement would provide the United States with an historically unprecedented opportunity to stabilize trading relationships with Mexico; and

"Whereas, Although a NAFTA could cause job losses in certain sectors of the United States economy, the additional trade between the United States, Mexico, and Canada, as a result of a NAFTA, would increase significantly employment opportunities in the United States; and

"Whereas, The value of 1989 Mexican exports to the United States was thirty-five billion dollars and the value of 1989 United States exports to Mexico was thirty billion dollars, making Mexico the number three trading partner of the United States and the United States the number one trading partner of Mexico; and

"Whereas, The Colorado economy and the people of Colorado may benefit greatly through the enactment of a NAFTA and the increased trade with Mexico, particularly in the areas of agriculture, high tech industry, and environmental technology; and

"Whereas, By providing a ready source of technology and technological expertise to an emerging Mexican market, the United States would enhance its relations with its neighbor to the south and thereby present a tremendous market opportunity for United States, Canadian, and Mexican businesses; and

"Whereas, The government and the people of Mexico are deeply concerned about adverse environmental conditions that may exist in Mexico, and President Salinas de Gortari, on behalf of Mexico, has made environmental concerns a national priority; and

"Whereas, The government and people of Mexico will be more able to ameliorate any adverse environmental conditions that may exist if a NAFTA is enacted as a result of increased prosperity in Mexico, Canada, and the United States and

"Whereas, The United States and Mexico are addressing any adverse environmental conditions that may exist along the two thousand mile contiguous border between the two countries through various border alliances and institutions; and

"Whereas, The government and people of Mexico are reaching out to the government and people of the United States to provide, through a NAFTA, the largest and the most prosperous economic trading area in the world; now, therefore,

"Be It Resolved by the House of Representatives of the Fifty-eighth General Assembly of the State of Colorado, the Senate concurring herein:

"(1) That the General Assembly requests Congress to respond in an affirmative manner by supporting the extension of fast-track authority and allowing the negotiation of a NAFTA;

"(2) That the General Assembly of the State of Colorado urges the Colorado congressional delegation to the United States Congress to support the fast-track authority allowing the negotiation of a NAFTA;

"(3) That the General Assembly of the State of Colorado encourages Congress to consider impact assistance for training workers who may lose their jobs as a direct result of a NAFTA to prepare them for the jobs to be created by the implementation of a NAFTA; and

"(4) That the General Assembly of the State of Colorado urges the United States and Mexico to continue to jointly address and ameliorate any adverse environmental conditions that may exist along the countries' joint border."

POM-120. A concurrent resolution adopted by the Legislature of the State of South Carolina; to the Committee on Finance:

"CONCURRENT RESOLUTION

"Whereas, more than fifty percent of the people in rural counties have not graduated from high school; and

"Whereas, in rural areas the number of citizens living in the poverty range is from eleven to more than thirty-two percent; and

"Whereas, up to thirty-three percent of the population is under thirteeen years of age in these areas; and

"Whereas, up to twelve and five-tenths percent of the people in rural counties are over sixty-five years of age; and

"Whereas, as a result of the poverty, lower educational levels, and ages of the rural residents, incidences of chronic diseases and general health problems are more prevalent; and

"Whereas, Medicare is a federally-funded program created to care for persons sixty-five years and older; and

"Whereas, Medicare has not kept up with hospital inflation rates; and

"Whereas, while all hospitals face losses created by Medicare payments, the problem is exacerbated in rural hospitals which are paid an average of thirty to forty percent less than urban counterparts for similar cases; and

"Whereas, this underfunding has significantly impacted budgets of rural hospitals. Now, therefore: be it

"Resolved by the Senate, the House of Representatives concurring:

"That the members of the General Assembly memoralize Congress to make federally-funded medical payments equalized for equal treatment at all medical facilities eligible for these payments so as to encourage more doctors to practice medicine in rural areas in South Carolina."

POM-121. A resolution adopted by the Senate of the State of Hawaii; to the Committee on Finance:

SENATE RESOLUTION NO. 38

"Whereas, liquefied petroleum gas (LPG) for automotive use is a non-toxic, non-corrosive, lead-free, hydrocarbon fuel that is capable of delivering consistent vehicle performance with clean, smooth combustion under all driving conditions; and

"Whereas, the technology exists to affordably convert engines from gasoline to "dual fuel" or "LPG-only" systems, with data from Australia indicating that LPG conversion is a sound proposition for motorists who drive more than 19,000 miles a year or who retain their vehicles for four or five years; and

"Whereas, data from Australia also indicate that the initial cost of standard installation for an LPG system can be recouped in less than fifteen months with approximately 19,000 miles of driving a year, and that LPG-powered vehicles are equally safe, if not safer overall, than vehicles with gasoline systems; and

"Whereas, although LPG operation involves some loss of power as compared to gasoline operation, the difference between the two is minimal and barely noticeable except under extreme engine load, and because LPG vaporizes completely before it enters the engine, its use results in a smoother application of power across the range of engine operating conditions; and

"Whereas, although LPG produces less energy output than gasoline on a gallon for gallon basis and requires up to twenty per cent more fuel by volume to travel a given distance, data from Australia indicate that for every six dollars worth of LPG used, a person must use ten dollars worth of gasoline to travel the same distance; and

"Whereas, with growing concerns about the long-term environmental and health effects of air pollution, the ongoing war in the Persian Gulf and the destruction of that region's oil producing capacity, and the ever present danger of catastrophic oil spills, the conversion of automobiles from gasoline to "dual-fuel" or "LPG only" systems should be encouraged; now, therefore, be it

Resolved by the Senate of the Sixteenth Legislature of the State of Hawaii, Regular Session of 1991, That the Congress of the United States is respectfully requested to provide tax credits to motorists to encourage the conversion of automobiles from gasoline to liquefied petroleum gas."

POM-122. A joint resolution adopted by the Legislature of the State of Nevada; to the Committee on Finance:

SENATE JOINT RESOLUTION NO. 9

"Whereas, America's senior citizens have voiced concern over the future of their Social Security benefits; and

"Whereas, Approximately 90 percent of the senior citizens who receive Social Security benefits have yearly earnings in the low to middle income range; and

"Whereas, It has been suggested that a reduction in Social Security benefits is a means to balance the budget; and

"Whereas, Because of the increasing national debt and budget deficit, Congress has found it necessary to use surpluses from the Social Security Trust Fund to limit the amount of the deficit; and

"Whereas, To ensure that adequate Social Security benefits are available for the future generations, proper management of the Social Security Trust Fund is of utmost importance; now, therefore, be it

"Resolved by the Senate and Assembly of the State of Nevada, jointly, That Congress is hereby urged to deposit all money in the Social Security Trust Fund into an independent trust fund; and be it further

"Resolved, That Congress is hereby urged not to use surpluses from the Social Security Trust Fund to limit the amount of the budget deficit; and be it further

"Resolved, That copies of this resolution be transmitted by the Secretary of the Senate to the Vice President of the United States as presiding officer of the Senate, the Speaker of the House of Representatives and each member of the Nevada Congressional Delegation; and be it further

"Resolved, That this resolution becomes effective upon passage and approval."

POM—123. A resolution adopted by the Municipal Police Employees' Retirement System favoring legislation to changes to provisions of the tax code relative to overall contributions and benefits; to the Committee on Finance.

POM—124. A resolution adopted by the House of Representatives of the State of Illinois to the Committee on Foreign Relations.

HOUSE RESOLUTION NO. 142

"Whereas, The centrally controlled government in Belgrade, Yugoslavia, has held a strong arm rule over the democratically inclined State of Croatia since the end of World War II; and

"Whereas, The ethnic, political and economic suppression that Belgrade has exercised over Croatia is finally being challenged; and

"Whereas, Croatia has been fighting and continues to fight for freedom and democracy, and the people of Croatia has been fighting and continues to fight for freedom and democracy, and the people of Croatia have recently elected a democratic government that has a chance to give them the democracy and self-determination that they have long sought; and

"Whereas, The movement for democratic reform and self-determination in Croatia must be supported by the United States of America, thus putting an end to years of totalitarian rule; and

"Whereas, The Croatian State, which along with the State of Slovenia, is seeking emancipation from the communist controlled central government in Belgrade, needs and deserves whatever moral, financial and political support we can lend at this difficult time; therefore, be it

"Resolved, by the House of Representatives of the Eighty-Seventh General Assembly of the State of Illinois, That we join with the Croatian-American community in urging President Bush and the United States Congress to support the people of Croatia and their elected government in their fight for freedom and democracy."

POM-125. A concurrent resolution adopted by the Legislature of the State of Hawaii; to the Committee on Foreign Relations:

HOUSE CONCURRENT RESOLUTION NO. 187

"Whereas, the 1990s will likely bring in the Asian-Pacific arena further major transformations in the structure of society, advances in science and technology and continued growth in regional business and trade, trends already reshaping the industrial structure of the Pacific Rim and the trading patterns and relations among nations; and

"Whereas, the high rates of economic growth and investment in recent years within the region and the emergency of Japan as a financial and technological power have fueled the belief that the Asian-Pacific region will become the central driving force for new technology development and economic growth in the twenty-first century; and

"Whereas, Asian countries of the Pacific Rim believe that the United States's commitment to Asian-Pacific economic cooperation is vital because the United States provides a bridge between the Atlantic and the Pacific; and

"Whereas, Hawaii, by virtue of its unique geopolitical position and cultural and ethnic links with the nations of the Asian-Pacific region, is in a prime position to become a crossroads for mutual cooperation and understanding in this emerging Pacific community; and

"Whereas, Hawaii is becoming a center for diplomatic and international cooperation, including having served as the venue of activities, including the negotiations resulting in the Compact of Free Association, the Pacific Islands Conference of leaders from the region, the first United States-Pacific Nations Summit called by President George Bush, and a symposium on United States-Asia/Pacific security strategy; and

"Whereas, Hawaii is already host to significant international conferences (both official and quasi-official) and trade shows, a trend that can be harnessed to increase opportunities for Hawaii business, government, and academic communities, including tourism; and

"Whereas, Honolulu has emerged as a significant airline hub, with more than two dozen international airlines providing service through Hawaii; and

"Whereas, Honolulu has a telecommunication network that is especially significant given its strategic time zone midway in the Pacific Basin; and

"Whereas, Hawaii has in place institutions with superior resources and experts that act as an international center for east-west research, education, and training, including expertise in Asian-Pacific and Polynesian development issues at the University of Hawaii, the East-West Center, and the Bishop Museum, and expertise in foreign policy issues at the private, nongovernmental Pacific Forum/CSIS; and

"Whereas, the School of Hawaiian, Asian and Pacific Studies at the University of Hawaii has taken steps to establish foreign service training programs for both United States and international students; and

"Whereas, Hawaii is the site of full-time consulates of Australia, France, Japan, South Korea, and the Philippines; twenty-six honorary consuls; forty sister relations; and Pacific Island area offices including American Samoa, Guam, Western Samoa, Tonga, the Cook Islands, the Republic of the Marshall Islands, the Commonwealth of the Northern Marianas, the Federated States of Micronesia, and the Republic of Palau; and

"Whereas, the Pacific Basin Development Council, a jointly supported regional organization that focuses on issues of common concern, directed by the governors of the American Flag Pacific Islands (Hawaii, Guam, the Northern Marianas, and American Samoa) is headquartered in Hawaii; and

"Whereas, the Office of International Relations, working with the United States Departments of State, Commerce, and Interior, has begun efforts to establish Hawaii as a clearinghouse for information in international activities, has developed contacts with foreign government representatives, and has been increasingly focusing on international trade issues, working with the United States Departments of Interior and State on these and other international issues of concern to Hawaii; now, therefore,

"Be it resolved by the House of Representatives of the Sixteenth Legislature of the State of Hawaii, Regular Session of 1991, the Senate concurring, that the President of the United States, the United States Secretary of State, the United States Secretary of Commerce, and the United States Secretary of the Interior are urged to recommend Hawaii as the site of the United States-Pacific Nations Joint Commercial Commission headquarters."

POM-126. A resolution adopted by the House of Representatives of the State of Hawaii; to the Committee on Foreign Relations:

"HOUSE RESOLUTION NO. 422

"Whereas, the United States of America organized and led a coalition of 28 nations and freed Kuwait from Iraqi occupation pursuant to United Nations and Congressional authorization; and,

"Whereas, following the cease-fire, Saddam Hussein has crushed the Shiite rebellion in South Iraq and is now wreaking his vengeance on the Kurdish population in the North; and,

"Whereas, one to two million Kurdish refugees are fleeing from Saddam Hussein's wrath which was exemplified in his use of gas on the Kurds a few years ago; and,

"Whereas, the United States Government is responding with a massive airlift of food, blankets and medicine to the refugees who are starving and dying in the cold; and,

"Whereas, the United States Government has proclaimed a buffer zone north of the 38th parallel in North Iraq to prevent Saddam Hussein from attacking the Kurdish population; and,

"Whereas, the United States has traditionally followed a foreign policy based on democratic and humanitarian principles in the twentieth century, beginning with Secretary of State John Hay's Open Door Policy in 1900, continuing with President Woodrow Wilson's Fourteen Points of 1918 ("self-determination"), and culminating in President Franklin D. Roosevelt's Four Freedoms of 1941 ("freedom of speech and worship, and freedom from want and fear"); and,

"Whereas, Prime Minister Winston Churchill and President Franklin D. Roosevelt in their crusade against Adolf Hitler proclaimed the Atlantic Charter in 1941; and,

"Whereas, President George Bush, in organizing and leading the coalition to free Kuwait, has called Saddam Hussein a "Hitler" and urged the Iraqi people to get rid of Saddam Hussein; and,

"Whereas, Secretary of State James Baker is leading an effort to bring peace between Israel and her Arab neighbors; and, between Israeli and Palestinians; now therefore,

"Be it resolved by the House of Representatives of the Sixteenth Legislature of the State of Hawaii, Regular Session of 1991, that the United States of America live up to its democratic and humanitarian rights, recognize the human and civil rights of the many millions of Kurds in Iraq, organize and lead the work to help the Kurds gain their physical and spiritual security in the North Iraqi homeland where they have lived for millenia; and,

"Be it further resolved, that the House ask Her Britannic Majesty's Government to acknowledge the human and civil rights of the many millions of Kurds and cooperate with the United States government to bring peace and security to the Kurds in particular and the region in general; and,

"Be it further resolved that the House call on the United Nations to accept responsibility for the tragic situation of the aftermath of the war to liberate Kuwait and act expeditiously, as it did in authorizing the use of force to implement its resolutions, to help the Kurds; and,

"Be it further resolved that the House call upon the coalition partners and the world community to help Turkey and Iran to cope with the overwhelming numbers of Kurdish refugees clamoring for haven in their territories."

POM-127. A concurrent resolution adopted by the Legislature of the State of Minnesota; to the Committee on Foreign Relations:

"RESOLUTION NO. 2

"Whereas, on April 12, 1973, the United States Department of Defense publicly stated that there was "no evidence" of live American POWs in Southeast Asia; and

"Whereas, the public statement was given nine days after Pathet Lao leaders declared

on April 3, 1973, that Laotian communist forces did, in fact, have live American prisoners of war in their control; and

"Whereas, no POWs held by the Laotian government and military forces were ever released; and

"Whereas, there have been more than 11,700 live sighting reports received by the Department of Defense since 1973 and, after detailed analysis, the Department of Defense admits there are a number of "unresolved" and "discrepancy" cases; and

"Whereas, in October 1990, the United States Senate Foreign Relations Committee released an "Interim Report on the Southeast Asian POW/MIA Issue" that concluded that United States military and civilian personnel were held against their will in Southeast Asia, despite earlier public statements by the Department of Defense that there was "no evidence" of live POWs, and that information available to the United States government does not rule out the probability that United States citizens are still held in Southeast Asia; and

"Whereas, the Senate Interim Report states that congressional inquiries into the POW/MIA issue have been hampered by information that was concealed from committee members, or were "misinterpreted or manipulated" in government files; now, therefore,

"Be it resolved by the Legislature of the State of Minnesota that it requests the Congress of the United States to continue funding of this investigation that is vital to resolving the POW/MIA issue in Southeast Asia."

POM-128. A concurrent resolution adopted by the Legislature of the State of Minnesota; to the Committee on Foreign Relations:

RESOLUTION NO. 6

"Whereas, the Baltic Republics of Latvia, Lithuania, and Estonia were independent democratic republics, fully recognized by the United States of America and the world community before being annexed forcefully by the Soviet Union in 1940; and

"Whereas, the United States never recognized the forcible annexation of the Baltic Republics and has always supported their right to self-determination; and

"Whereas, the Soviet troops and the black berets, in full battle gear, attacked and killed the unarmed civilians who had erected concrete barricades and flocked by the thousands to protect their parliament and official buildings in the Baltic Republics; and

"Whereas, the Soviet actions in Latvia, Lithuania, and Estonia are in direct violation of the Helsinki Final Act, the United Nations Charter, and other international documents guaranteeing human rights and self-determination of all people; now, therefore,

"Be it resolved by the Legislature of the State of Minnesota that Congress should condemn the brutal violence and intimidation by Soviet forces in the Baltic Republics and should call on President Gorbachev to cease immediately the use of force against the people and the democratically elected governments of Latvia, Lithuania, and Estonia, and enter into meaningful negotiations with the democratically elected leaders of Latvia, Lithuania, and Estonia for the purposes of establishing the formal recognition of the independent Baltic Republics.

"Be it further resolved that Minnesota's concern lies with the Baltic Republics due to the large number of Minnesotans who are of Latvian, Lithuanian, and Estonian heritage."

POM-129. A joint resolution adopted by the Legislature of the State of Nevada; to the Committee on Governmental Affairs:

ASSEMBLY JOINT RESOLUTION NO. 18

"Whereas, More than 2,000 Americans are still classified as missing-in-action or as prisoners-of-war as a result of the Vietnam Conflict; and

"Whereas, Although it has been 18 years since all of the American prisoners-of-war were supposedly released from Indochina, there is much evidence to the contrary; and

"Whereas, Among that evidence are over 10,000 reports compiled by the Defense Intelligence Agency since 1975 and the information contained in the October 29, 1990, Interim Report on the Southeast Asian POW/MIA issue released by the United States Senate Committee on Foreign Relations; and

"Whereas, The reports compiled by the Defense Intelligence Agency are classifed as "Top Secret" and are unavailable to the public and even to the members of the families of those Americans still missing; and

"Whereas, H.R. 1147 of the 102d Congress 1st Session (1991), would direct each federal agency to disclose the information it possesses concerning any United States personnel classified as a prisoner-of-war or missing-in-action after 1940; and

"Whereas, The bill contains sufficient provisions to ensure that our national security is not breached and to preserve the privacy of the family members of those Americans who are still missing; and

"Whereas, The soldiers who serve this country deserve the same loyalty from their fellow countrymen as we expected from them when they were deployed; now, therefore, be it

"*Resolved, by the assembly and Senate of the State of Nevada, jointly*, That the members of the Nevada Legislature urge Congress to enact H.R. 1147 of the 102d Congress, 1st Session (1991); and be it further

"*Resolved*, That copies of this resolution be prepared and transmitted by the Chief Clerk of the Assembly to the Vice President of the United States as presiding officer of the Senate, the Speaker of the House of Representatives and each member of the Nevada Congressional Delegation; and be it further

"*Resolved*, That this resolution becomes effective upon passage and approval."

POM-130. A joint resolution adopted by the Legislature of the State of Colorado; to the Committee on Govermental Affairs:

HOUSE JOINT RESOLUTION 91-1023

"Whereas, There are more than 88,000 American service personnel missing in action from World War II, the Korean Conflict, and the Vietnam War, without a complete or satisfactory resolution of their status taking place in any instance; and

"Whereas, Evidence has continued to mount over the years that American military personnel are being held against their will in Southeast Asia after the end of the conflict in that region, including evidence of more than 11,000 live sighting reports received by the Department of Defense since 1973, and such evidence is supported by facts such as the statements made by Laotian leaders in April, 1973, that they did in fact then have live American prisoners of war under their control who were never released; and

"Whereas, In October, 1990, the minority staff of the United States Senate Committee on Foreign Relations released an "Interim Report on the Southeast Asian POW/MIA Issue", which concluded that United States military and civilian personnel were held against their will in Southeast Asia after April, 1973, despite earlier public statements by the Department of Defense on April 12, 1973, that there was "no evidence" of live prisoners of war, statements which were contrary to information then available to the United States government; and

"Whereas, The Interim Report states that Congressional inquiries into the POW/MIA issue have been hampered by relevant information being concealed from congressional members, or being "misinterpreted or manipulated" in government files; and

"Whereas, Although the Department of Defense has taken the public stance since 1973 that there was "no evidence" of live American prisoners of war in Southeast Asia, after detailed analysis of growing evidence, the Department of Defense admits there are a number of "discrepancy" and "unresolved" cases; and

"Whereas, The "POW/MIA Truth Bill", now awaiting consideration before the United States Congress, would direct the heads of federal government agencies and departments to disclose relevant information, including live sighting reports, concerning those unreturned United States service personnel who were originally classified as prisoners of war or missing in action from World War II, the Korean Conflict, the Vietnam War, and if necessary, the Persian Gulf War; and

"Whereas, This bill would prevent disclosure of the sources and methods used to collect the live sighting reports, thus protecting national security; and

"Whereas, A resolution was submitted to the United States Senate on March 14, 1991, asking that a Senate Select Committee on POW/MIA Affairs be formed, which would formally put the United States Senate on record as giving the POW/MIA issue a higher national priority than the executive branch has assigned to it for nearly a decade; and

"Whereas, Once established, a Select Committee would give institutional life in the Congress to the investigation presently underway by the minority staff of the Senate Committee on Foreign relations, whose significant findings have so effectively laid the groundwork and set the standards for subsequent efforts in this area; and

"Whereas, The "POW/MIA Truth Bill" and the resolution to establish a Senate Select Committee on POW/MIA Affairs would set in motion the processes by which the fullest possible accounting of all POW's and MIA's could be achieved, thus satisfying to the greatest extent possible the families of missing service personnel who have waited for such a long time for such an accounting, as well as satisfying the nation as a whole; now, therefore,

"Be it resolved by the House of Representatives of the Fifty-eighth General Assembly of the State of Colorado, the Senate concurring herein:

"That the General Assembly of the State of Colorado urges the Congress of the United States to enact the "POW/MIA Truth Bill" into law and to resolve to establish a Senate Select Committee on POW/MIA Affairs, in order to further the cause and facilitation of the disclosure of information and the ongoing investigation of such information concerning American service personnel being held prisoner or missing in action from World War II, the Korean Conflict, the Vietnam War, and the Persian Gulf War; be it further

"*Resolved*, That the General Assembly of the State of Colorado urges the President of

the United States to bring to bear the full force, power, and influence of the President's office and cabinet in the active support of the passage and implementation of the "POW/MIA Truth Bill", and in the active support of the passage and implementation of the resolution to establish a Senate Select Committee on POW/MIA affairs, thereby demonstrating the higher national priority which the executive branch assigns to furthering the cause and facilitation of the disclosure of information and the ongoing investigation of such information concerning American service personnel being held prisoner or missing in action from World War II, the Korean Conflict, the Vietnam War, and the Persian Gulf War."

POM-131. A petition from citizens of Concord, New Hampshire opposing statehood for the District of Columbia; to the Committee on Governmental Affairs.

POM-132. A joint resolution adopted by the Legislature of the State of Colorado; to the Committee on Governmental Affairs:

"HOUSE JOINT RESOLUTION 91-1023

"Whereas, There are more than 88,000 American service personnel missing in action from World War II, the Korean Conflict, and the Vietnam War, without a complete or satisfactory resolution of their status taking place in any instance; and

"Whereas, Evidence has continued to mount over the years that American military personnel are being held against their will in Southeast Asia after the end of the conflict in that region, including evidence of more than 11,000 live sighting reports received by the Department of Defense since 1973, and such evidence is supported by facts such as the statements made by Laotian leaders in April, 1973, that they did in fact then have live American prisoners of war under their control who were never released; and

"Whereas, In October, 1990, the minority staff of the United States Senate Committee on Foreign Relations released an "Interim Report on the Southeast Asian POW/MIA Issue", which concluded that United States military and civilian personnel were held against their will in Southeast Asia after April, 1973, despite earlier public statements by the Department of Defense on April 12, 1973, that there was "no evidence" of live prisoners of war, statements which were contrary to information then available to the United States government; and

"Whereas, The Interim Report states that Congressional inquiries into the POW/MIA issue have been hampered by relevant information being concealed from congressional members, or being "misinterpreted or manipulated" in government files; and

"Whereas, Although the Department of Defense has taken the public stance since 1973 that there was "no evidence" of live American prisoners of war in Southeast Asia, after detailed analysis of growing evidence, the Department of Defense admits there are a number of "discrepancy" and "unresolved" cases; and

"Whereas, The "POW/MIA Truth Bill", now awaiting consideration before the United States Congress, would direct the heads of federal government agencies and departments to disclose relevant information, including live sighting reports, concerning those unreturned United States service personnel who were originally classified as prisoners of war or missing in action from World War II, the Korean Conflict, the Vietnam War, and if necessary, the Persian Gulf War; and

"Whereas, This bill would prevent disclosure of the sources and methods used to collect the live sighting reports, thus protecting national security; and

"Whereas, A resolution was submitted to the United States Senate on March 14, 1991, asking that a Senate Select Committee on POW/MIA Affairs be formed, which would formally put the United States Senate on record as giving the POW/MIA issue a higher national priority than the executive branch has assigned to it for nearly a decade; and

"Whereas, Once established, a Select Committee would give institutional life in the Congress to the investigation presently underway by the minority staff of the Senate Committee on Foreign Relations, whose significant findings have so effectively laid the groundwork and set the standards for subsequent efforts in this area; and

"Whereas, The "POW/MIA Truth Bill" and the resolution to establish a Senate Select Committee on POW/MIA Affairs would set in motion the processes by which the fullest possible accounting of all POW's and MIA's could be achieved, thus satisfying to the greatest extent possible the families of missing service personnel who have waited for such a long time for such an accounting, as well as satisfying the nation as a whole; now, therefore,

"Be it resolved by the House of Representatives of the Fifty-eighth General Assembly of the State of Colorado, the Senate concurring herein: I21"That the General Assembly of the State of Colorado urges the Congress of the United States to enact the "POW/MIA Truth Bill" into law and to resolve to establish a Senate Select Committee on POW/MIA Affairs, in order to further the cause and facilitation of the disclosure of information and the ongoing investigation of such information concerning American service personnel being held prisoner or missing in action from World War II, the Korean Conflict, the Vietnam War, and the Persian Gulf War.

"Be it further resolved, That the General Assembly of the State of Colorado urges the President of the United States to bring to bear the full force, power, and influence of the President's office and cabinet in the active support of the passage and implementation of the "POW/MIA Truth Bill", and in the active support of the passage and implementation of the resolution to establish a Senate Select Committee on POW/MIA Affairs, thereby demonstrating the higher national priority which the executive branch assigns to furthering the cause and facilitation of the disclosure of information and the ongoing investigation of such information concerning American service personnel being held prisoner or missing in action from World War II, the Korean Conflict, the Vietnam War, and the Persian Gulf War."

POM-133. A resolution adopted by the Legislature of the State of Florida; to the Committee on Governmental Affairs:

"HOUSE MEMORIAL NO. 2517

"Whereas, the United States Government has records and information pertaining to United States personnel listed as prisoners of war or missing in action from World War II, the Korean Conflict, and the Vietnam Conflict, and

"Whereas, disclosure of information related to such persons would allow the government of a nation proud of its democratic heritage to no longer keep secret from the public facts necessary to achieve long overdue introspection and final catharsis regarding World War II, the Korean Conflict, and the Vietnam Conflict, and

"Whereas, disclosure would permit this nation to better examine its past and provide more complete and accurate facts upon which future policy can be developed, and

"Whereas, disclosure would allow generations recalling World War II, the Korean Conflict, and the Vietnam Conflict to honor those brave Americans who suffered and may continue to suffer for the freedom that all Americans now enjoy, and

"Whereas, disclosure would make all generations appreciate the ultimate sacrifices that Americans have made in the name of democracy and would teach these generations that Americans place a higher value on the freedom for all than they place on their own lives, and

"Whereas, disclosure might also benefit surviving prisoners of war by compelling their captors to set them free, and

"Whereas, House Resolution 1147 accomplishes disclosure and the goals stated herein while protecting national security by safeguarding information concerning sources and protecting the privacy of affected families, Now, therefore,

"Be it resolved by the Legislature of the State of Florida: That the Congress of the United States is requested to pass House Resolution 1147."

POM-134. A concurrent resolution adopted by the Legislature of the State of Minnesota; to the Committee on Governmental Affairs:

"RESOLUTION NO. 5

"Whereas, there are more than 88,000 American service personnel missing in action from World War II, Korea, and Vietnam; and

"Whereas, recent information has been released regarding American service personnel being held against their will after World War II, Korea, and Vietnam; and

"Whereas, the United States Senate Foreign Relations Committee released an interim report in October 1990 that concluded that American service personnel were held in Southeast Asia after the end of the Vietnam War and that information available to the United States government does not rule out the probability that American service personnel are still being held in Southeast Asia; and

"Whereas, the POW/MIA truth bill, would direct the heads of the federal government agencies and departments to disclose information concerning the United States service personnel classified as prisoners of war or missing in action from World War II, Korea, and Vietnam; and

"Whereas, this bill would censor out the sources and methods used to collect the live sighting reports, thus protecting national security; and

"Whereas, the families of these missing service personnel need and deserve the opportunity to have access to the information concerning the status of their loved ones after these many years; now, therefore,

"Be it resolved by the Legislature of the State of Minnesota that it urges the Congress of the United States to begin immediate committee hearings and requests action on the POW/MIA truth bill."

POM-135. A joint resolution adopted by the Legislature of the State of Colorado; to the Committee on the Judiciary:

HOUSE JOINT RESOLUTION 91-1033

"Whereas, The right of free expression is part of the foundation of the United States Constitution, although the courts have drawn very careful limits on expression in

specific instances as legitimate means of maintaining public safety and decency, as well as orderly and productive public debate; and

"Whereas, Certain actions, although arguably related to one person's free expression, nevertheless raise issues concerning public decency, public peace, and the rights of expression and sacred values of others; and

"Whereas, There are symbols of our national unity such as the Washington Monument, the United States Capitol Building, and memorials to our greatest leaders which are the property of every American and are therefore worthy of protection from desecration and dishonor; and

"Whereas, The American Flag to this day is a most honorable and worthy banner of a nation which is thankful for its strengths and committed to curing its faults; and

"Whereas, It is only fitting that people everywhere should lend their voices to a forceful call for restoration to the Stars and Stripes of a proper station under law and decency; now, therefore,

"Be it resolved by the House of Representatives of the Fifty-eighth General Assembly of the State of Colorado, the Senate concurring herein:

"That the General Assembly hereby petitions the Congress of the United States to propose an amendment to the Constitution of the United States which would forbid physical desecration of the United States flag, and to submit such amendment to the state legislatures for ratification."

POM-136. A joint resolution adopted by the Legislature of the State of Alaska; to the Committee on the Judiciary:

"JOINT RESOLUTION NO. 16

"Whereas three out of four women in the United States will be victims of at least one violent crime during their lifetimes; and

"Whereas the most serious crimes against women are rising at a significantly faster rate than the rate of total crime, and rape rates have risen nearly four times as fast as the total crime rate during the past decade; and

"Whereas in the United States between 3,000,000 and 4,000,000 women are beaten each year and a woman is beaten by her spouse or partner every 18 seconds; and

"Whereas from 1974 to 1987 the national rate of assaults against young women jumped by 48 percent, while for men of the same age group it decreased by 12 percent; and

"Whereas the rape rate in the state is one and one-half times the national rate; and

"Whereas the state's domestic violence and sexual assault programs have seen a 23 percent increase in the number of victims of domestic violence and sexual assault and a 44 percent increase in shelter nights in the past three years; and

"Whereas last year alone there was a 27 percent increase in domestic violence cases brought before the district courts of the state; and

"Whereas on January 14, 1991, S. 15, the Violence Against Women Act of 1991, was introduced into the United States Senate to combat violence and crimes against women on streets and in homes; and

"Whereas S. 15 is a comprehensive bill to address domestic violence and provides national leadership and funding for increased efforts by prosecutors, police, public safety departments, shelters, and rape crisis centers to provide effective prevention, intervention, and response to this growing national problem; and

"Whereas on February 21, 1991, S. 472, a bill that in part addresses the problem of domestic violence was introduced into the United States Senate to improve the reporting of sexual assaults at school campuses, fund education grants to reduce domestic violence and to create a national task force on violence against women.

"Be it resolved that the Alaska State Legislature declares its support for prompt action by the United States Congress to enact comprehensive legislation to combat domestic and other violence against women, and urges the United States Congress to enact legislation encompassing the best and most enlightened provisions of both S. 15 and Sec. 201 and Secs. 241-272 of S. 472 in order to combat the growing national problem of violence against women."

POM-137. A concurrent resolution adopted by the Legislature of the State of Louisiana; to the Committee on the Judiciary:

"CONCURRENT RESOLUTION NO. 2

"Whereas, although the right of free expression is part of the foundation of the United States Constitution, very carefully drawn limits on expression in specific instances have long been recognized as a legitimate means of maintaining public safety and decency, as well as orderliness and productive value of public debate; and

"Whereas, certain actions, although related to a person's right to freedom of expression, interfere with public peace, public decency, and the rights of expression and sacred values of others; and

"Whereas, there are symbols of our national soul such as the Washington Monument, the United States Capitol Building, and memorials to our greatest leaders, which are the property of every American and are therefore worthy of protection from desecration and dishonor; and

"Whereas, the American flag is still an honorable and worthy banner of a nation which is thankful for its strengths, committed to curing its faults, and remains the destination of millions of immigrants who are attracted by the American ideal; and

"Whereas, the law, as interpreted by the United States Supreme Court, no longer accords the "Stars and Stripes" the reverence, respect, and dignity befitting the banner of this most noble experiment of a nation-state; and

"Whereas, it is only fitting that people everywhere lend their voices to a forceful call for the American flag to be restored to a proper station under law and decency.

"Therefore, be it resolved that the Legislature of Louisiana does hereby memorialize the Congress of the United States to propose an amendment to the United States Constitution, for ratification by the states, specifying that congress and the states shall have the power to prohibit the physical desecration of the flag of the United States."

POM-138. A resolution adopted by the Unicameral Legislature of the State of Nebraska; to the Committee on the Judiciary:

"RESOLUTION NO. 194

"Whereas, the business of insurance is currently regulated almost entirely by the states; and

"Whereas, the various states, due to their size, economy, and generally dissimilar needs, require individualized regulation; and

"Whereas, under the existing regulatory system Nebraska's Director of Insurance has responsibilities to regulate the activities of insurers licensed to transact business in this state; and

"Whereas, the regulatory responsibilities of the director include issuing certificates of authority to transact business in this state, examining insurers for solvency, regulating unfair trade practices and unfair claims settlement practices, licensing and disciplining agents and brokers, and providing information and assistance to the public; and

"Whereas, the federal McCarran-Ferguson Act leaves the regulation of the business of insurance to the states; and

"Whereas, the system of state regulation of the insurance industry has proven to be responsive and effective in its protection of each state's residents; and

"Whereas, organizations such as the National Conference of Insurance Legislators, the National Conference of State Legislatures, and the National Association of Insurance Commissioners work cooperatively with state legislatures and state insurance commissioners to address common needs and problems; and

"Whereas, H.R. 9 and S. 430 which are being considered by the Congress would repeal essential provisions of the McCarran-Ferguson Act; and

"Whereas, H.R. 9 and S. 430 would result in federal bureaucracies usurping much of the regulatory authority of the director and the policymaking authority of the Legislature.

"Now, therefore, be it resolved by the members of the ninety-second Legislature of Nebraska, first session:

"1. That the Legislature hereby respectfully urges the Congress of the United States to reject H.R. 9 and S. 430 or any similar legislation which would infringe upon the authority of Nebraska and every other state to be the principal regulators of insurance companies.

"2. That official copies of this resolution be prepared and forwarded to the Speaker of the House of Representatives and President of the Senate of the Congress of the United States and to all members of the Nebraska delegation to the Congress of the United States."

POM-139. A resolution adopted by the County of Suffolk, New York Legislature urging passage of the "Brady" handgun control bill; to the Committee on the Judiciary.

POM-140. A resolution adopted by the Senate of the State of Illinois; to the Committee on the Judiciary.

"SENATE RESOLUTION NO. 318

"Whereas, The business of insurance is currently regulated almost entirely by the states; and

"Whereas, Under existing state and federal law, the Director of the Illinois Department of Insurance has the responsibility to regulate the activities of approximately 1,800 insurance companies conducting business in Illinois, as well as the activities of many thousands of agents and brokers; and

"Whereas, Those regulatory responsibilities include fraud prevention, fiscal examinations, licensing, investigation of complaints and enforcement against violators; and

"Whereas, This system of state regulation of the insurance industry has proven to be an effective protection for the public, especially when compared to federal efforts at the regulation of financial institutions, such as the savings and loan industry; and

"Whereas, The insurers regulated by the State generate annual premiums of $21,318,142,560; and

"Whereas, Partial operation of the Department of Insurance is funded by fees and assessments levied on insurers with support from the General Revenue Fund; and

"Whereas, Additionally, insurers annually pay a Gross Premium Tax to the State's General Revenue Fund which in the 1990-91 Fiscal Year is estimated to exceed $161.8 million, a revenue source exceeded in size only by the Personal Income, Corporation, and Sales and Use Taxes; and

"Whereas, The federal McCarran-Ferguson Act delegates responsibility for insurance regulation to the states, so long as they provide consumer protection from price-fixing and other unfair business practices which Illinois law currently provides; and

"Whereas, H.R. 9 and S. 430 which are being considered by the United States Congress would be unnecessary, duplicative and possibly conflicting as they relate to insurers doing business in Illinois; and

"Whereas, H.R. 9 and S. 430 would prohibit certain practices which insurers now use to control insurance costs; and

"Whereas, H.R. 9 and S. 430 would result in federal bureaucracies usurping much of the authority of the Director of the Illinois Department of Insurance and the General Assembly of the State of Illinois; therefore, be it

"Resolved, by the Senate of the eighty-seventh General Assembly of the State of Illinois, that we memorialize the President and the Congress of the United States to reject H.R. 9 and S. 430 or any similar legislation which would infringe on the authority of Illinois and each other state, to be the principal regulator of insurers."

POM-141. A resolution adopted by the Senate of the State of Illinois; to the Committee on the Judiciary:

"HOUSE RESOLUTION NO. 496

"Whereas, The business of insurance is currently regulated almost entirely by the States; and

"Whereas, Under existing State and federal law the Director of the Illinois Department of Insurance has the responsibility to regulate the activities of approximately 1,800 insurance companies conducting business in Illinois, as well as the activities of many thousands of agents and brokers; and

"Whereas, Those regulatory responsibilities include fraud prevention, fiscal examinations, licensing, investigation of complaints, and enforcement actions against violators; and

"Whereas, This system of state regulation of the insurance industry has proven to be an effective protection for the public, especially when compared to federal efforts at the regulation of financial institutions, such as the savings and loan industry; and

"Whereas, The insurers regulated by the State generate annual premiums of $21,318,142,560; and

"Whereas, Partial operation of the Department of Insurance is funded by fees and assessments levied on insurers with support from the General Revenue Fund; and

"Whereas, Additionally, insurers annually pay a gross premium tax to the State's General Revenue Fund which, in the 1990-91 Fiscal year, is estimated to exceed $161.8 million, a revenue source exceeded in size only by the personal income, corporation, and sales and use taxes; and

"Whereas, The federal McCarran-Ferguson Act delegates responsibility for insurance regulation to the states, so long as they provide consumer protection from price fixing and other unfair business practices which Illinois law currently provides; and

"Whereas, Application of federal antitrust laws pursuant to H.R. 9 and S. 430, which are being considered by the United State's Congress, would be unnecessary, duplicative and possibly conflicting as they relate to insurers doing business in Illinois; and

"Whereas, H.R. 9 and S. 430 would prohibit certain practices which insurers now use to control insurance costs; and

"Whereas, H.R. 9 and S. 430 would result in federal bureaucracies usurping much of the authority of the Director of the Illinois Department of Insurance and the General Assembly of the State of Illinois; therefore, be it

"Resolved, by the House of Representatives of the eighty-seventh General Assembly of the State of Illinois, that we memorialize the President and the Congress of the United States to reject H.R. 9 and S. 430 or any similar legislation which would infringe on the authority of Illinois and each other state, to be the principal regulator of insurers."

POM-142. A resolution adopted by the City Council of Seattle, Washington urging passage of the "Brady Bill" calling for a seven day waiting period prior to the purchase of a handgun; to the Committee on the Judiciary.

POM-143. A resolution adopted by the Senate of the State of Hawaii; to the Committee on the Judiciary.

SENATE RESOLUTION 120

"Whereas, the people of the State of Hawaii come from diverse ethnic and national backgrounds and live in harmony because of mutual respect and the Aloha spirit; and

"Whereas, the history of our State shows that the road to harmony requires elimination of practices which foster discrimination in all areas of life; and

"Whereas, the 1988 Legislature, in creating the Hawaii Civil Rights Commission, declared that "the practice of discrimination because of race, color, religion, age, sex, marital status, national origin, ancestry, or handicapped status in employment, housing, or public accommodations is against public policy"; and

"Whereas, Congress is presently considering H.R. 1, the Civil Rights Act of 1991, which is intended to restore civil rights protections which were dramatically limited by recent Supreme Court decisions and to strengthen existing protections and remedies available under federal civil rights laws in order to provide more effective deterrence and adequate compensation for victims of discrimination; and

"Whereas, persons suffering from employment discrimination need the protection of strong laws at both the state and federal levels in order to ensure that factors unrelated to job performance are not considered in employment decisions; and

"Whereas, enforcement of strong state laws against discrimination may be impeded by federal cases which changed the burden of proof from that established in earlier precedents and created procedural roadblocks which may allow discriminatory practices to continue; and

"Whereas, the promise of equality embodied in our Constitution and the Declaration of Independence needs to be clearly stated in our laws guaranteeing civil rights protection to all persons; now, therefore,

"Be it resolved by the Senate of the Sixteenth Legislature of the State of Hawaii, Regular Session of 1991, that the Senate expresses its strongest support for the passage of the Civil Rights Act of 1991."

POM-144. A concurrent resolution adopted by the Legislature of the State of Minnesota; to the Committee on the Judiciary:

"RESOLUTION NO. 4

"Whereas, on February 13, 1991, the Canadian immigration service imposed new entry permit rules for crossing the International Border from Lake of the Woods to Pigeon River; and

"Whereas, the new permits are difficult to obtain, limited in scope, extremely burdensome in practice, and of no apparent use for ordinary purposes of border control; and

"Whereas, open input by citizens of both the United States and Canada was not solicited; and

"Whereas, the new rules put an impossible economic burden on thousands of people whose livelihoods depend on reasonable access to the lakes and forests of the boundary area; and

"Whereas, the history of the Canada-United States border in Minnesota has been one of cooperation and accommodation; and

"Whereas, the great wilderness along the border has a matchless value for the people of the two countries that can only be enjoyed as a whole and will be destroyed by any effort to make it into two isolated parts; and

"Whereas, this border does not resemble other international frontiers and has always been administered for the mutual advantage of all concerned people of both countries; and

"Whereas, it is difficult even to understand what the purpose of these disruptive new rules could be; and

"Whereas, it is the confident hope of the people of Minnesota that their friends in Canada will quickly correct this uncharacteristic new situation: Now, Therefore,

"Be it resolved that the appropriate federal officials of both Canada and the United States immediately begin a dialogue to the mutual benefit and satisfaction of the citizens of both countries to resolve differences and restrictions to travel and freedom of passage, especially as they relate to remote areas of the United States/Canada border between the province of Ontario and the state of Minnesota that have been imposed by policy, regulation, or law by the governments of both countries.

"Be it further resolved that state and provincial officials have direct input into the dialogue, discussion, and negotiation which takes place relating to this matter."

POM-145. A resolution adopted by the Arkansas General Assembly Joint Interim Committee on Insurance and Commerce opposing legislation which would infringe upon the authority of the State to regulate insurers; to the Committee on the Judiciary.

POM-146. A resolution adopted by the General Assembly of the State of New Jersey; to the Committee on Veterans' Affairs.

"ASSEMBLY RESOLUTION NO. 213

"Whereas, The intent of the federal Soldiers' and Sailors' Civil Relief Act of 1940 is to assist military personnel called to active duty by protecting them and their families from the economic hardships which may accompany the call to active duty; and

"Whereas, The current provisions of the federal Soldiers' and Sailors' Civil Relief Act of 1940 are outdated and do not provide adequate protection to military families from these hardships; and

"Whereas, The United States House of Representatives recently passed legislation to amend the Soldiers' and Sailors' Civil Relief Act of 1940 to update and modernize its provisions to reflect the problems and economic hardships faced by members of the National Guard and the Reserves who have been called

to active duty in Operation "Desert Storm"; and

"Whereas, The proposed amendments to the Soldiers' and Sailors' Civil Relief Act of 1940 would (1) prevent the eviction of the family of a person serving in the armed forces if the monthly rent is less than $1,200; (2) guarantee reinstatement of private health insurance for military personnel returning to civilian life; (3) guarantee the right of military reservists to return to civilian employment; (4) requires courts to suspend legal proceedings at the request of a person on active duty; and (5) suspend the requirement for doctors to pay premiums on private medical malpractice insurance while they are serving in the armed forces; and

"Whereas, Similar legislation is presently being considered for passage in the United States Senate and there is an urgent need for this legislation to gain final approval as quickly as possible; now, therefore,

"Be it resolved *by the General Assembly of the State of New Jersey:*

"1. This House memorializes the United States Congress to adopt legislation to update and modernize the provisions of the Soldiers' and Sailors' Civil Relief Act of 1940 in order to provide assistance to members of the National Guard and the Reserves who have been called to active duty in Operation "Desert Storm" and to their families.

"2. Duly authenticated copies of this resolution, signed by the Speaker of the General Assembly and attested by the Clerk thereof, shall be transmitted to the President of the Senate, the Speaker of the House of Representatives, the members of Congress elected from this State and Adjutant General Vito Morgano."

POM-147. A resolution adopted by the House of Representatives of the State of Hawaii; to the Committee on Veterans' Affairs:

HOUSE RESOLUTION 82

"Whereas, the General Accounting Office (GAO) in a recent report to the Congress of the United States made a proposal to require a direct performance of duty relationship for the awarding of service-connected disability compensation; and

"Whereas, the White House invited comments of the Secretary of Veterans Affairs on its fiscal year 1991 budget passback, including a direct performance of military duty requirement for disability compensation as previously recommended by the GAO; and

"Whereas, the Secretary of Veterans Affairs appointed a compensation reform committee with a goal to reduce costs within the Department of Veterans Affairs (DVA) using the GAO report and its proposals as a guide; and

"Whereas, the compensation reform committee, in addition to requiring direct performance of duty relationship to exist in making a determination of service connection for compensation, went much further in its report concluding that a severe cutting of eligibility and restriction of current benefits would ultimately cut costs within the DVA; and

"Whereas, the DVA is charged with serving as veterans' advocates, and champions for their entitlements in the White House and in the Congress; and

"Whereas, the action undertaken by the Secretary of Veterans Affairs and his committee on compensation reform were conducted in a closed environment, without public scrutiny; and

"Whereas, any attempt to reduce federal deficits in any department at the expense of those gallant men and women who served their country and left service honorably suffering the wounds and diseases of war; and

"Whereas, the recommendations of the compensation reform committee would also severely injure the survivors of those men and women who served their country; now, therefore,

"Be it resolved by the House of Representatives of the Sixteenth Legislature of the State of Hawaii, Regular Session of 1991, that the President of the United States and the United States Congress are urged to oppose benefit-cutting proposals made to the Department of Veterans Affairs as a cost-reduction measure."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. KENNEDY, from the Committee on Labor and Human Resources, without amendment:

S. 1106. A bill to amend the Individuals with Disabilities Education Act to strengthen such Act, and for other purposes (Rept. No. 102-84).

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. ROCKEFELLER:

S. 1307. A bill to extend the suspension of duty on certain chemicals; to the Committee on Finance.

S. 1308. A bill to suspend temporarily the duty on certain heterocyclic compounds; to the Committee on Finance.

S. 1309. A bill to suspend temporarily the duty on UV-1084 light stabilizer; to the Committee on Finance.

S. 1310. A bill to extend until January 1, 1995, the suspension of duty on certain carbodiimides; to the Committee on Finance.

S. 1311. A bill to suspend temporarily the duty on certain carbodiimide masterbatches; to the Committee on Finance.

S. 1312. A bill to suspend temporarily the duty on octadecyl isocyanate; to the Committee on Finance.

By Mr. BIDEN (for himself, Mr. BAUCUS, Mr. PRYOR, Mr. HARKIN, Mr. BUMPERS, Mr. CONRAD, Mr. DASCHLE, Mr. LEAHY, Mr. HEFLIN, Mr. FOWLER, and Mr. BRYAN):

S. 1313. A bill to improve crime and drug control in rural areas, and for other purposes; to the Committee on the Judiciary.

By Mr. BOREN:

S. 1314. A bill to amend the Internal Revenue Code of 1986 to provide for fair treatment of small property and casualty insurance companies; to the Committee on Finance.

By Mr. McCAIN (for himself and Mr. INOUYE, and Mr. COCHRAN):

S. 1315. A bill to transfer administrative consideration of applications for Federal recognition of an Indian tribe to an independent commission, and for other purposes; to the Select Committee on Indian Affairs.

By Mr. THURMOND:

S. 1316. A bill to amend title 28, United States code, with respect to the admissibility in evidence of foreign records of regularly conducted activity; to the Committee on the Judiciary.

By Mr. PELL:

S. 1317. A bill to authorize appropriations for defense economic adjustment assistance; to the Committee on Armed Services.

By Mr. HATFIELD (for himself, Mr. PACKWOOD, and Mr. JEFFORDS):

S. 1318. A bill to amend the Solid Waste Disposal Act so as to protect the environment from discarded beverage containers; to reduce solid waste and the cost in connection with the disposal of such waste through recycling; and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. AKAKA (for himself and Mr. INOUYE):

S. 1319. A bill to provide for the establishment in Hawaii of a Department of Veterans Affairs post-traumatic stress disorder treatment program; to the Committee on Veterans' Affairs.

By Mr. KOHL:

S. 1320. A bill to amend section 924 of title 18, United States Code, to make it a Federal crime to steal a firearm or explosives in interstate or foreign commerce; to the Committee on the Judiciary.

By Mr. KERRY:

S. 1321. A bill for the relief of Michael Houtmeyers; to the Committee on the Judiciary.

By Mr. LEAHY (for himself, Mr. BROWN, and Mr. KOHL):

S. 1322. A bill to amend title 18 of the United States Code to clarify and expand legal prohibitions against computer abuse; to the Committee on the Judiciary.

By Mr. GORE:

S.J. Res. 164. A joint resolution designating the weeks of October 27, 1991, through November 2, 1991, and October 11, 1992, through October 17, 1992, each separately as "National Job Skills Week"; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BIDEN (for himself, Mr. BAUCUS, Mr. PRYOR, Mr. HARKIN, Mr. BUMPERS, Mr. CONRAD, Mr. DASCHLE, Mr. LEAHY, Mr. HEFLIN, Mr. FOWLER, and Mr. BRYAN):

S. 1313. A bill to improve crime and drug control in rural areas, and for other purposes; to the Committee on the Judiciary.

RURAL CRIME AND DRUG CONTROL ACT

• Mr. BIDEN. Mr. President, I rise today to introduce the Rural Crime and Drug Control Act of 1991.

Violent crime, drug dealing, hardcore addiction—Mr. President, to many Americans, these seem to be the problems of our large cities. However, the most recent data just in from rural America tells a vastly different, and disturbing, story. America's rural towns, villages, and small communities are suffering a plague of violent crime, drug trafficking and drug abuse.

The latest crime figures show that the violent crime toll is growing faster in rural America than in large urban States; faster in the rural States than in even America's largest cities. A report—"Rising Casualties: Violent Crime & Drugs in Rural America"—I release today, documents rural Ameri-

ca's skyrocketing criminal violence—murders, rapes, robberies, and violent attacks are growing at an astonishing pace.

The bad news does not, unfortunately, stop there. The latest figures from rural, America clearly outline the grim shadow cast by the rural drug epidemic—for the number of drug addicts seeking treatment is on the rise. In fact, these reports indicate that need for drug treatment in rural America is rising more than 50 percent faster than in America's largest and most urban States.

These and other hard data confirm what rural law enforcement officers, local officials, and citizens have been reporting from the past few years—the crime problem in rural America is in the midst of a fundamental change, a change for the worse. As never before, drugs and violent crime have extended their death grip into our rural heartland. For example:

Most rural States suffered greater increases in violent crime over the past year than did New York City;

About one-half of all rural States saw violent crime rise faster than did California;

Today, rural high school seniors are more than twice as likely to abuse the methamphetamine "ice" than there peers in urban high schools; and

Rural law enforcement officers are increasingly faced with the same challengers as their big city colleagues: Drug traffickers, drug and gang-involved juveniles and criminals armed with military-style assault weapons.

Plainly, rural America needs relief from the growing epidemic of violent crime and drug trafficking that has literally exploded in these once quiet communities. Despite the mounting severity of violence and hard-core addiction in rural America, the administration continues to focus on suburbia and the casual use of drugs among its residents.

In fact, the administration has consistently fought congressional initiatives that could help reverse the alarming rise of rural crime and drug abuse—opposing efforts to boost the number of DEA agents in rural areas, efforts to boost Federal aid to rural law enforcement agencies, and efforts to expand training opportunities for rural police officers.

The latest information from rural America tells us that our worst fears of a few years ago are coming true—Congress must take immediate action and the administration must cease its footdragging.

Today, Mr. President, I introduce with several of my Senate colleagues the Rural Crime & Drug Control Act of 1991—legislation which sets out a comprehensive, all-fronts attack on the violent crime and drug trafficking already proven to be devastating rural America. The act includes many initiatives I have developed; as well as several provisions authored by my Senate colleagues. Two of these, Senators MAX BAUCUS and DAVID PRYOR, deserve special mention for their work on the rural drug treatment and drug prevention programs included in this legislation.

Among the specific proposals which will bolster the Nation's fight against drug traffickers and violent criminals plaguing rural America are:

Additional resources for rural law enforcement officials on the front lines of the anticrime, antidrug effort;

Increased penalties for trafficking the methamphetamine, "ice";

More Federal agents and other special Federal efforts—including rural drug task forces—to support law enforcement in rural America;

Special programs to increase the availability of drug treatment in rural America; and

Special efforts to develop and implement drug prevention programs for rural communities.

If we move quickly, and adopt these proposals, we can preserve the small towns of America and prevent them from mirroring the crime problems of their big-city neighbors. With a commitment to Federal and local law enforcement and drug treatment and education programs, the dangerous trends of rising rural violence can be reversed. We can prevent the decay of our inner city streets from spreading onto the backroads of America.

I ask unanimous consent that a letter from Senator PRYOR appear in the RECORD immediately following my statement.

I also ask unanimous consent that a full copy of the bill appear in the RECORD immediately following Senator PRYOR's letter.

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

U.S. SENATE,
Washington, DC.

Hon. JOSEPH R. BIDEN,
Chairman, Senate Judiciary Committee, Dirksen Senate Office Building, Washington, DC.

DEAR JOE: I was pleased to learn that you intend to introduce the "Rural Crime and Drug Control Act of 1991", which includes several provisions relating to rural law enforcement and rural substance abuse treatment and prevention that were authored by me, along with Senators Baucus, Bumpers, Conrad, and Hardin. As I am continuing my recovery from a recent heart attack, I am sorry that I am unable to join you today.

Based upon your support in the 101st Congress for "The Drug-Free Rural America Act", "The Rural Drug Treatment Act", and "The Rural Drug Information Clearinghouse and Education Act", sponsored by Senator Baucus and myself, I know you share my deep concern about the ever growing drug crisis facing rural America. I applaud your continuing commitment to this important issue, and strongly support the "Rural Crime and Drug Control Act of 1991".

As you know, last year, the General Accounting Office reported the total substance abuse rates in rural states "are about as high" as in nonrural states. Moreover, it found that arrest rates for substance abuse violations in rural counties are virtually identical to those in nonrural counties.

In addition to these chilling statistics, I frequently hear from law enforcement officers in my home state of Arkansas, who inform me that the drug problem in our rural areas continues to grow. For example, police officers have seen Los Angeles street gang members walking the streets of several southern Arkansas communities. As noted by the General Accounting Office, 71% of persons entering Arkansas prisons reported having substance abuse problems, and 57% of all Arkansas inmates reported being under the influence of drugs or alcohol at the time they committed their crimes.

Contrary to conventional wisdom, the drug problem is not confined to the inner cities of our nation's metropolitan areas, but is also ravaging small communities throughout rural America. "The Rural Crime and Drug Control Act of 1991" recognizes this crucial fact and addresses the problem in a constructive and comprehensive manner.

First, as you know, this bill would reduce the supply of drugs in rural areas by beefing up federal anti-drug efforts in rural communities, by authorizing an additional $30 million for federal support of state and local rural law enforcement agencies, and by providing specialized training for rural law enforcement officers at the Federal Law Enforcement Training Center. Second, it would reduce the demand for illegal drugs in rural communities by authorizing $25 million in federal grants for treatment and prevention facilities serving those areas and by establishing a federal clearinghouse project for collecting and disseminating information regarding rural substance abuse treatment and prevention programs. Third, it begins to address the growing problem of environmental damage caused by rural, clandestine drug labs.

In conclusion, I praise you for introducing the "Rural Crime and Drug Control Act of 1991" and look forward to working with you on this important issue, as soon as I complete my recovery and return full-time to my duties in the Senate.

Sincerely,

DAVID PRYOR.

S. 1313

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 "Rural Crime and Drug Control Act of 1991".

TITLE I—FIGHTING DRUG TRAFFICKING IN RURAL AREAS

SEC. 101. AUTHORIZATIONS FOR RURAL LAW ENFORCEMENT AGENCIES.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 1001(a) of title I of the Omnibus Crime Control and Safe Streets Act of 1968 is amended by adding at the end thereof the following new paragraph:

"(7) There are authorized to be appropriated $50,000,000 for fiscal year 1992 and such sums as may be necessary for fiscal years 1993 and 1994 to carry out part O of this title.".

(b) AMENDMENT TO BASE ALLOCATION.—Section 1501(a)(2)(A) of title I of the Omnibus Crime Control and Safe Streets Act of 1968 is amended by striking "$100,000" and inserting in lieu thereof "$250,000".

SEC. 102. RURAL DRUG ENFORCEMENT TASK FORCES.

(a) ESTABLISHMENT.—Not later than 90 days after the date of enactment of this Act, the Attorney General, in consultation with the Governors, mayors, and chief executive officers of State and local law enforcement agencies, shall establish a Rural Drug Enforcement Task Force in each of the Federal judicial districts which encompass significant rural lands.

(b) TASK FORCE MEMBERSHIP.—The task forces established under subsection (a) shall be chaired by the United States Attorney for the respective Federal judicial district. The task forces shall include representatives from—

(1) State and local law enforcement agencies;

(2) the Drug Enforcement Administration;

(3) the Federal Bureau of Investigation;

(4) the Immigration and Naturalization Service; and

(5) law enforcement officers from the United States Park Police, United States Forest Service and Bureau of Land Management, and such other Federal law enforcement agencies as the Attorney General may direct.

SEC. 103. CROSS-DESIGNATION OF FEDERAL OFFICERS.

The Attorney General shall cross-designate up to 100 law enforcement officers from each of the agencies specified under section 102(b)(5) with jurisdiction to enforce the provisions of the Controlled Substances Act on non-Federal lands to the extent necessary to effect the purposes of this title.

SEC. 104. RURAL DRUG ENFORCEMENT TRAINING.

(a) SPECIALIZED TRAINING FOR RURAL OFFICERS.—The Director of the Federal Law Enforcement Training Center shall develop a specialized course of instruction devoted to training law enforcement officers from rural agencies in the investigation of drug trafficking and related crimes.

(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated $1,000,000 in each of the fiscal years 1992, 1993, and 1994 to carry out the purposes of subsection (a).

TITLE II—FEDERAL LAW ENFORCEMENT AGENCIES

SEC. 201. AUTHORIZATION FOR FEDERAL LAW ENFORCEMENT AGENCIES.

There is authorized to be appropriated for fiscal year 1992, in addition to any other appropriations for the Drug Enforcement Administration, $45,000,000 to hire, equip and train not less than 350 agents and necessary support personnel to expand DEA investigations and operations against drug trafficking organizations in rural areas.

TITLE III—INCREASING PENALTIES FOR CERTAIN DRUG TRAFFICKING OFFENSES

SEC. 301. SHORT TITLE.

This subtitle may be cited as the "Ice Enforcement Act of 1991".

SEC. 302. STRENGTHENING FEDERAL PENALTIES.

(a) LARGE AMOUNT.—Section 401(b)(1)(A) of the Controlled Substances Act (21 U.S.C. 841(b)(1)(A)) is amended—

(1) in clause (vii) by striking "or" at the end thereof;

(2) by inserting "or" at the end of clause (viii); and

(3) by adding at the end thereof the following new clause:

"(ix) 25 grams or more of methamphetamine, its salts, isomers, and salts of its isomers, that is 80 percent pure and crystalline in form.".

(b) SMALLER AMOUNT.—Section 401(b)(1)(B) of the Controlled Substances Act (21 U.S.C. 841(b)(1)(B)) is amended as follows:

(1) at the end of clause (vii) by striking "or";

(2) by inserting at the end of clause (viii) the word "or"; and

(3) by adding at the end thereof the following new clause:

"(ix) 5 grams or more of methamphetamine, its salts, isomers, and salts of its isomers, that is 80 percent pure and crystalline in form.".

TITLE IV—RURAL DRUG TREATMENT

SEC. 401. RURAL SUBSTANCE ABUSE TREATMENT.

Part A of title V of the Public Health Service Act (42 U.S.C. 290aa et seq.) is amended by adding at the end thereof the following new section:

"SEC. 509H. RURAL SUBSTANCE ABUSE TREATMENT.

"(a) IN GENERAL.—The Secretary, acting through the Administrator, shall establish a program to provide grants to hospitals, community health centers, migrant health centers, health entities of Indian tribes and tribal organizations (as defined in section 1913(b)(5)), and other appropriate entities that serve nonmetropolitan areas to assist such entities in developing and implementing projects that provide, or expand the availability of, substance abuse treatment services.

"(b) REQUIREMENTS.—To receive a grant under this section a hospital, community health center, or treatment facility shall—

"(1) serve a nonmetropolitan area or have a substance abuse treatment program that is designed to serve a nonmetropolitan area;

"(2) operate, or have a plan to operate, an approved substance abuse treatment program;

"(3) agree to coordinate the project assisted under this section with substance abuse treatment activities within the State and local agencies responsible for substance abuse treatment; and

"(4) prepare and submit an application in accordance with subsection (c).

"(c) APPLICATION.—

"(1) IN GENERAL.—To be eligible to receive a grant under this section an entity shall submit an application to the Administrator at such time, in such manner, and containing such information as the Administrator shall require.

"(2) COORDINATED APPLICATIONS.—State agencies that are responsible for substance abuse treatment may submit coordinated grant applications on behalf of entities that are eligible for grants pursuant to subsection (b).

"(d) SPECIAL CONSIDERATION.—In awarding grants under this section the Administrator shall give priority to—

"(1) projects sponsored by rural hospitals that are qualified to receive rural health care transition grants as provided for in section 4005(e) of the Omnibus Budget Reconciliation Act of 1987;

"(2) projects serving nonmetropolitan areas that establish links and coordinate activities between hospitals, community health centers, community mental health centers, and substance abuse treatment centers; and

"(3) projects that are designed to serve areas that have no available existing treatment facilities.

"(e) DURATION.—Grants awarded under subsection (a) shall be for a period not to exceed 3 years, except that the Administrator may establish a procedure for renewal of grants under subsection (a).

"(f) GEOGRAPHIC DISTRIBUTION.—To the extent practicable, the Administrator shall provide grants to fund at least one project in each State.

"(g) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section there are authorized to be appropriated $25,000,000 for each of the fiscal years 1992, 1993, and 1994.".

TITLE V—RURAL DRUG PREVENTION

SEC. 501. RURAL SUBSTANCE ABUSE PREVENTION.

Part A of title V of the Public Health Service Act (42 U.S.C. 290aa et seq.), as amended by section 401, is amended by adding at the end thereof the following new section:

"SEC. 509I. RURAL SUBSTANCE ABUSE PREVENTION.

"(a) IN GENERAL.—The Secretary, acting through the Administrator, shall make grants to public and nonprofit private entities that serve nonmetropolitan areas to assist such entities in developing and implementing projects that provide, or expand the availability of, substance abuse prevention services.

"(b) REQUIREMENTS.—To receive a grant under this section an entity shall—

"(1) serve a nonmetropolitan area or have a substance abuse treatment program that is designed to serve a nonmetropolitan area;

"(2) agree to coordinate the project assisted under this section with substance abuse prevention activities within the State and local agencies responsible for substance abuse prevention; and

"(3) prepare and submit an application in accordance with subsection (c).

"(c) APPLICATION.—

"(1) IN GENERAL.—To be eligible to receive a grant under this section an entity shall submit an application to the Administrator at such time, in such manner, and containing such information as the Administrator shall require.

"(2) COORDINATED APPLICATIONS.—State or local agencies that are responsible for substance abuse prevention may submit coordinated grant applications on behalf of entities that are eligible for grants pursuant to subsection (b).

"(d) SPECIAL CONSIDERATION.—In awarding grants under this section the Administrator shall give priority to—

"(1) applications from community based organizations with experience serving nonmetropolitan areas;

"(2) projects that are designed to serve areas that have no available existing treatment facilities.

"(e) DURATION.—Grants awarded under this section shall be for a period not to exceed 3 years, except that the Administrator may establish a procedure for renewal of grants under subsection (a).

"(f) GEOGRAPHIC DISTRIBUTION.—To the extent practicable, the Administrator shall provide grants to fund at least 1 project in each State.

"(g) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated $25,000,000 for each of the fiscal years 1992, 1993, and 1994.".

SEC. 502. CLEARINGHOUSE PROGRAM.

Section 509 of the Public Health Service Act (42 U.S.C. 290aa-7) is amended—

(1) in paragraph (3), by striking "and" at the end thereof;

(2) in paragraph (4), by striking the period at the end thereof and inserting a semicolon; and

(3) by adding at the end thereof the following new paragraphs—

"(5) gather information pertaining to rural drug abuse treatment and education projects funded by the Administrator and other such projects throughout the United States; and

"(6) disseminate such information to rural hospitals, community health centers, community mental health centers, treatment facilities, community organizations, and other interested persons.".

TITLE VI—RURAL LAND RECOVERY ACT

SEC. 601. DIRECTOR OF RURAL LAND RECOVERY.

Each of the task forces established under section 102(a) shall include one Director of Rural Land Recovery whose duties shall include the coordination of all activities described in section 102.

SEC. 602. PROSECUTION OF CLANDESTINE LABORATORY OPERATORS.

(a) INCLUSION OF INDICTMENTS OF ADDITIONAL COUNTS FOR VIOLATION OF ENVIRONMENTAL LAW.—State and Federal prosecutors, when bringing charges against the operators of clandestine methamphetamine and other dangerous drug laboratories shall, to the fullest extent possible, include, in addition to drug-related counts, counts involving infringements of the Resource Conservation and Recovery Act of 1976 (42 U.S.C. 6901 et seq.) or any other environmental protection Act, including—

(1) illegal disposal of hazardous waste; and

(2) knowing endangerment of the environment.

(b) SUITS FOR ENVIRONMENTAL AND HEALTH-RELATED DAMAGES.—State and Federal prosecutors and private citizens may bring suit against the operators of clandestine methamphetamine and other dangerous drug laboratories for environmental and health-related damages caused by the operators in their manufacture of illicit substances.●

● Mr. HARKIN. Mr. President, I am proud to join with Senator BIDEN in introducing the Rural Crime and Drug Control Act of 1991. I am grateful to my colleague from Delaware, Senator BIDEN, for his continual concern about the drug problem confronting rural America.

Mr. President, last year I joined with several of my colleagues in requesting a GAO study to determine the extent of the drug problem in rural America. The GAO study, released in September 1990, concluded that "Drug problems are no different in the country than in the city." Today, the Senate Judiciary Committee's majority staff report indicates that the drug problem in rural America is getting worse. In many areas it is increasing faster than in our Naton's big cities. According to the committee's report, violent crime rose faster in "thirteen of fifteen rural States than it did in New York City."

In Iowa, violent crime increased by 8.5 percent in 1990 as compared to a 3-percent increase in New York City. Despite this crisis confronting our communities, the administration has failed to recognize the drug crisis confronting our communities and has opposed efforts to increase the number of DEA agents in rural areas.

Jamaican drug dealers and Mexican black tar heroin can now be found on the streets of Sioux City, IA. Yet, despite numerous requests from my office and other legislators representing the tristate area, for at least one full time DEA agent, the administraton has consistently refused to provide a DEA agent for Siouxland. Mr. President, the administration's drug strategy may have missed rural America but the drug dealers haven't.

Mr. President, people in rural America have worked hard to cultivate a good quality of life. They have worked hard to make their communities a place to raise a family, a safe place, a decent place, but drug dealers are planting the seed of destruction and are wreaking havoc on small towns and rural communities all over America; 1 out of every 10 hardcore cocaine addicts now lives in rural States.

Rural America needs an action plan. Our law enforcement officers in rural areas need the means to fight back. We have a problem and we have an opportunity to pull together, take back our towns and streets from drug dealers. The drug epidemic sweeping across the plains of Iowa and other rural areas can be stopped. We need concentrated action and a plan that moves us forward. The Rural Crime and Drug Control Act of 1991 moves us forward.

This bill provides $45 million to hire 350 agents and support personnel to expand law enforcement operations against drug trafficking in rural areas. It establishes rural drug enforcement task forces in Federal districts with rural areas. The bill also provides $50 million in aid to State and local law enforcement officials in rural areas. Mr. President, our law enforcement officers need these resources. The challenge and risks they face are the same as in big cities. Drug dealers with assault weapons and juvenile drug gangs place police officers lives in danger the same in Sioux City as they do in New York City.

Mr. President, the bill being introduced today also accounts for the special needs facing our communities in the area of drug treatment and prevention by devoting $50 million to address these problems. Drug treatment and prevention programs all over America are overburdened. Yet, in many rural areas such programs do not even exist. This at a time when according to the Senate Judiciary Committee's report, the need for drug treatment in rural America is "rising more than 50 percent faster than in America's largest and most urban states." Doctors, health care facilities, and rural clinics are in need of personnel and unless we take action the problem only becomes worse.

We can win back our communities. We must win back our communities and we must fight back. The Federal Government has a role to play with the States and local communities and private citizens. It is a question of priorities and the determination to defend our homes from a threat that is right down the street, not halfway around the world.●

● Mr. FOWLER. Mr. President, I rise today to give my support to the Rural Crime and Drug Control Act offered by the chairman of the Judiciary Committee.

When the average American thinks of crime, an image of a dark alley in a large city may flash in his mind. However, recent data tells us that violent crime is growing faster in rural America than in our nation's largest cities.

The small towns we used to know, where most people did not bother to lock their doors at night, are quickly disappearing. Instead, violent crime has become a sadly familiar fact of life. Drug abuse is increasingly common—with crack, ice and all the latest deadly concoctions and designer drugs readily available. Major drug traffickers are operating in our poorest, remotest rural areas, corrupting and undermining those communities.

The problems of rural America, in general, are too often overlooked. But we cannot afford to overlook the torment visited on our small towns and countryside by the rural crimewave of the last decade. That is why I heartily commend my colleague, the Senator from Delaware, for having the wisdom to include this provision in his crime bill.

By passing this legislation, we commit ourselves to preserving our small towns. This new pledge to our rural communities will enable us to stem the rising crime rate.

In order to fight crime, we need money and well-trained manpower. And that is what our rural communities are most lacking.

This legislation attacks rural crime on three fronts. The first is on the Federal level. It provides $45 million to hire 350 DEA agents directed specifically to target rural drug trafficking. Thus, it provides money to get to the heart of our rural drug problem.

On the State and local law enforcement level, this act provides $50 million to law enforcement officers in rural areas. In addition, it provides funding so that these officers will be well-trained and able to handle this new responsibility.

This legislation also concentrates on the critical area of drug prevention and treatment. It funds programs which will enhance antidrug awareness and disseminate information to rural citizens who may lack ready access to treatment programs, telling them where they can turn for help.

I believe that this legislation, combined with the comprehensive crime bill which will soon come before the Senate, will equip our law enforcement officers with the tools they need to combat violent crime in our rural areas. It will give local citizens and local communities the boost they need to combat this epidemic.

It is easy to talk about crime and law enforcement. However, the time for simply talking is long gone. This bill provides the resources and makes the commitment to fight crime everywhere in our Nation.●

By Mr. BOREN:

S. 1314. A bill to amend the Internal Revenue Code of 1986 to provide for fair treatment of small property and casualty insurance companies; to the Committee on Finance.

SMALL PROPERTY AND CASUALTY INSURANCE COMPANY EQUITY ACT

● Mr. BOREN. Mr. President, today I am introducing a bill to address the inequity that exists regarding the current tax treatment of small property and casualty insurance companies.

Current law provides small life insurance companies, defined as those with assets of less than $500 million, with a tax deduction of 60 percent of the company's first $3 million in income, reduced by 15 percent of the excess income over $3 million. The deduction then phases out at an income level of $15 million.

Unfortunately, the Internal Revenue Code does not provide small property and casualty insurers with the same treatment. This inequity hampers small property and casualty companies in their attempt to compete for capital with small life and larger property and casualty insurers.

In addition, small property and casualty companies saw their tax burden significantly increased by several provisions in the so-called Tax Reform Act of 1986, especially those provisions dealing with the discounting of loss reserves and the tax on increases in unearned premium liabilities. The 1986 act estimated an increased 5-year tax burden of $7.5 billion from this industry. Instead, the Treasury has collected $12.2 billion as a result of the 1986 changes.

The legislation I am introducing today simply provides small property and casualty companies with the same deduction allowed for small life companies. The bill allows for a deduction of 60 percent of the first $3 million of a company's income, reduced by 15 percent of the income in excess of $3 million. This bill would also provide the same phase-out as the existing provision for life companies.

Mr. President, our economy needs small property and casualty insurers. These companies provide increased competition within the insurance industry. Many of these small insurers are specialty writers, providing coverage to markets that are ignored by many of the major companies.

Unfortunately, the current tax situation limits small property and casualty companies to raise the capital they need in order to survive and grow. This legislation will help level the field with respect to capital formation by providing equitable treatment to these insurers.

Mr. President, I urge my colleagues to join me in support of this legislation, and 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. 1314

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

SECTION 1. SHORT TITLE; AMENDMENT OF 1986 CODE.

(a) SHORT TITLE.—This Act may be cited as the "Small Property and Casualty Insurance Company Equity Act of 1991".

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

SEC. 2. SMALL COMPANY DEDUCTION.

(a) IN GENERAL.—Section 832(c) (relating to deductions allowed) is amended by striking "and" at the end of paragraph (12), by striking the period at the end of paragraph (13) and inserting "; and", and by adding at the end thereof the following new paragraph:

"(14) the small insurance company deduction allowed by subsection (h)."

(b) DETERMINATION OF DEDUCTION.—Section 832 (relating to insurance company taxable income) is amended by adding at the end thereof the following new subsection:

"(h) SMALL INSURANCE COMPANY DEDUCTION.—In the case of taxable years beginning after December 31, 1991—

"(1) IN GENERAL.—There shall be allowed as a deduction for the taxable year 60 percent of so much of the tentative taxable income for such taxable year as does not exceed $3,000,000 (hereafter in this subsection referred to as the 'small insurance company deduction').

"(2) PHASEOUT BETWEEN $3,000,000 AND $15,000,000.—The amount of the small insurance company deduction determined under paragraph (1) for any taxable year shall be reduced (but not below zero) by 15 percent of so much of the tentative taxable income for such taxable year as exceeds $3,000,000.

"(3) SMALL INSURANCE COMPANY DEDUCTION NOT ALLOWABLE TO COMPANY WITH ASSETS OF $500,000,000 OR MORE.—

"(A) IN GENERAL.—The small insurance company deduction shall not be allowed for any taxable year to any insurance company which, at the close of such taxable year, has assets equal to or greater than $500,000,000.

"(B) ASSETS.—For purposes of this paragraph, the term 'assets' means all assets of the company

"(C) VALUATION OF ASSETS.—For purposes of this paragraph, the amount attributable to—

"(i) real property and stock shall be the fair market value thereof, and

"(ii) any other asset shall be the adjusted basis of such asset for purposes of determining gain on sale or other disposition.

"(D) SPECIAL RULE FOR INTERESTS IN PARTNERSHIPS AND TRUSTS.—For purposes of this paragraph—

"(i) an interest in a partnership or trust shall not be treated as an asset of the company, but

"(ii) the company shall be treated as actually owning its proportionate share of the assets held by the partnership or trust (as the case may be).

"(4) TENTATIVE TAXABLE INCOME.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'tentative taxable income' means taxable income determined without regard to the small insurance company deduction.

"(B) EXCLUSION OF ITEMS ATTRIBUTABLE TO NONINSURANCE BUSINESSES.—The amount of the tentative taxable income for any taxable year shall be determined without regard to all items attributable to noninsurance businesses.

"(C) NONINSURANCE BUSINESSES.—

"(i) IN GENERAL.—The term 'noninsurance business' means any activity which is not an insurance business.

"(ii) CERTAIN ACTIVITIES TREATED AS INSURANCE BUSINESSES.—For purposes of clause (i), any activity which is not an insurance business shall be treated as an insurance business if—

"(I) it is of a type traditionally carried on by insurance companies for investment purposes, but only if the carrying on of such activity (other than in the case of real estate) does not constitute the active conduct of a trade or business, or

"(II) it involves the performance of administrative services in connection with plans providing property or casualty insurance benefits.

"(iii) LIMITATION OF AMOUNT OF LOSS FROM NONINSURANCE BUSINESS WHICH MAY OFFSET INCOME FROM INSURANCE BUSINESS.—In computing the taxable income of any insurance company subject to tax imposed by section 831, any loss from a noninsurance business shall be limited under the principles of section 1503(c).

"(5) SPECIAL RULE FOR CONTROLLED GROUPS.—

"(A) SMALL INSURANCE COMPANY DEDUCTION DETERMINED ON CONTROLLED GROUP BASIS.—For purposes of this subsection—

"(i) all insurance companies which are members of the same controlled group shall be treated as 1 insurance company, and

"(ii) any small insurance company deduction determined with respect to such group shall be allocated among the insurance companies which are members of such group in proportion to their respective tentative taxable incomes.

"(B) NONINSURANCE MEMBERS INCLUDED FOR ASSET TEST.—For purposes of paragraph (3), all members of the same controlled group (whether or not insurance companies) shall be treated as 1 company.

"(C) CONTROLLED GROUP.—For purposes of this paragraph, the term 'controlled group' means any controlled group of corporations (as defined in section 1563(a)); except that subsections (a)(4) and (b)(2)(D) of section 1563 shall not apply.

"(D) ADJUSTMENTS TO PREVENT EXCESS DETRIMENT OR BENEFIT.—Under regulations prescribed by the Secretary, proper adjustments shall be made in the application of this paragraph to prevent any excess detriment or benefit (whether from year-to-year or otherwise) arising from the application of this paragraph."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1991.●

By Mr. McCAIN (for himself, Mr. INOUYE, and Mr. COCHRAN):

S. 1315. A bill to transfer administrative consideration of applications for

Federal recognition of an Indian tribe to an independent commission, and for other purposes; to the Select Committee on Indian Affairs.

INDIAN FEDERAL RECOGNITION ADMINISTRATIVE PROCEDURES ACT OF 1991

• Mr. McCAIN. Mr. President, I rise today to introduce the Indian Federal Recognition Administrative Procedures Act of 1991. I am pleased to be joined by Senators INOUYE and COCHRAN as cosponsors of this important legislation. From the earliest times, the Congress has acted to recognize the unique Government-to-Government relationship with the tribes. In the recognition of an Indian group we are recognizing the formal political relationship between the tribe and the Federal Government. There are, and always have been, some Indian tribes which have not been recognized by the Federal Government. This lack of recognition does not alter the fact of the existence of the tribe; it merely means that there is no formal political relationship between the tribe and the Federal Government.

Over the years, our courts have ruled that recognition, while solely within the authority of the Congress, may also be conferred through actions of the executive branch. Both the President and the Secretary of the Interior have historically acted in ways which the courts have found to constitute recognition of Indian tribes. Regulations specifically establish criteria and procedures for the recognition of Indian tribes. Since 1978, tribal groups have filed 126 petitions for recognition. The branch of acknowledgment and research of the Bureau of Indian Affairs has acted on 20 of these petitions. Of this number, 12 petitioners were denied recognition and 8 were granted recognition. During this same period, the Congress recognized five other petitioners through legislation.

In 1978, 1983, 1988, and 1989 the Select Committee on Indian Affairs held oversight hearings on the Federal recognition process. At each of these hearings the record has clearly shown that the process is not working properly. The current administrative process for Federal recognition of certain Indian groups is a very costly and protracted one. There needs to be consistency and fairness in the Federal recognition process, which has too often been characterized by inconsistency and the lack of fairness. The administrative recognition process is hindered by a lack of staff and resources needed to fairly and promptly review all petitions. The annual cost to the Federal Government is estimated at $450,000.

The record from our previous hearings reveals a clear need for the Congress to address the problems affecting the recognition process. I believe that the bill which I am introducing today will go a long way toward resolving the problems which have plagued both petitioners and the Department of the Interior over the years. This bill is not an attempt to rewrite the existing body of laws that apply to the recognition process. It incorporates the Secretary's existing recognition criteria. By doing so, the bill avoids the need to reevaluate prior decisions of the Department and the need for tribal groups to file new petitions.

The Indian Federal Recognition Administrative Procedures Act provides for the creation of the Commission on Indian Recognition. The Commission will be comprised of three members appointed by the President. The Commission on Indian Recognition shall review petitions submitted by Indian groups for Federal recognition. In addition, the Commission can hold hearings and take testimony on petitions for Federal recognition. The bill provides realistic timelines to guide the Commission in the review and decision process. Some petitioners have waited 10 or more years for even a cursory review by the BIA. This bill requires the Commission to complete an initial review within 12 months from the date of the filing of the petition. It further requires the Commission to make a proposed finding on the petition within 1 year from the date that active consideration of the petition has begun.

To ensure fairness, the bill provides for appeals of adverse decisions to the Department's office of hearings and appeals. Final decisions on appeal are subject to further review in the Federal courts. To ensure promptness, the bill authorizes increased funding for the Department. The present annual funding level of $450,000 would be increased to $1.5 million. In addition, all petitions would be processed on a first-come first-served basis to avoid arbitrary decisions about the priority for processing applications. To assist petitioners in the preparation and filing of their petitions, the Administration on Native Americans of the Department of Health and Human Services is authorized to provide up to $500,000 per year in grants to unrecognized tribal groups.

This bill will also provide finality for both the petitioners and the Department. The Department has had a process for recognizing Indian tribes, in one form or another, since the 1930's. Great uncertainty has existed about when or how this process might be concluded. I believe that it is in the interest of all parties to establish a clear deadline for the completion of the administrative Federal recognition process. Accordingly, the bill requires all interested tribal groups to file their petitions within 6 years of the date of enactment. The Commission is required to complete action on all petitions within the established timelines.

Mr. President, I ask unanimous consent that the full text of the Indian Federal Recognition Administrative Procedures Act of 1991 and the section-by-section summary be printed in the RECORD immediately following my remarks.

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

S. 1315

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

SHORT TITLE

SECTION 1. This Act may be cited as the "Indian Federal Recognition Administrative Procedures Act of 1991".

PURPOSES

SEC. 2. The purposes of this Act are to—

(1) establish an administrative procedure for the recognition of the existence of certain Indian tribes;

(2) extend to Indian groups the protection, services, and benefits available from the Federal Government pursuant to the Federal trust responsibility;

(3) extend to Indian groups the immunities and privileges available to federally recognized Indian tribes as well as the responsibilities and obligations of such Indian tribes;

(4) ensure that the special government-to-government relationship between the United States and Indian tribes has a consistent legal and historical basis;

(5) provide clear and consistent standards of administrative review of recognition petitions for Indian groups; and

(6) expedite the administrative review process by providing definitive timelines for review and adequate resources to process recognition petitions.

DEFINITIONS

SEC. 3. For purposes of this Act—

(1) The term "Secretary" means the Secretary of the Interior or a representative designated by the Secretary of the Interior.

(2) The term "Commission" means the independent commission established under section 4.

(3) The term "Department" means the Department of the Interior.

(4) The term "Bureau" means the Bureau of Indian Affairs of the Department of the Interior.

(5) The term "area office" means an area office of the Bureau of Indian Affairs.

(6) The term "Indian tribe" means any Indian entity that—

(A) is located within any of the States of the United States; and

(B) is recognized by the Secretary of the Interior to be an Indian tribe.

(7) The term "Indian group" means any Indian entity that—

(A) is located within any of the States of the United States; and

(B) is not recognized by the Secretary of the Interior to be an Indian tribe.

(8) The term "petitioner" means any entity which has submitted, or submits, a petition to the Secretary requesting recognition that the entity is an Indian tribe.

(9) The term "autonomous" means having its own tribal council, internal process, or other organizational mechanism which the Indian group has used as its own means of making decisions independent of the control of any other Indian governing entity, and in using such term for purposes of this Act, such term must be understood in the context of the culture and social organization of that Indian group.

(10) The term "member of an Indian group" means an individual who—

(A) is recognized by an Indian group as meeting its membership criteria;

(B) consents to being listed as a member of that group; and

(C) is not a member of any Indian tribe.

(11) The term "member of an Indian tribe" means an individual who—

(A) meets the membership requirements of the Indian tribe, as set forth in its governing document or recognized collectively by those persons comprising the governing body of the Indian tribe, and

(B) has continuously maintained tribal relations with the tribe, or is listed on the tribal rolls of that Indian tribe as a member, if such rolls are maintained.

(12) The term "historical" means dating back to the earliest documented contact between—

(A) the aboriginal Indian group from which the petitioners descended, and

(B) citizens or officials of the United States, colonial or territorial governments, or if relevant, citizens and officials of foreign governments from which the United States acquired territory.

(13) The term "continuous" means, with respect to any Indian group, extending from generation to generation throughout the Indian group's history essentially without interruption.

(14) The term "indigenous" means native to the area that constitutes the continental United States in that at least part of the group's aboriginal range extended into what is now the area that constitutes the continental United States.

(15) The term "community" means any people living within such a reasonable proximity as to allow group interaction and maintenance of tribal relations.

(16) The term "other party" means any affected person or organization other than the petitioner who submits comments or evidence in support of, or in opposition to, a petition.

(17) The term "petition" means a petition submitted to the Commission under section 5(a)(1) or transferred to the Commission under section 5(a)(3).

(18) The term "treaty" means any treaty—

(A) negotiated and ratified by the United States with, or on behalf of, any Indian group,

(B) made by any sovereign with, or on behalf of, any Indian group, whereby the United States acquired territory by purchase or cession, or

(C) negotiated by the United States with, or on behalf of, any Indian group in California, whether or not the treaty was subsequently ratified.

COMMISSION ON INDIAN RECOGNITION

SEC. 4. (a)(1) There is established, as an independent commission, the "Commission on Indian Recognition".

(2)(A) The Commission shall consist of 3 members appointed by the President, by and with the advice and consent of the Senate.

(B) No more than 2 members of the Commission may be members of the same political party.

(C) The Commission shall hold its first meeting no later than 30 days after the date on which all members of the Commission have been appointed and confirmed by the Senate.

(D) Each member of the Commission shall be entitled to one vote which shall be equal to the vote of every other member of the Commission.

(E) Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

(F) In making appointments to the Commission, the President shall give careful consideration to—

(i) recommendations received from Indian tribes, and

(ii) individuals who have a background in Indian law or policy, anthropology, genealogy, or history.

(3) At the time appointments are made under paragraph (2)(A), the President shall designate one of such appointees as chairman of the Commission.

(4) Two members of the Commission shall constitute a quorum for the transaction of business.

(5) The Commission may adopt such rules (consistent with the provisions of this Act) as may be necessary to establish its procedures and to govern the manner of its operations, organization, and personnel.

(b)(1)(A) Each member of the Commission not otherwise employed by the United States Government shall receive compensation at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level V of the executive Schedule under section 5316 of title 5, United States Code, for each day, including traveltime, such member is engaged in the actual performance of duties authorized by the Commission.

(B) Except as provided in subparagraph (C), a member of the Commission who is otherwise an officer or employee of the United States Government shall serve on the Commission without additional compensation, but such service shall be without interruption or loss of civil service status or privilege.

(C) All members of the Commission shall be reimbursed for travel and per diem in lieu of subsistence expenses during the performance of duties of the Commission while away from home or their regular place of business, in accordance with subchapter I of chapter 57 of title 5, United States Code.

(2) The principal office of the Commission shall be in the District of Columbia.

(c) The Commission shall carry out the duties assigned to the Commission by this Act, and shall meet the requirements imposed on the Commission by this Act.

(d)(1) Subject to such rules and regulations as may be adopted by the Commission, the chairman of the Commission is authorized to—

(A) appoint, terminate, and fix the compensation (without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title, or of any other provision of law, relating to the number, classification, and General Schedule rates) of an Executive Director of the Commission and of such other personnel as the chairman deems advisable to assist in the performance of the duties of the Commission, at a rate not to exceed a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of title 5, United States Code; and

(B) procure, as authorized by section 3109(b) of title 5, United States Code, temporary and intermitent services to the same extent as is authorized by law for agencies in the executive branch, but at rates not to 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.

(2) The Commission is authorized—

(A) to hold such hearings and sit and act at such times,

(B) to take such testimony,

(C) to have such printing and binding done,

(D) subject to the availability of funds, to enter into such contracts and other arrangements.

(E) to make such expenditures, and

(F) to take such other actions,

as the Commission may deem advisable. Any member of the Commission may administer oaths or affirmations to witnesses appearing before the Commission.

(3) The provisions of the Federal Advisory Committee Act shall not apply to the Commission established under this section.

(4)(A) The Commission is authorized to secure directly from any officer, department, agency, establishment, or instrumentality of the Federal Government such information as the Commission may require for the purpose of this Act, and each such officer, department, agency, establishment, or instrumentality is authorized and directed to furnish, to the extent permitted by law, such information, suggestions, estimates, and statistics directly to the Commission, upon request made by the chairman of the Commission.

(B) Upon the request of the chairman of the Commission, the head of any Federal department, agency, or instrumentality is authorized to make any of the facilities and services of such department, agency, or instrumentality available to the Commission and detail any of the personnel of such department, agency, or instrumentality to the Commission, on a nonreimbursable basis, to assist the Commission in carrying out its duties under this section.

(C) The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(e) The Commission shall cease to exist on the date that is 60 days after the date on which the Commission publishes in the Federal Register the last determination the Commission is required to make under section 8(b) with respect to petitions filed under section 5(a). All records, documents, and materials of the Commission, prior to its termination, shall be transferred by the Commission to the National Archives and Records Administration.

PETITIONS FOR RECOGNITION

SEC. 5. (a)(1) Any Indian group that is indigenous (including any Indian group whose relationship with the Federal Government was terminated by law) may submit to the Commission, during the 72-month period beginning on the date of enactment of this Act, a petition requesting that the Commission recognize that the Indian group is an Indian tribe.

(2) The provisions of this Act do not apply to the following groups or entities, which shall not be eligible for recognition under this Act—

(A) Indian tribes, organized bands, pueblos, communities, and Alaska Native entities which are already recognized by the Secretary as eligible to receive services from the Bureau;

(B) splinter groups, political factions, communities, or groups of any character which separate from the main body of an Indian tribe that, at the time of such separation, is recognized as being an Indian tribe by the Secretary, unless it can be clearly established that the group, faction, or community has functioned throughout history until the date of such petition as an autonomous Indian tribal entity; and

(C) groups, or successors in interest of groups, that prior to the date of enactment

of this Act, have petitioned for, and been denied or refused, recognition as an Indian tribe under regulations prescribed by the Secretary.

(3) No later than 30 days after the date on which all of the members of the Commission have been appointed and confirmed by the Senate, the Secretary shall transfer to the Commission all petitions pending before the Department that request the Secretary, or the Federal Government, to recognize or acknowledge an Indian group as an Indian tribe. On the date of such transfer, the Secretary and the Department shall cease to have any authority to recognize or acknowledge, on behalf of the Federal Government, any Indian group as an Indian tribe. Petitions transferred to the Commission under this paragraph shall, for purposes of this Act, be considered as having been submitted to the Commission as of the date of such transfer.

(b) Any petition submitted under subsection (a) by an Indian group shall be in a form which clearly indicates that it is a petition requesting the Commission to recognize that the Indian group is an Indian tribe and shall contain each of the following:

(1) A statement of facts establishing that the petitioner has been identified from historical times until the present, on a substantially continuous basis, as Indian, except that a petitioner shall not be considered as having failed to satisfy any requirement of this subsection merely because of fluctuations of tribal activity during various years. Evidence which can be offered to demonstrate Indian identity of the petitioner on a substantially continuous basis shall include one or more of the following:

(A) Repeated identification of the petitioner as Indian by Federal authorities.

(B) Longstanding relationships of the petitioner with State governments based on identification of the petitioner as Indian.

(C) Repeated dealings of the petitioner with a county, parish, or other local government in a relationship based on the Indian identity of the petitioner.

(D) Repeated identification of the petitioner as an Indian entity be records in courthouses, churches, or schools.

(E) Repeated identification of the petitioner as an Indian entity by anthropologists, historians, or other scholars.

(F) Repeated identification of the petitioner as an Indian entity in newspapers and books.

(G) Repeated identification of the petitioner as an Indian entity by, and dealings of the petitioner as an Indian entity with, Indian tribes or recognized national Indian organizations.

(2) Evidence that—

(A) a substantial portion of the membership of the petitioner lives in a community viewed as Indian and distinct from other populations in the area, and

(B) members of the petitioner are descendants of an Indian group or groups which historically inhabited a specific area.

(3) A statement of facts which establishes that the petitioner has maintained tribal political influence or other authority over its members as an autonomous entity from historical times until the present.

(4) A copy of the present governing document of the petitioner describing in full the membership criteria of the petitioner and the procedures through which the petitioner currently governs its affairs and members.

(5) A list of all current members of the petitioner and their current addresses and a copy of each available former list of members based on the petitioner's own defined criteria. The membership must consist of individuals who have established descendancy from an Indian group which existed historically or from historical Indian groups which combined and functioned as a single autonomous entity. Evidence of tribal membership required by the Commission includes (but is not limited to)—

(A) descendancy rolls prepared by the Secretary for the petitioner for purposes of distributing claims money, providing allotments, or other purposes;

(B) State, Federal, or other official records or evidence identifying present members of the petitioner, or ancestors of present members of the petitioner, as being an Indian descendant and a member of the petitioner;

(C) church, school, and other similar enrollment records indicating membership in the petitioner;

(D) affidavits of recognition by tribal elders, leaders, or the tribal governing body as being an Indian descendant of the Indian group and a member of the petitioner; and

(E) other records or evidence identifying the person as a member of the petitioner.

NOTICE OF RECEIPT OF PETITION

SEC. 6. (a) Within 30 days after a petition is submitted or transferred to the Commission under section 5(a), the Commission shall send an acknowledgment of receipt in writing to the petitioner and shall have published in the Federal Register a notice of such receipt, including the name, location, and mailing address of the petitioner and such other information that will identify the entity submitting the petition and the date the petition was received by the Commission. The notice shall also indicate where a copy of the petition may be examined.

(b) The Commission shall also notify, in writing, the Governor and attorney general of, and each recognized Indian tribe within, any State in which a petitioner resides.

(c) The Commission shall publish the notice of receipt of the petition in a major newspaper of general circulation in the town or city nearest the location of the petitioner. The notice will include, in addition to the information described in subsection (a), notice of opportunity for other parties to submit factual or legal arguments in support of, or in opposition to, the petition. Such submissions shall be provided to the petitioner upon receipt by the Commission. The petitioner shall be provided an opportunity to respond to such submissions prior to a determination on the petition by the Commission.

PROCESSING THE PETITION

SEC. 7. (a)(1) Upon receipt of a petition, the Commission shall conduct a review to determine whether the petitioner is entitled to be recognized as an Indian tribe.

(2) The review conducted under paragraph (1) shall include consideration of the petition, supporting evidence, and the factual statements contained in the petition.

(3) The Commission may also initiate other research for any purposes relative to analyzing the petitioner's status and may consider any evidence which may be submitted by other parties.

(b) Prior to actual consideration of the petition and by no later than the date that is 12 months after the date on which the petition is submitted or transferred to the Commision, the Commission shall notify the petitioner of any obvious deficiencies, or significant omissions, that are apparent upon an initial review of the petition and provide the petitioner with an opportunity to withdraw the petition for further work or to submit additional information or a clarification.

(c)(1) Except as otherwise provided in this subsection, petitions shall be considered on a first come, first served basis, determined by the date of the original filing of the petition with the Commission, or the Department of the Interior if the petition is one transferred to the Commission pursuant to section 5(a). The Commission shall establish a priority register including those petitions pending before the Department of the Interior on the date of enactment of this Act.

(2) Petitions that are submitted to the Commission by Indian groups whose relationship with the Federal Government was terminated by law or by Indian groups that were parties to treaties—

(A) shall receive priority consideration over petitions submitted by any other Indian groups, and

(B) shall be considered on an expedite basis.

(d) The Commission shall provide the petitioner and other parties submitting comments on the petition notice of the date on which the petition comes under active consideration.

(e) A petitioner may, at its option and upon written request, withdraw its petition prior to publication in the Federal Register by the Commission of proposed findings under section 8(a) and may, if it so desires, resubmit a new petition. A petitioner shall not lose its priority date by withdrawing and resubmitting its petitions, but the time periods provided in section 8(a) shall begin to run upon active consideration of the resubmitted petition.

PROPOSED FINDINGS AND DETERMINATION

SEC. 8. (a)(1) Within 1 year after notifying the petitioner under section 7(d) that active consideration of the petition has begun, the Commission shall make a proposed finding on the petition and shall publish the proposed finding in the Federal Register.

(2) The Commission may delay making proposed findings on a petition under paragraph (1) for 180 days upon a showing of good cause by the petitioner.

(3) In addition to the proposed findings, the Commission shall prepare a report on each petition which summarizes the evidence for the proposed findings. Copies of such report shall be available to the petitioner and to other parties upon request.

(4) Upon publication of the proposed findings under paragraph (1), any individual or organization wishing to challenge the proposed findings shall have a response period of 120 days to present factual or legal arguments and evidence to rebut the evidence upon which the proposed findings are based.

(b)(1) After consideration of any written arguments and evidence submitted to rebut the proposed findings made under subsection (a)(1), the Commission shall make a determination of whether the petitioner is recognized by the Federal Government to be an Indian tribe. Except as otherwise provided by this Act, the determination shall be considered to be a determination on such recognition by the Federal Government, and shall be treated as a determination on such recognition by the Secretary, for all purposes of law.

(2) By no later than the date that is 60 days after the close of the 120-day response period described in subsection (a)(4), the Commission shall—

(A) make a determination of whether the petitioner is a federally recognized Indian tribe;

(B) publish a summary of the determination in the Federal Register; and

(C) deliver a copy of the determination and summary to the petitioner.

(3) Any determination made under paragraph (1) shall become effective on the date that is 60 days after the date on which the summary of the determination is published under paragraph (2).

(c) In making the proposed findings and determinations under this section with respect to any petition, the Commission shall recognize the petitioner as an Indian tribe if the petition meets all the requirements of section 5(b). The Commission shall not make such findings or determination of recognition of the petitioner if such requirements have not been met by the petitioner.

(d) If the Commission determines under subsection (b)(1) that the petitioner should not be recognized by the Federal Government to be an Indian tribe, the Commission shall analyze and forward to the petitioner other options, if any, under which application for services and other benefits of the Bureau may be made.

(e) A determination by the Commission that an Indian group is recognized by the Federal Government as an Indian tribe shall not—

(1) have the effect of depriving or diminishing the right of any other Indian tribe to govern its reservation as such reservation existed prior to the recognition of such Indian group.

(2) have the effect of depriving or diminishing any property right held in trust or recognized by the United States for such other Indian tribe prior to the recognition of such Indian group, or

(3) have the effect of depriving or diminishing any previously or independently existing claim by a petitioner to any such property right held in trust by the United States for such other Indian tribe prior to the recognition of such Indian group.

APPEALS

SEC. 9. (a) By no later than 60 days after the date on which the summary of the determination of the Commission with respect to a petition is published under section 8(b), the petitioner, or any other party, may appeal the determination to the United States Court of Appeals for the District of Columbia Circuit.

(b) The prevailing parties in the appeal described in subsection (a) shall be eligible for an award of attorney fees and costs under the provisions of section 504 of title 5, United States Code, or section 2412 of title 28 of such Code, as the case may be.

IMPLEMENTATION OF DECISIONS

SEC. 10. (a) Upon recognition by the Commission that the petitioner is an Indian tribe, the Indian tribe shall be eligible for the services and benefits from the Federal Government that are available to other federally recognized Indian tribes and entitled to the privileges and immunities available to other federally recognized Indian tribes by virtue of their status as Indian tribes with a government-to-government relationship with the United States, as well as having the responsibilities and obligations of such Indian tribes. Such recognition shall subject the Indian tribes to the same authority of Congress and the United States to which other federally recognized tribes are subject.

(b) While the Indian tribes that are newly recognized under this Act shall be eligible for benefits and services, recognition of the Indian tribe under this Act will not create an entitlement to existing programs of the Bureau. Such programs shall become available upon appropriation of funds by law. Requests for appropriations shall follow a determination of the needs of the newly recognized Indian tribe.

(c) Within 6 months after an Indian tribe is recognized under this Act, the appropriate area offices of the Bureau of Indian Affairs and the Indian Health Service shall consult and develop in cooperation with the Indian tribe, and forward to the respective Secretary, a determination of the needs of the Indian tribe and a recommended budget required to serve the newly recognized Indian tribe. The recommended budget will be considered along with other recommendations by the appropriate Secretary in the usual budget-request process.

LIST OF RECOGNIZED INDIAN TRIBES

SEC. 11. By no later than the date that is 90 days after the date of the enactment of this Act, and annually thereafter, the Secretary shall publish in the Federal Register an up-to-date list of all Indian tribes which are recognized by the Federal Government and receiving services from the Bureau.

ACTIONS BY PETITIONERS FOR ENFORCEMENT

SEC. 12. Any petitioner may bring an action in the district court of the United States for the district in which the petitioner resides, or the United States District Court for the District of Columbia, to enforce the provisions of this Act, including any time limitations within which actions are required to be taken, or decisions made, under this Act and the district court shall issue such orders (including writs of mandamus) as may be necessary to enforce the provisions of this Act.

REGULATIONS

SEC. 13. The Commission is authorized to prescribe such regulations as may be necessary to carry out the provisions and purposes of this Act. All such regulations must be published in accordance with the provisions of title 5, United States Code.

GUIDELINES AND ADVICE

SEC. 14. (a) No later than 90 days after the date of enactment of this Act, the Commission shall make available suggested guidelines for the format of petitions, including general suggestions and guidelines on where and how to research required information, but such examples shall not preclude the use of any other format.

(b) The Commission, upon request, is authorized to provide suggestions and advice to any petitioner for his research into the petitioner's historical background and Indian identity. The Commission shall not be responsible for the actual research on behalf of the petitioner.

ASSISTANCE TO PETITIONERS

SEC. 15. (a)(1) The Commissioner of the Administration for Native Americans of the Department of Health and Human Services may award grants to Indian groups seeking Federal recognition to enable the Indian groups to—

(A) conduct the research necessary to substantiate petitions under this Act, and

(B) prepare documentation necessary for the submission of a petition under this Act.

(2) The grants made under this subsection shall be in addition to any other grants the Commissioner of the Administration for Native Americans is authorized to provide under any other provision of law.

(b) Grants provided under subsection (a) shall be awarded competitively based on objective criteria prescribed in regulations promulgated by the Commissioner of the Administration for Native Americans.

SECTION-BY-SECTION SUMMARY ANALYSIS OF THE INDIAN FEDERAL RECOGNITION ADMINISTRATIVE PROCEDURES ACT OF 1991

SECTION 1

Section 1 cites the short title of the Act as the "Indian Federal Recognition Administrative Procedures Act of 1991."

SECTION 2

Section 2 sets out the purposes of the Act.

SECTION 3

Section 3 of this bill sets out the definitions used in the Act.

SECTION 4

Section 4 of this bill provides that there will be established the "Commission on Indian Recognition" as an independent commission. The Commission shall have three members who shall be appointed by the President with the advice and consent of the Senate. The Commission shall hold its first meeting no later than 30 days after the date on which all members have been appointed and confirmed by the Senate.

This section provides that the President shall give careful consideration to recommendations from Indian tribes and individuals who have a background in Indian law or policy, anthropology, genealogy or history. The President shall designate one appointee as the Chairman of the Commission and two members shall constitute a quorum for the transaction of business.

Subsection (b) of this section provides that each member of the Commission not employed by the Federal government shall receive compensation at a rate equal to the daily equivalent of the annual rate of pay for level V of the Executive Schedule under section 5316 of title 5, U.S.C. for each day the member is engaged in the performance of duties authorized by the Commission. This subsection provides that employees or officers of the Federal government shall serve without additional compensation except for reimbursement of travel and per diem expenses incurred during performance of their duties. Finally, this subsection provides that the principal office of the Commission shall be in Washington, D.C.

Subsection (c) provides that the Commission shall carry out the duties and meet the requirements imposed by this Act.

Subsection (d) provides that Chairman is authorized to appoint, terminate and fix compensation for an Executive Director of the Commission and such other personnel as deemed advisable. The chairman is also authorized to procure temporary and intermittent services to the same extent as is authorized by law for other agencies.

This subsection also provides that the Commission is authorized to hold hearings, to take testimony, to administer oaths or affirmations to witnesses and to enter into contracts or other arrangements as the Commission may deem advisable. The provisions of the Federal Advisory Commission Act shall not apply to the Commission on Indian Recognition.

Subsection (d) authorizes the Commission to secure information from any agency, department or instrumentality of the Federal government as it may require for the purposes of this Act. Each agency, department, or instrumentality of the Federal government is authorized and directed to furnish such information to the extent permitted by law. The Chairman of the Commission may request the use of any facilities, services or personnel of an agency, department or instrumentality of the Federal government to assist in the Commission in carrying out its duties under this section.

Subsection (e) of this section provides that the Commission shall cease to exist on the date that is 60 days after the date on which the Commission publishes in the Federal Register the last determination on petitions required under section 5(a) of the Act. All records, documents and materials shall be transferred by the Commission to the National Archives and Records Administration.

SECTION 5

Section 5 provides that any Indian group, including a terminated Indian tribe, may submit to the Commission a petition requesting that the Commission recognize that the Indian group is an Indian tribe. A recognition petition submitted under this Act must be submitted during the 72 month period beginning on the date of enactment of this Act. This section provides that the provisions of this Act shall not apply to Indian tribes or Alaska Native entities which are already federally recognized, splinter groups or political factions which have separated from the main body of a federally recognized Indian tribe, of groups or successors in interest of groups which have petitioned for Federal recognition and been denied.

This section also provides that no later than 30 days after the date on which all members have been appointed or confirmed by the Senate, the Secretary shall transfer to the Commission all petitions for Federal recognition pending before the Department of the Interior. On the date of the transfer, the Secretary shall cease to have any authority to recognize or acknowledge on behalf of the Federal government any Indian group as an Indian tribe. Petitions transferred to the Commission shall be considered as having been submitted to the Commission as of the date of such transfer.

Subsection (b) of this section provides that a petition submitted to the Commission on Indian Recognition shall contain a statement of facts establishing that the petitioner has been identified from historical times to the present, on a substantially continuous basis, as Indian. A petitioner shall not be considered as having failed to satisfy any requirement of this subsection merely because of fluctuations in tribal activity during various years. A petition for Federal recognition shall contain evidence that a substantial portion of the membership of the petitioner lives in a community viewed as Indian and distinct from other populations and that members of the petitioner are descendants of an Indian group which historically inhabited a specific area.

The petition submitted under this section shall include a statement of facts which establishes that the petitioner has maintained tribal political influence over its members as an autonomous entity from historical times to the present. The petition shall also include a copy of the governing document of the petitioner and a list of all current members of the petitioner.

SECTION 6

Section 6 provides that within 30 days of receipt of a petition the Commission shall send an acknowledgement of receipt to the petitioner and have published in the Federal Register a notice of such receipt. The Commission shall also notify in writing the Governor and attorney general of, and each recognized Indian tribe within, any state in which a petitioner resides. The Commission shall also publish a notice of receipt in a major newspaper of general circulation in the town or city nearest the location of the petitioner. This notice will also provide notice of opportunity for other parties to submit factual or legal arguments in support of, or opposition to, the petitions. Copies of such submissions shall be provided to the petitioner upon receipt. Petitioner shall have an opportunity to respond to such submissions prior to a Commission determination on the petition.

SECTION 7

Section 7 provides that upon receipt of a petition, the Commission shall conduct a review of the petition, including any supporting evidence, to determine whether the petitioner is entitled to be recognized as an Indian tribe. The Commission may initiate research to assist in the analysis of the petition and supporting documentation. Prior to actual consideration of the petition and by no later than the date that is 12 months after the date the Commission receives the petition, the Commission shall notify the petitioner of any obvious deficiencies or significant omissions that are apparent upon initial review of the petition. The petitioner may withdraw the petition or submit additional information.

Subsection (c) of this section provides that petitions shall be considered on a first come, first served basis which is determined by the date of original filing of the petition with the Commission. The Commission shall establish a priority register of all petitions including those petitions pending before the Department of the Interior. Petitions submitted by groups that were terminated by law or groups that were parties to treaties shall receive priority consideration over all other petitions and shall be considered on an expedited basis.

Subsection (d) of this section states that the Commission shall notify the petitioner and other interested parties of the date on which the petition comes under active consideration.

Subsection (e) of this section provides that a petitioner may withdraw its petition prior to publication of the Commission's proposed findings and may resubmit a new petition. A petitioner shall not lose its priority date by withdrawing and resubmitting its petition but the time period will begin to run upon active consideration of the resubmitted petition.

SECTION 8

Section 8 provides that the Commission shall make a proposed finding on the petition within one year of the notice of active consideration. The proposed finding shall be published in the Federal Register. Upon a showing of good cause by the petitioner, the Commission may delay making a proposed finding for 180 days. The Commission shall prepare a report which summarizes the evidence to support each proposed finding. Copies of the report shall be available to the petitioner and to other parties upon request. Any party may submit a legal or factual challenge to the proposed findings within 120 days of their publication.

Subsection (b) of this section provides that the Commission shall make a determination of whether the petitioner should be recognized by the Federal government to be an Indian tribe after consideration of all written arguments and evidence submitted to the Commission. The Commission shall make a determination of whether the petitioner is a federally recognized Indian tribe and publish a summary of such determination in the Federal Register within 60 days after the close of the 120 day response period under subsection (a)(4). The determination made under this subsection shall become effective on the date that is 60 days after the summary is published in the Federal Register.

Subsection (c) of this section states that the Commission shall recognize the petitioner as an Indian tribe if the petition meets all the requirements under section 5(b).

Subsection (d) provides that if the Commission determines that the petitioner should not be recognized to be an Indian tribe, then the Commission shall analyze and forward to the petitioner other options for services or benefits from the Bureau of Indian Affairs.

Subsection (e) provides that a determination by the Commission that an Indian group is recognized as an Indian tribe shall not have the effect of depriving or diminishing: (1) the right of any other Indian tribe to govern its reservation as such reservation existed prior to the recognition of the group; (2) any property right held in trust or recognized by the U.S. for an Indian tribe prior to the recognition of the Indian group; (3) any previously or independently existing claim by a petitioner to any such property right held in trust by the U.S. for another Indian tribe prior to the recognition of the Indian group.

SECTION 9

Section 9 states that no later than 60 days after the date on which the summary of the determination of the Commission on the petition for recognition is published, the petitioner, or any other party, may appeal the determination to the United States Court of Appeals for the District of Columbia. The prevailing parties in the appeal shall be eligible for an award of attorneys fees and costs under the provisions of section 504 of title 5 or section 2412 of title 28 of the U.S.C. as the case may be.

SECTION 10

Section 10 provides that upon recognition by the Commission that the petitioner is an Indian tribe, the Indian tribe shall be eligible for services and benefits from the Federal government. The Indian tribes shall have the same responsibilities and obligations as other federally recognized Indian tribes Programs and services provided by the Bureau of Indian Affairs shall be provided to the newly recognized Indian tribe when funds have been appropriated for such programs. Requests for appropriations shall follow a determination of the needs of the newly recognized Indian tribe.

Finally, this section provides that within 6 months after an Indian tribe is recognized under this Act, the area offices of the Bureau of Indian Affairs and the Indian Health Service shall consult and develop in cooperation with the Indian tribe a determination of needs and a recommended budget. The needs determination and recommended budget shall be forwarded to each Secretary for their consideration.

SECTION 11

Section 11 provides that within 90 days of enactment of this Act and anually thereafter, the Secretary shall publish in the Federal register an up-to-date list of all Indian tribes which are recognized by the Federal government and receiving services from the Bureau.

SECTION 12

Section 12 provides that any petitioner may bring an action in Federal District Court to enforce the provisions of this Act including any time limitations established under this Act and the District Court shall issue such orders as may be necessary to enforce the provisions of this Act.

SECTION 13

Section 13 authorizes the Commission to prescribe such regulations as may be necessary to carry out the provisions and purposes of this Act.

SECTION 14

Section 14 provides that within 90 days of enactment of this Act, the Commission shall make available suggested guidelines for the format of petitions including suggestions on research required in the documentation of a petition for Federal recognition. This section also provides that the Commission may provide advice and technical assistance to a petitioner in documenting the historical background and Indian identity of the Indian group. It further provides that the Commission shall not be responsible for actual research on behalf of the petitioner.

SECTION 15

Section 15 provides that the Commissioner of the Administration for Native Americans may award grants to Indian groups seeking Federal recognition. Grants may be used to conduct research necessary to substantiate petitions for Federal recognition and to prepare documentation necessary for the submission of a petition for Federal recognition. The Commissioner shall award grants on a competitive basis pursuant to objective criteria established by regulation.

SECTION 16

Section 16 provides that there shall be authorized to be appropriated for the Commission on Indian Recognition $1,500,000 for each fiscal year 1992 through 2004 to carry out the purposes of this Act. This section provides that there shall be authorized to be appropriated for the Administration for Native Americans $500,000 for each fiscal year 1992 through 2004 to carry out the purposes of section 15 of the Act.●

By Mr. THURMOND (by request):

S. 1316. A bill to amend title 38, United States Code, with respect to the admissibility in evidence of foreign records of regularly conducted activity; to the Committee on the Judiciary.

FOREIGN RECORDS OF REGULARLY CONDUCTED ACTIVITY

Mr. THURMOND. Mr. President, I rise today to introduce a bill, at the administration's request, that will facilitate the introduction of foreign business records into evidence in Federal civil proceedings. This section is analogous to title 18, section 3505 of the United States Code, which applies to the introduction of foreign business records into evidence in Federal criminal proceedings.

The hearsay rule does not allow statements by persons who are not present at a trial to be admitted into evidence. The bill I am introducing today will add another exception to the hearsay rule for foreign business records. This exception is based on the business record exception, one of the hearsay exceptions currently found in the Federal Rules of Evidence. This exception allows a business record that is a hearsay statement to be admitted into evidence if it possesses sufficient guarantees of its truth to justify the absence at trial of the person who made the hearsay statement.

The foreign business record exception would allow foreign business records to be admitted into evidence if the records fulfill certain certification requirements, thereby facilitating the introduction of a foreign business record while providing safeguards for its authenticity. This exception currently exists for foreign business records in Federal criminal proceedings, and the Justice Department's experience with this procedure has been extremely favorable.

Mr. President, this legislation will provide a useful exception to the hearsay rule. I urge my colleagues to support this legislation and I ask unanimous consent that the full 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. 1316

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

SECTION 1. FOREIGN RECORDS OF REGULARLY CONDUCTED ACTIVITY.

(a) AMENDMENT TO TITLE 28.—Chapter 115 of title 28, United States Code, is amended by adding at the end thereof the following new section:

"§ 1747. Foreign Records of Regularly Conducted Activity

"(a)(1) In a civil proceeding in a court of the United States, including the United States Claims Court and the United States Tax Court, a foreign record of regularly conducted activity, or a copy of such record, shall not be excluded as made by the opposing party and determined by the court before trial. Failure by a party to file such motion before trial shall constitute a waiver of objection to such record or duplicate, but evidence by the hearsay rule if a foreign certification attests that—

"(A) such record was made, at or near the time of the occurrence of the matters set forth, by (or from information transmitted by) a person with knowledge of those matters;

"(B) such record was kept in the course of a regularly conducted business activity;

"(C) the business activity made such a record as a regular practice; and

"(D) if such record is not the original, such record is a duplicate of the original;

unless the source of information or the method or circumstances of preparation indicate lack of trustworthiness.

"(2) A foreign certification under this section shall authenticate such record or duplicate.

"(b) As soon as practicable after a responsive pleading has been filed, a party intending to offer in evidence under this section a foreign record of regularly conducted activity shall provide written notice of that intention to each other party. A motion opposing admission in evidence of such record shall be section 1746 the following item: "1747. Foreign records of regularly conducted activity.".

SEC. 2. EFFECTIVE DATE.

The amendments made by Section 1 are effective on the date of enactment of this Act.

By Mr. PELL:

S. 1317. A bill to authorize appropriations for defense economic adjustment assistance; to the Committee on Armed Services.

ECONOMIC ADJUSTMENT ASSISTANCE AUTHORIZATION ACT

Mr. PELL. Mr. President, I am introducing a bill to remove the fiscal year restrictions from the Defense Economic Adjustment, Diversification, Conversion and Stabilization Act of 1990, which was enacted as part of the National Defense Authorization Act for fiscal year 1991.

My bill would authorize further funding in future fiscal years for the programs authorized by that act, namely community economic adjustment assistance through the Economic Development Administration of the Department of Commerce, and adjustment assistance, training, and employment services for employees through the Department of Labor.

As the author of S. 2097, the Defense Diversification and Adjustment Act in the 101st Congress, parts of which were enacted in the fiscal year 1991 Defense authorization bill, I have a special interest in seeing that these programs are assured of continuity in coming years when the impact of decreased defense spending will almost certainly become increasingly severe.

I am very pleased that the Department of Defense has now agreed, after some delay, to transfer the funds authorized and appropriated for these programs in fiscal year 1991, namely $150 million to the Labor Department and $50 million to the Department of Commerce. I note that these funds are to remain available until expended, by terms of the authorization bill, and until September 30, 1993, by terms of the appropriation bill.

While it is too early to estimate the rate of depletion of these funds, it is possible that they may be quickly obligated due to the continuing reduction in defense spending and particularly as a result of possible implementation of the pending proposals for closure and realignment of military bases.

For these reasons, it seems prudent to continue the authorizations on an open-ended basis for fiscal years after 1991 so that Congress will be free to appropriate such sums as may be necessary to help cushion these continuing blows to the defense-based sectors of the economy.

I am pleased to note that my bill is identical to H.R. 2366 which was introduced on May 15 by Congresswoman MARY ROSE OAKAR, who shares my great concern about the need to provide adjustment assistance to those who through no fault of their own find their livelihood threatened by macrochanges in national budget priorities.

My own concern stems from the vulnerability of defense contractors who make up a substantial portion of the economic base of my State. Already, the Electric Boat Division of General Dynamics, builder of Seawolf and Tri-

dent submarines and the largest private sector employer in the State, has indicated that it will be forced to cut its work force of 22,000 in half by 1997, even assuming construction rates of one new submarine a year. Raytheon's Submarine Signal Division, located in Portsmouth, RI, has laid off 30 percent of its work force in the last year, and an associated community of high-technology contractors, mostly small businesses, also has been hard-hit. And in the areaof base closures, it appears that the civilian work force of the Naval Construction Battalion Center, better known as the Seabees, will be out of work with the proposed shutdown of that facility.

The State of Rhode Island is mounting a statewide effort to deal with these dislocations. The State's Office of Strategic Planning has launched a statewide economic adjustment planning project, hopefully to be funded in part by a Federal grant from the Department of Defense Office of Economic Adjustment, for which application is pending.

An important related development is a job creation demonstration project proposed by the Economic Innovation Center of Middletown, RI, and designed especially to assist the adjustment of workers in the high technology contracting community. An application is now pending with the U.S. Department of Labor for support of this project from the funding provided by the economic adjustment provisions of the defense authorization and appropriation bills for fiscal year 1991.

I cite these local circumstances to show that even in the Nation's smallest State, vigorous efforts are under way to lay claim on the State's fair share of the Federal adjustment assistance funds now currently available. Our efforts are surely magnified nationwide with intensity which will increase as the impact of base closures and reduced contracts sinks in. It only makes sense to extend the authorization for these programs now to give assurance that the Federal Government will keep faith with those who need help in adjusting to a new world order.

By Mr. HATFIELD (for himself, Mr. PACKWOOD, and Mr. JEFFORDS):

S. 1318. A bill to amend the Solid Waste Disposal Act so as to protect the environment from discarded beverage containers; to reduce solid waste and the cost in connection with the disposal of such waste through recycling; and for other purposes; to the Committee on Commerce, Science, and Transportation.

NATIONAL BEVERAGE CONTAINER REUSE AND RECYCLING ACT

Mr. HATFIELD. Mr. President, I am pleased to rise today to introduce the National Beverage Container Recycling and Reuse Act. I am joined in this effort by my colleague from Oregon, Senator PACKWOOD, and my colleague from Vermont, Senator JEFFORDS.

As Congress undertakes the reauthorization of the Resource Conservation and Recovery Act [RCRA], recycling will no doubt emerge as one of the most effective tools in addressing the solid waste crisis. I know the sad irony of overflowing landfills on one hand, and diminishing resources on the other is not lost on my colleagues, and I am encouraged by indications that our constituents are losing patience with this irony as well.

In 1971, during my first term as a U.S. Senator, Oregon passed the Nation's first beverage container deposit law, which required a 5 cent deposit on each beverage container, redeemable upon return to the grocer. I have been a proponent of a Federal deposit law ever since. I believed then, and still believe now, that the proliferation of throwaway containers is a repugnant reminder of society's wanton depletion of energy resources and the continued idolization of convenience.

As someone who grew up during the Great Depression, I am constantly reminded of the throwaway ethic that has emerged so prominently in this country. In this regard, Oregon's deposit system serves a much greater role than merely cleaning up littered highways, saving energy and resources or reducing the waste flowing into our teeming landfills. The bottle bill acts as a tutor. It is a constant reminder of the conservation ethic that is an essential component of any plan to see this country out of its various crises. Each time a consumer returns a can for deposit, the conservation ethic is reaffirmed, and hopefully the consumer will then reapply this ethic in other areas.

The legislation that Senators PACKWOOD and JEFFORDS and I introduce today modernizes the approach taken by the States that have enacted deposit laws. The bill is modeled in part on elements of laws passed in California, Vermont, Maine, and of course Oregon, and addresses many of the industry concerns that have stalled this bill in the past. One of our principle goals is to encourage, through private enterprise, the development of a more efficient and comprehensive recycling infrastructure. Just as infrastructure is a vital part of our Nation's transportation system, infrastructure is also one of the most important components of a successful recycling program. Our bill encourages the various uses of unclaimed consumer deposits for this purpose. At the proper time, we do intend to offer the bill as an amendment to the RCRA reauthorization bill.

One of the concerns about this legislation is that it is incompatible with curbside recycling. As was recently reinforced before the Environment and Public Works Subcommittee on Environmental Protection by Fred Hansen, Director of Oregon Department of Environmental Quality, States that have working deposit systems are experiencing greater success by pairing a deposit system with a curbside system. They are diverting more waste from the landfills and spending less per ton doing it. Oregon has seen a significant expansion of curbside programs that work effectively in tandem with Oregon's bottle bill.

The GAO report commissioned by Senator JEFFORDS, Congressman HENRY and myself indicates that curbside systems and deposit systems are compatible. I have also recently become aware of a study by officials in the city of Cincinnati that indicates a dual deposit/curbside approach would divert 60 percent more waste from the landfill than the current curbside program alone.

Mr. President, now more than ever, we need programs with the popular support and effectiveness of the bottle bill. We need to put higher priorities on reducing waste, conserving energy and changing our throwaway mentality. There are many demonstrated benefits to a deposit approach and I hope my colleagues consider this legislation carefully.

Mr. PACKWOOD. Mr. President, I rise today as a cosponsor of the National Beverage Container Reuse and Recycling Act of 1991. Since the 93d Congress—1973–74—after Oregon adopted the Nation's first bottle bill, I have cosponsored legislation for a national program.

I recently received a letter from a 14-year-old Boy Scout from Troop 530, in Tualatin, OR, who addressed the lack of a national recycling program. Listen to what Gary Crockett of Tualatin had to say:

> Dear Senator Packwood, I am a Boy Scout working on my citizenship-in-the-nation merit badge. I am writing to you concerning a national bottle bill. I think having a nationwide bottle recycling campaign would save a lot of natural resources used in producing more and more cans and bottles. The bottle return system works very well here in Oregon, and I'm sure it works just as well in States like California, Iowa, Maine, Vermont, and Michigan. It's very simple to operate. Take your cans and bottles to the grocery store and return them for a refund of a deposit you paid when you purchased the beverage. It is inexpensive to recycle the cans and bottles, and will help save the environment at the same time. It would increase space in landfills and would save glass and aluminum. I feel a national bottle bill would work well and would be good for our country's environment. I would enjoy hearing your opinion on this subject.

Well, Gary, I couldn't have said it any better. My opinion on this should be clear in my support today for this new and innovative approach for beverage container recycling.

A recent General Accounting Office report to Congress stated that 70 percent of Americans also support a de-

posit system. A national bottle bill is one part of a comprehensive recycling legislative solution and one that doesn't have to have all sorts of layers of Federal bureaucracy.

The bill is simple. It exempts States that have at least a 70-percent recycling rate for beverage containers or exempts those States that establish a program that substantially meets the bill's requirements within the next 2 years.

Mr. President, I hope this legislation brings forth a strong recycling incentive from all 50 States, and that this bill will be a guideline for the entire country to participate in a uniform beverage container recycling system.

Not only would this help the Nation environmentally, but it would also positively affect the Nation's health care system as well. A startling figure came out of a Massachusetts study after the adoption of its State bottle bill. The number of children who had to be taken to hospital emergency rooms for stitches because of injuries from discarded beverage containers went down over 60 percent the year after the Massachusetts bottle bill became law. The medical study concluded that the decrease was brought about by the State's new bottle bill.

Mr. President, this beverage container reuse and recycling legislation saves energy and natural resources, endorses national environmental goals, addresses cost containment, and insures our children's health and well-being and I ask my colleagues for their support of this legislation.

By Mr. AKAKA (for himself and Mr. INOUYE):

S. 1319. A bill to provide for the establishment in Hawaii of a Department of Veterans Affairs post-traumatic stress disorder treatment program; to the Committee on Veterans' Affairs.

POST-TRAUMATIC STRESS DISORDER TREATMENT CENTER IN HAWII

• Mr. AKAKA. Mr. President, for myself and Senator INOUYE, I am today introducing legislation that would authorize the establishment of a facility in Hawaii that would comprehensively address the needs of veterans and active duty soldiers in the Pacific basin who suffer from post-traumatic stress disorder [PTSD] or other war-related disorders.

The Pacific Center for PTSD and War-Related Disorders would offer education and training programs and conduct scientific and program evaluation research on PTSD and war-related disorders with a special focus on investigating variations in these conditions which may be influenced by culture, ethnicity, gender, and other psychosocial variables. The center would provide a comprehensive response to the problems of Pacific area veterans suffering from PTSD and other war-related mental health disorders. Most importantly, the Pacific center would offer specialized inpatient treatment for those suffering from severe cases of PTSD. The organization would also undertake the Asian-Pacific component of the ongoing Matsunaga minority PTSD study. The Pacific center would coordinate and integrate all PTSD-related activities undertaken by VA, Tripler Army Medical Center, the University of Hawaii, the State Department of Health, and other health-care related entities.

Mr. President, I recently returned from a factfinding visit this spring to the big island of Hawaii, which may have the highest rates of PTSD incidence and prevalence among veterans in the Nation. I personally met with veterans who have serious cases of the disorder, many of whom live in the most primitive of conditions and who are unable because of their condition to hold jobs, afford decent housing, or have normal human relations with other members of their community. National media coverage, including a "20/20" segment that was aired last Friday and a February 11 Time magazine article, may have made some of my colleagues aware of the extent of the problems faced by this unfortunate population.

The veterans with whom I met had many complaints about their treatment by VA personnel, especially in the area of adjudication for PTSD compensation benefits. However, I was particularly struck by their lack of access to specialized psychiatric inpatient care for their condition. Their problems are shared to one degree or another by all veterans in Hawaii and throughout the Pacific region.

In Hawaii, medical and mental health professionals who treated Vietnam war veterans from ethnocultural minority groups indicate that both the extent and the severity of PTSD among these groups represent an important challenge for service providers. Many members of these ethnocultural groups are not receiving needed care because of cross-cultural difficulties regarding communication, diagnostic procedures, clinical assessment, and appropriate treatment alternatives.

Currently, Hawaii veterans have only a limited range of PTSD care in the State. Veterans with milder forms of the disorder are essentially treated on an outpatient basis, utilizing services provided through the various clinics and vet centers located throughout the State. Veterans with more serious cases are referred to the general psychiatric ward at Tripler Army Medical Center, which lacks the extended, specialized care that a unit dedicated to PTSD treatment can provide, and whose military setting dissuades many veterans from presenting themselves for treatment. Indeed, the entire VA health care system in Hawaii is geared only for short-term crisis management of PTSD, not for intensive treatment of the disorder. This despite the fact that Hawaii has a proud tradition of military service. As a matter of record, the 50th State has the highest number of veterans per capita of any State in the Nation.

Those veterans who are deemed to require indepth care are referred to VA's specialized PTSD treatment facilities at Menlo Park, CA, or American Lake, WA, thousands of miles distant. However, aside from a 2- to 3-month waiting period for admittance, veterans fortunate enough to be accepted in these programs must leave their family and community support groups behind, which are often key factors in recovery. Family members who wish to join them are forced to give up jobs, friends, and homes and also must bear the cost of relocation. Additionally, testimony gathered by the Senate Veterans' Affairs Committee in two separate Hawaii field hearings shows that Hawaii veterans may be subject to racial harassment by other veterans in the mainland programs—for example, being called gooks because of their Asian-Pacific heritage—that exacerbates their conditions. Knowing the obstacles that they encounter on the mainland, Hawaii veterans in desperate need of treatment often choose to forgo care at these facilities. Finally preliminary evidence indicates that PTSD and other disorders have an ethnocultural component, and thus may require the development of radically new methods to identify and treat the condition—methods that are not available at either Menlo Park or American Lake.

Writing in the fall 1990 issue of the Clinical Newsletter of the National Center for PTSD, Doctors Marsella, Chemtob, and Hamada provided a summary to what is known about the impact of culture on PTSC. An excerpt from their article follows:

At a recent meeting of the National Center for PTSD, attention was directed to the needs of ethnocultural minority veterans suffering from PTSD. The National Vietnam Veterans Readjustment Study (NVVRS 1988) reported significantly higher rates of PTSD among Hispanics and Blacks. Unfortunately, the study did not include findings from any cross-cultural or transcultural research. Those attending the meeting at the Center concluded that understanding and treating PTSD veterans from ethnocultural minority groups requires more specialized knowledge about ethnocultural variations in the nature, experience, and care of PTSD than is currently available.

We have identified four factors which may have predisposed ethnocultural minorities to additional risk and vulnerability under battlefield conditions. First, ethnocultural minorities were subject to racial stereotyping, ridicule, and inequitable treatment. Second, they were asked to fight a non-white people on behalf of a country which many of them considered racist. Third, the Vietnamese enemies often reminded soldiers of color of their own non-white status, increasing guilt and conflicts. Fourth, ethnocultural minorities' personality temperaments were often

different from those preferred by the military. Lower military social status and ambivalent feelings towards the white-dominated military may have acted in concert to increase minorities' risk of and vulnerability to stress.

In addition, many ethnocultural minority traditions idealize the masculine role and encourage endurance and silence in the face of distress rather than complaining about problems. Many ethnocultural minority veterans felt complaining to the Veterans Administration about PTSD-related problems would make them feel shame and humiliation. This was compounded by the reluctance of many ethnocultural minority veterans to pursue assistance from the Veterans Administration because of their distrust of the white-dominated institutions. Lastly, ethnocultural minorities are reluctant to seek assistance because of language and communication differences. Frequently, they speak street or pidgin English dialects which are difficult to understand. In some instances, English may be their second language. It should be noted that communications difficulties also apply to a spectrum of non-verbal and paraverbal ethnocultural differences which are non-redundant communication channels.

While there has been only limited research on variations in PTSD among ethnocultural minority veterans, considerable anecdotal experience has been accumulated at Department of Veterans Affairs clinics and hospitals across the country (e.g., Abueq, 1990, Hamada, Chemtob, Sautner & Sato, 1988). In addition, there is an extensive body of published research regarding cultural determinants of psychopathology and psychotherapy that bear directly upon the needs of ethnocultural minority veterans with PTSD. This research addresses virtually all aspects of psychopathology and psychotherapy that are relevant to PTSD. This includes the ethnocentricism and bias associated with current psychiatric and psychological knowledge regarding: (a) standards of normality and abnormality; (b) expression, course, diagnosis, classification, clinical assessment, and outcome of mental disorders; and (c) cultural appropriateness of various therapy procedures and techniques (e.g., Kleinman & Good, 1985; Marsella 1980; Marsella & Kameoka, 1989; Marsella & White, 1984).

There has been considerable research demonstrating ethnocultural variations in the expression and manifestation of certain anxiety and depressive disorders (op. cit.). This research has shown that individuals from non-Western cultural traditions often fail to present classical symptoms of these disorders and are misdiagnosed as suffering from somatic disorders. Thus, it is quite possible that ethnocultural minority veterans suffering from PTSD and related disorders may be wrongly diagnosed and inappropriately treated. This problem requires developing clinical assessment procedures which are sensitive to ethnocultural variations in the expression of PTSD. Clinical assessment of PTSD relies on a battery of psychological and psychiatric tests and interviews. Many questions used in clinical tests and interviews, however, are inappropriate in content for assessing ethnocultural minorities and thus do not accurately index problems that may be present. Many of the tests and interviews are based on norms which do not include ethnocultural minority group reference data. Yet, these norms are being used as the standards for evaluating ethnocultural minorities.

Every ethnocultural tradition has therapy forms which seek to resocialize patients according to expected and preferred standards of behavior. In addition, every culture uses therapy forms consistent with its own view of the nature and cause of disease and of the procedures presumed necessary to reestablish normal functioning. Thus, all aspects of therapy and counseling reflect cultural influences. This includes (a) the patient's conception of the nature/cause of his disorder; (b) the patient's expectations of therapy and of the therapist; (c) the patient's definition of the "ill" role; (d) the patient's motivation to comply with therapy; and (e) the patient's personal/social resources and skills.

In response to the gradual recognition of ethnocultural variations in both therapy process and outcome, the field of cross-cultural psychotherapy and counseling has gained increased popularity (e.g., Marsella & Pederson, 1982; Pederson, Draguns, Lone & Trimble, 1988). Some authors have raised serious ethical questions about the implications of therapists conducting therapy with patients from different ethnocultural backgrounds. In recent years, there have been efforts to introduce indigenous healers and non-Western alternatives into Western clinical settings. These therapies differ from traditional Western "talk" psychotherapies in that they frequently involve strong spiritual, tactile, and family components. There can be no doubt about their effectiveness. Many of them have been in use for centuries. Increasingly, clinics and hospitals are beginning to work collaboratively with indigenous healers in providing care to ethnocultural minority group members who are still heavily identified with traditional cultures.

Mr. President, it is precisely the need to develop and evaluate new methods of treating veterans from different ethnic and cultural backgrounds that is one of most important reasons underpinning the Pacific center initiative. As some in this Chamber may be aware, Senator INOUYE and I helped fund an ongoing study initiated by my predecessor, the late Spark Matsunaga, to examine the incidence and prevalence of PTSD in those minority populations—including Native Americans, Alaska Natives, and Asian-Pacific Islanders—that were overlooked in the seminal National Vietnam Veterans Readjustment Study, which was completed 2½ years ago. The "Matsunaga Study" is at an initial design stage, and the center would serve as an ideal, cost-effective infrastructure for carrying out the Asian-Pacific component of the undertaking.

In short, Mr. President, the apparent high incidence and prevalence of PTSD in Hawaii, the lack of the full range of PTSD treatment—particularly the lack of specialized inpatient care—in the islands, and the pressing need to explore new methods to better treat veterans from minority cultures could all be addressed in one degree or another by the establishment of the Pacific center.

However, there are some who would say that the Pacific center is unnecessary given VA's plans to establish Hawaii's first and only VA medical center. My reply is threefold: First, the hospital will not become operational until at least late 1997 and thus will not meet the immediate, pressing need to assist PTSD-afflicted veterans in Hawaii. Second, and more importantly, current plans for the facility do not include a specialized PTSD inpatient capacity, only general psychiatric services similar to what is now being offered through Tripler. Since the VA hospital will be located on Tripler grounds, the same veterans who refuse to present themselves at Tripler because of that facility's military associations also will likely refuse to frequent the VA medical center. Third, the Pacific center will provide a major opportunity to develop an affiliation with the University of Hawaii, bringing to bear its considerable expertise in ethnocultural aspects of health on veterans health-care programs. This is why it is vitally important that we establish the Pacific center: It fills a glaring gap in current VA plans for veterans in Hawaii and the Pacific region.

In closing, let me restate what I envision for the Pacific Center for PTSD and war-related disorders. I see it primarily as a treatment center for veterans and active duty soldiers who suffer from PTSD or similar disorders throughout the Pacific Basin. I see the center not only as just another specialized inpatient facility, but as a unique center of excellence that will gather the best, most innovative minds concerning PTSD, particularly as the disorder affects veterans from various ethnic and cultural backgrounds. The fact that Hawaii's climate and topography already attract veterans with the syndrome in inordinate numbers makes Hawaii the ideal location for these types of activity.

Thank you, Mr. President. I believe that the potential contributions that the Pacific center can make to our understanding and treatment of PTSD is fully consistent with Congress' and VA's newfound attention to this serious health care issue.

Mr. President, I ask unanimous consent that my bill and a copy of the Time magazine article to which I referred earlier be printed in the RECORD.

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

S. 1319

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

SECTION 1. ESTABLISHMENT OF A POST-TRAUMATIC STRESS DISORDER TREATMENT PROGRAM IN HAWAII.

(a) ESTABLISHMENT.—Chapter 73 of title 38, United States Code, is amended by adding at the end the following new subchapter:

"SUBCHAPTER V—MISCELLANEOUS PROGRAMS

"§ 7381. Post-traumatic stress disorder treatment facility in Hawaii

"(a) The Secretary shall establish in Hawaii a post-traumatic stress disorder diagnosis and treatment facility to be known as

the "Pacific Center for Post-Traumatic Stress Disorder and War-Related Disorders". Activities shall be conducted at the facility in accordance with this section.

"(b)(1) The Secretary shall ensure, to the maximum extent practicable, that activities relating to post-traumatic stress disorder shall be carried out at the facility as follows:

"(A) The provision of inpatient care services and comprehensive outpatient care services relating to the disorder to the following individuals suffering from post-traumatic stress disorder who live in the Pacific jurisdiction of the Department:

"(i) Veterans.

"(ii) Members of the Armed Forces on active duty, pursuant to a memorandum of understanding which the Secretary shall enter into with the Secretary of Defense.

"(B) The provision of education and training programs relating to the disorder for health care and human service professionals located in Hawaii and the Pacific basin, with an emphasis in the coverage of such programs on the manifestations of the disorder among individuals who are members of ethnic minorities.

"(C) The conduct of scientific research relating to the disorder and other war-related mental health disorders, including research relating to (i) the access of individuals who are members of ethnic minorities to diagnosis and treatment of such disorders in facilities of the Department, and (ii) the effectiveness of such diagnosis and treatment for such individuals.

"(D) The coordination of activities in Hawaii relating to research and treatment of the disorder that are conducted pursuant to programs affiliated with the Department of Defense, the Department of Veterans Affairs, institutions of higher education, State or local entities, or community entities and organizations.

"(E) The collection and dissemination of information relating to the diagnosis and treatment of (i) post-traumatic stress disorder, (ii) war-related mental health disorders, and (iii) mental health problems related to natural or man-made disasters.

"(2) The Secretary of Defense shall reimburse the Secretary of Veterans Affairs for the cost of providing care services to the members referred to in paragraph (1)(A)(ii).

"(3) For the purposes of this subsection, the term 'facility of the Department' has the meaning given such term in section 601(4) of this title.

"(c) In providing for the conduct of the activities of the facility under subsection (b), the Secretary shall ensure that special emphasis is given to investigating the relationship between post-traumatic stress disorder and the various cultural, ethnic, gender, and other psychological and social characteristics of persons who suffer from the disorder.".

"(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 7368 the following new items:

"SUBCHAPTER V—MISCELLANEOUS PROGRAMS

"7381. Post-traumatic stress disorder treatment facility in Hawaii.".

LOST IN AMERICA—FOR VIETNAM VETS HUNKERED DOWN IN THE JUNGLES OF HAWAII, THE WAR NEVER CAME TO AN END

(By Paul A. Witteman)

Outside, the rain is beating a relentless riff that is familiar to anyone who has lived through a monsoon in Southeast Asia. Inside the Army-issue tent in a clearing at the jungle's edge, Nash A. Miller, a onetime helicopter door gunner and crew chief, is changing into a dry pair of camouflage fatigues. As his two watchdogs prowl silently, Miller, nicknamed "Nam" (his initials), recounts his tale with a small, innocent smile. It begins at a firebase in the badlands west of Kontum, near the Vietnam-Cambodia border, in the summer of 1970.

As Miller's gunship, a ponderous Huey "hog," was taking on a fresh load of rockets and grenades, a Soviet-made 122-mm shell exploded several yards away in a lethal burst of metal. Fragments shredded his pants, embedding themselves in his legs. One shard burned its way into his throat. After the field surgeon in Pleiku extracted a chunk close to his jugular vein, an opening the size of a quarter remained in his neck. "I was fascinated by the hole," he says, rubbing the scar. "When I looked in the mirrow, I could see my Adam's apple."

Two decades later, Miller is still on intimate terms with the war. "For years, I've slept with my left hand on my Bible and my right hand on my .45," he says. But the particular piece of tropical rain forest that Miller inhabits is a long way from the Ho Chi Minh Trail. Miller's base camp hunkers down on some hardscrabble red dirt several miles outside the village of Pahoa on the Big Island of Hawaii. In touch and smell, as well as sight, it is the closest to Vietnam that one can get within the U.S. "I will never live anywhere else," Miller declares. "The jungle is my home."

Today, as Americans once again hear reports of U.S. soldiers taken prisoner of war or missing in action, many are reminded that not everyone lost in the last big conflict has been accounted for. The government of Vietnam last month continued to return the remains of U.S. fightingmen who lost their lives there. Lobbyists go on pressing for the location of other MIAs (surprisingly, many Americans still believe there are U.S. soldiers behind held captive somewhere in the jungles of Indochina). Much less attention has focused on another group of "lost" warriors: those combat veterans who, like Miller, disappeared into the jungle after they got home.

Most of the "bush vets," as they've come to be known, prefer it that way, having chosen to shun virtually all human contact. Many returned home only fleetingly before retreating into tropical solitude. "My family thinks I'm an MIA in the U.S.A.," says Glen Hayne, 44, who made it back to Oakland in February 1968, after a tour full of fire fights and body bags with the Tenth Cavalry, only to drift to Mexico and then Hawaii. He supported himself by growing the powerful local variety of marijuana known as pakalolo but, after a recent crackdown by drug agents, has switched to fishing. Patrick Barnett (not his real name), on the other hand, who is originally from Honolulu, lived for years under trees and bushes in the Waipio Valley, subsisting primarily on breadfruit, mangoes and bananas. "My first 14 years on this island were spent in hiding," says Barnett, who is stooped, almost toothless and looks decades older than his 41 years.

By some estimates, there are several hundred Vietnam veterans living on the mountainous and sparsely settled Big Island, as well as clusters in such diverse places as the Pacific Northwest and the backwoods of Maine. An accurate count is tough to come by. "You don't have to move very far up slope to get out of sight," says Stephen Staten, a psychiatrist who began counseling bush vets at a Veterans Administration clinic in Kona 16 months ago. No one is looking too closely either, since some of the bush vets are armed, unpredictable and have set booby traps around their camps. "There are veterans in the bush who are beyond help," says Michael Cowan, who in 1987 helped found V.F.W. Post 3874 in Kona. "I hate to say this, but the authorities need to go in, drop nets over them, confiscate their weapons and put them in straitjackets."

Cowan, a Silver- and multiple Bronze-Star winner who guided artillery and air strikes in Vietnam, ought to know. He self-destructed when he went home to Oklahoma. His marriage failed, he was dismissed from the Army, and he spent four years in a mental hospital after being arrested for his role in a shooting incident. In 1983 he hit the beach in Hawaii, a burned out case who washed windows for beers and scrounged in dumpsters for food. In 1985, 12 years after his last combat action, Cowan was given a medical explanation for his troubles: post-traumatic stress disorder.

PTSD is the modern term for what used to be called battle fatigue or shell shock. A congressional study in 1988 found that about 479,000 of the nation's 3.5 million or so Vietnam vets are afflicted with serious cases; an additional 350,000 display more moderate symptoms. PTSD is a state of extreme arousal caused by the virtual nonstop release of adrenaline and other similar substances into the bloodstream. When cars backfire, PTSD patients generally hit the dirt. The sound of helicopter rotor blades causes some to conceal themselves in trees. A baby's cry can invoke instant rage. Put in nonclinical terms, says psychiatrist Staten, the symptoms of PTSD are "like experiencing one's most threatening nightmares." A recent medical study found that the adrenaline levels of PTSD sufferers remain higher during hospital treatment than those of manic-depressives and paranoid schizophrenics.

In Vietnam, PTSD was often caused by the prolonged stress of trying to survive an ambush or a fire fight. Bill Ralph developed his case riding shotgun on fuel trucks engaged in night resupply missions. For seven of the 18 years he has lived in Hawaii, Ralph occupied an 8-ft. by 12-ft. hilltop shack. If a stranger approached, Ralph would slip into the jungle, his knife at the ready. "I didn't even know I was sick," he says. "I just thought I was a little different."

At the Kona clinic, Staten has been working to coax Ralph and a handful of others out of desperate isolation. Some of the men have formed a self-help group. At meetings of the new Hawaii Veterans Association, in the town of Captain Cook, they begin to make peace with the demons that haunt them, by discovering that others are haunted as well.

They also nurture communal outrage at the bureaucracy of the Veterans Administration, that latter day Viet Cong, for making benefits difficult to obtain. Adrian Yurong, 45, who served about a year and a half with the 25th Infantry Division near the Viet Cong stronghold of Cu Chi, has been denied benefits because his job description shows he was a radar operator. Yurong, now known simply as Nano, was pressed into service, he says, as an infantryman throughout his tour. The VA grants that he has PTSD but says he must have contracted it elsewhere. Such arguments enrage V.F.W. activist Cowan. "When you first go to the VA, you are denied benefits. Fifty percent of the vets don't go back. The second time you are denied, you lose another 25%," he says. "You must be willing to put up with total bullshit to get help," says Cowan, who fears that his own disability payments may be threatened by his activism.

Samuel A. Tiano, director of the regional VA office in Honolulu until a recent transfer, says dismissingly of the bush vets, "Some of these people would live this way if they had not been to Vietnam. We have some who are always wanting this and wanting that." But such service requests, says Tiano's boss, Edward Derwinski, the Secretary of Veterans Affairs, are exactly what the veterans should be making. Says he: "The customer is always right." Derwinski, whose department has been embarrassed by recent reports of negligence at VA hospitals, concedes that his bureaucracy has not always acted compassionately. "We have had a communications gap with Vietnam veterans. It is not a perfect situation."

Staten is trying to rectify that. In the process of helping the bush vets, he has learned that theirs is a well-traveled path. When Roman Legionnaires returned from war, they were encouraged to settle in rural areas where they could decompress quietly. Japanese literature tells of samurai retiring to tend the "perfect garden." For many of these men, the island of Hawaii is that perfect garden, or as Staten calls it, the "gentle jungle." Says Cowan: "It is like a sanctuary. I trust my emotions and feelings here."

Some bush vets have been drawn to the jungle, subconsciously seeking what therapists call "belated mastery." They want control over an environment that once terrified them. Says former Green Beret Lee Burkins, who has lived in Hawaii for 11 years; "I didn't plan to go back to the jungle to taste my fears. I wanted to achieve inner peace. But I kept looking for a foot, a pair of eyes or a gun muzzle. I had to tell myself not to worry about that anymore."

Not surprisingly, these veterans have strong feelings about the potential human consequences of America's latest war. After decades of suffering, they have a message for the future veterans of Operation Desert Storm. "There are occupational hazards in fighting a war," says, Burkins. "They are costly." Cowan adds a sobering caveat: "If a nation is going to suit up its young men and send them to war, it should be prepared to take care of them afterward." In the case of Hawaii's bush vets, that care has been long overdue.•

• Mr. INOUYE. Mr. President, I rise today to introduce, together with the junior Senator from Hawaii, a measure to authorize the establishment of the Pacific Center for Post-Traumatic Stress Disorder and War-Related Disorders.

The center would study variations in PTSD to ensure the successful diagnosis and treatment of Asian-American, American-Pacific Islander, and native American, including native Hawaiian, veterans in a culturally sensitive manner. In fiscal year 1991, the Congress appropriated funds at our request to study the incidence and prevalence of PTSD among these minority populations which were omitted in the national Vietnam veterans readjustment study. This center would serve as an appropriate place to test and implement the results and recommendations of this national study. Initial findings indicate that specialized treatments are needed because of cross-cultural differences in communication, clinical assessments, and appropriate treatment alternatives. Pilot treatment protocols would be developed and utilized to treat these minority veterans.

There is an urgent need for such a center in Hawaii, and in particular on the Island of Hawaii, which may very well have the highest number per capita of Vietnam era veterans suffering from PTSD. An alarmingly significant number have chosen to leave their families and jobs to return to the primitive conditions of Vietnam in the mountains of Hawaii. They relocate to Hawaii to live in a climate and topography similar to that of Vietnam. In doing so, they return to relive the nightmare which has been haunting them for over a decade.

Mr. President, in the February 11, 1991, edition of Time magazine, there appeared an article entitled "Lost in America," which graphically described the tragic lives of Vietnam veterans, termed "bush vets," living in the jungle, or bush, on the Island of Hawaii. On Friday, June 14, 1991, "20/20" aired a very similar segment on the bush veterans in Hawaii. In the wake of the returning U.S. heroes of Operation Desert Storm, Hawaii is receiving national attention as a haven for America's lost heroes.

These forgotten veterans—once brave soldiers who upon their return from a war America wanted to forget—were made the scapegoats for our United States policy in Vietnam. There were no welcome home parades, no yellow ribbons, and no American flags waving. Rather, they came home in the darkness of night, only to be ridiculed and humiliated in the light of day. Many veterans in the jungles of Hawaii, traumatized by what they were forced to endure in Vietnam, were pushed over the edge by the boos and jeers of the American people. It is, indeed, a sad commentary that these veterans would prefer an environment that reminds them of the horrors of war. Tragically, mainstream America—which ridiculed their willingness to sacrifice their lives and cheapened the lives of comrades who made the supreme sacrifice for this Nation—may have been more of a horror.

These national stories spotlighting Hawaii are both tragic and illuminating. Both focused on the lack of specialized psychological services for Vietnam veterans in Hawaii. Treatment is limited to crisis management on an outpatient basis through VA clinics and vet centers throughout the State. Veterans with serious PTSD problems are referred to the psychiatric ward at the Tripler Army Medical Center in Honolulu. However, as it is not the mission of an Army hospital, it lacks the targeted, long-term care that PTSD treatment requires. Additionally, its military setting discourages many from seeking treatment.

Moreover, in some cases, veterans are referred to the VA's PTSD treatment facilities at Menlo Park, CA, or American Lake, WA, thousands of miles from Hawaii. In addition to the 2 to 3-month waiting period, there are two primary reasons which result in very few Hawaii veterans seeking help in these facilities. First, the relocation of the veteran means that ties with family members, friends, and community-based support groups are severed. Such support is imperative to a healthy recovery. Second, there are veterans who fled to Hawaii to relive Vietnam and have no desire to return to once again place themselves in a setting they no longer feel a part of.

Mr. President, for these reasons, I believe that a specialized center on the Island of Hawaii is critically needed. We must turn our policy around and bring the treatment to the Veterans. The Pacific Center for Post-Traumatic Stress Disorder and War-Related Disorders will develop educational, training, counseling, and program evaluation research based on PTSD data collected and will establish a specialized inpatient treatment protocol for application at the center to assist veterans in need.

Mr. President, with the triumphant return of the Persian Gulf veterans, I believe that America is finally coming home. Only then is there hope that our PTSD Vietnam veterans may also return home. From this most recent war, I hope Americans have learned, that regardless of the our individual beliefs about the propriety of U.S. involvement in a war, we must not blame and lash out at our troops for that involvement. Their willingness to sacrifice their lives for this Nation deserves only our admiration and respect.

I believe that this lesson was learned—unfortunately at the expense of the many PTSD inflicted Vietnam veterans suffering in silence today. They continue to be tormented with shrapnel in their hearts and in their minds. I hope and pray that the coming home of the gulf war veterans and the establishment of this center will help the healing process and will allow our lost heroes to find the strength, through specialized PTSD treatments, to leave the jungles of Hawaii and come home.•

By Mr. KOHL:

S. 1320. A bill to amend section 924 of title 18, United States Code, to make it a Federal crime to steal a firearm or explosives in interstate or foreign commerce; to the Committee on the Judiciary.

FIREARMS THEFT ACT

• Mr. KOHL. Mr. President, I rise to introduce legislation that is long overdue: The Firearms Theft Act of 1991. This bill creates Federal penalties of up to 5 years imprisonment and fines of up to $5,000, for anyone stealing firearms or explosive materials.

The violent crime rate in our Nation is rising at an alarming rate. Every

day police face automatic gun fire on our city streets. Drive-by shootings by gang members have become commonplace. Every 19 seconds there is a violent crime committed in the United States. Mr. President, the Senate has no time to delay.

The sad truth is that no State or city is immune from this scourge. Last year, 155 murders were committed in my home city of Milwaukee, a 37 percent increase over 1989. The youngest of these murder victims were less than 1 week old. And recently Newsweek labeled Milwaukee one of the new murder capitals of the country.

In both major metroplitan areas and small rural communities, the rates of murder, assault with a deadly weapon, and drug related crimes are skyrocketing. Based on figures for the first part of 1991, it seems that the crime rates are increasing, not slowing down.

Mr. President, stolen firearms figure prominently in many of the most heinous crimes. Last month the Washington Post reported that over an 8 month period, 18 gun shops were robbed in the District of Columbia vicinity. Approximately 600 firearms were stolen. Some of these weapons were traced to Washington area crack houses just a few hours after they were stolen from a Maryland gun shop—and at least one was used in the murder of a Washington man. We can only imagine the nefarious purposes for which the others were utilized.

These are not isolated incidents. The Justice Department has informed the Judiciary Committee that approximately 20,000 stolen guns are reported each month. Combine this with the fact that five out six criminals receive their guns from the black market, and we have the makings of a national crisis.

My bill will directly assist Federal law enforcement agencies in halting these acts of thievery an reducing the number of guns available on the streets. Like the gun-free school zones law I authored last year, this proposal provides an additional tool to a prosecutor's arsenal, so that they can convict the persistent offenders who profit from violence in our communities.

Mr. President, I urge my colleagues to support this legislation, and ask unanimous consent that the bill be printed in the RECORD at this time. I also ask that an article from the Washington Post be printed in the RECORD following my remarks.

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

S. 1320

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

SECTION 1. THEFT OF FIREARM OR EXPLOSIVE MATERIAL.

(a) FIREARMS.—Section 924 of title 18, United States Code, is amended by adding at the end thereof the following new subsection:

"(i) Whoever steals a firearm that is moving as, or is a part of, that has moved in, interstate or foreign commerce shall be fined under this title and imprisoned for not more than 5 years, or both.".

(b) EXPLOSIVES.—Section 844 of title 18, United States Code, is amended by adding at the end thereof the following new subsection:

"(k) Whoever steals explosive material that is moving as, or is a part of, or that has moved in, interstate or foreign commerce shall be fined under this title and imprisoned for not more than 5 years, or both.".

AREA'S GUN STORE THEFTS SOAR WITH DEMAND FOR FIREPOWER

[From the Washington Post, May 23, 1991]

(By Pierre Thomas and Michael York)

Federal agents and police from Maryland and Virginia are investigating a series of recent burglaries from gun stores throughout the region in which hundreds of firearms have been stolen, some of which were later confiscated on the streets of the District.

In the last eight months, 18 gun shops have been broken into and about 600 firearms, worth up to $500,000 on the illegal gun market, have been stolen. Federal and local officials said the thefts are evidence of an alarming trend that underscores criminals' demand for firepower.

Many of the burglaries appear to have been committed by the same group, law enforcement officials said. Several police sources said as many as 10 of the burglaries may be related.

In some cases, the guns have been transported to New York and other cities. Many of the stolen firearms were brought into the District within hours. Guns from one Wheaton store, Guns Unlimited, have been recovered in arrests or searches in each of the District's four quadrants, and from five of the city's seven police districts.

"These criminals are willing to do just about anything to get to guns," said Margaret Moore, who oversees agents from the U.S. Bureau of Alcohol, Tobacco and Firearms who are assigned to ACES II, a federal-local effort targeting illicit gun dealing. "You are probably talking about more violent individuals, people going to great lengths not to be traced to the weapons. [In these types of thefts], you would likely have orders before you steal and distribute."

"There is an almost insatiable market for firearms in this area," said David C. Troy, the special-agent-in-charge of the bureau's Washington district office. "This rash of thefts indicates that. Those guns are on the street somewhere right now."

According to Troy, the burglars have taken all kinds of firearms, from revolvers to assault rifles to semiautomatic pistols to fully automatic machine guns. Troy who has supervised federal firearms investigators in Los Angeles and Philadelphia, said he has never seen this many gun shop thefts in the same region in such a short time.

"They have taken a potpourri of weapons," he said. "This is an unusual situation. It indicates a rash of thefts that we have not seen here in recent years."

Handgun possession is illegal in the District, except for those bought before September 1976 and registered before February 1977. Residents of Maryland and Virginia can buy handguns at stores in their states.

The bureau is working with local law enforcement agencies in an attempt to coordinate information and establish patterns of criminal activity.

About 31 firearms have been recovered, about half of them in the District and most of the others in Prince George's and Montgomery counties.

The Guns Unlimited break-in in Wheaton is an example. On Oct. 18, thieves broke through the wall of an adjoining store, gained entry and made off with 56 handguns, 10 long guns and two fully automatic machine guns. A short time later, D.C. police and federal agents raiding a crack house found about 12 firearms from that theft. Guns from the same store have been found in Northwest, Northeast, Southwest and Southeast Washington.

On New Year's Eve, thieves in a stolen four-wheel-drive Toyota truck smashed through the barred front window of a College Park store, Schelin Gun Shop, and fled with nearly $11,000 worth of weapons, mostly military-style semiautomatic assault rifles—10 handguns and five assault rifles.

There was a similar break-in in Hanover County, VA., near Richmond. On April 24, thieves drove a stolen flatbed truck through a cinder-block wall of the Green Top Sporting Goods store about 4:45 a.m and stole 159 semiautomatic pistols and revolvers. When a sheriff's deputy arrived six minutes after the store alarm went off, the thieves were gone and there was a 3-by-3 foot hole in the store.

Less than 24 hours later, police responding to a report of a shooting in Southeast Washington found a man shot in the neck and 10 guns from the Hanover heist, law enforcement sources said.

The theft from the Green Top gun shop "had to be professional," said Cecil Hopkins, chairman of the firm that owns the store. "The place had been thoroughly cased. I think the people behind this are in the drug business . . . . Before, [burglary attempts] had been pretty amateurish."

Hopkins said the burglars got inside even though his store is virtual "vault."

Jack Killorin, the bureau's chief of public affairs, said most of the gun shops have "pretty good security because most have considerable value in firearms."

"It's not a failure on the part of the gun dealers," Killorin said. "It's more indicative of how bad some of these people want guns." Gun store owners "need to know that they have to worry not only about people coming into their stores to misrepresent themselves to get guns, but also about people willing literally to drive through their back wall."

Thefts of guns during house burglaries have been common across the nation for years, and thefts from gun stores elsewhere are not unknown. In February, the owner of a San Diego gun shop was slain during a robbery attempt, according to published reports. In less than a year, more than 100 firearms were stolen in six store burglaries in the Grand Junction and Rifle areas of Colorado.

Federal authorities do not collect information on the numbers of gun shop thefts nationally because the burglary of a gun store is not a federal crime. Killorin said the Bush administration's new crime package would make such a burglary a federal violation.

One gun store owner won't wait for a new law. Ken Bingham, owner of Ken's Gun Room in Owings, Md., said he is going to sell his store because of a March 6 theft there. The thieves entered through an adjacent business that didn't have a burglar alarm and stole 32 firearms.

The adjacent store put in a burglar alarm later, but the problems didn't cease. Less than a month later, Bingham's store was broken into again. This time thieves smashed through a rear wall. They took 21 more handguns.

The store, he said, was the fulfillment of "a dream." But, he said, "an honest business can't make it . . . . I am tired of this foolishness."•

By Mr. LEAHY (for himself, Mr. BROWN, and Mr. KOHL):

S. 1322. A bill to amend title 18 of the United States Code to clarify and expand legal prohibitions against computer abuse; to the Committee on the Judiciary.

COMPUTER ABUSE AMENDMENTS ACT

Mr. LEAHY. Mr. President, I am pleased to introduce the Computer Abuse Amendments Act of 1991 with Senator BROWN and Senator KOHL.

The free flow of information is vital to our competitiveness as a nation. Innovations in computer technology create new opportunities for improving the flow of information and advancing America's economic future, but they also create new opportunities for abuse by those who seek to undermine our computer systems. The maintenance of the security and integrity of computer systems has become increasingly critical to interstate and foreign commerce, communications, education, technology and national security.

The National Research Council [NRC] recently published a major study, "Computers at Risk: Safe Computing in the Information Age." The study finds that we risk computer breaches that could cause economic disaster and even threaten human life. The NRC study points out:

> Tomorrow's terrorist may be able to do more damage with a keyboard than with a bomb. To date, we have been remarkably lucky. * * * Unfortunately, there is reason to believe that our luck will soon run out. Thus far we have relied on the absence of malicious people who are both capable and motivated. We can no longer do so.

The NRC study underscores the need for immediate action to protect our computer systems. In the 101st Congress, the Senate responded to the threat posed by new techniques for creating and transmitting malicious programs and codes by unanimously passing the computer abuse bill I introduced with Senators Humphrey and KOHL. The bill was not considered by the House of Representatives in the last Congress, so I now join with Senators BROWN and KOHL in reintroducing the bill.

This legislation is the product of over 2 years of work by the Subcommittee on Technology and the Law. It deals with new technologies and newly discovered forms of computer abuse. An alarming number of new techniques—computer viruses, worms and Trojan horses—can be used to enter computers secretly. Their simple names belie their insidious nature. Thousands of virus attacks have been reported and hundreds of different viruses have been identified. Hidden programs can destroy or alter data. For example, a Michigan hospital reported that its patient information had been scrambled or altered by a virus that came with a vendor's image display system. Hidden programs can also hopelessly clog computer networks, as we saw in the INTERNET worm of November 1988.

Other computer incidents, using the same kinds of programs, have been inadvertent. For example, in December 1989, the Vermont State computer network froze. It was impossible to sign on to the system. Rather than a virus or sabotage, it turned out to be a security device in the form of a "time bomb," built into the system's hardware to deter outside access. The manufacturer of the software had failed to inform the State that a special code would be triggered after a given date, locking out access through normal channels. It was a nuisance to be sure, but certainly without criminal intent.

The subcommittee held a hearing on May 15, 1989, to explore the threat to computers and the information stored in them posed by new forms of computer abuse. We heard testimony from FBI Director William Sessions, who stressed the seriousness of the threat posed by computer viruses and other techniques.

The subcommittee also heard testimony from Dr. Clifford Stoll, an astrophysicist at the Harvard-Smithsonian Center for Astrophysics. He testified that many researchers throughout the United States were prevented from using their computers for 2 days as a result of a worm that was introduced onto the INTERNET computer network in November 1988. While managing the computer system at the Lawrence Berkeley Laboratory, Dr. Stoll caught a West German spy using computer networks to try to gain access to military information.

As a prosecutor for more than 8 years in Vermont, I learned that the best deterrent to crime was the threat of swift apprehension, conviction, and punishment. Whether the offense is murder, drunk driving, or computer crime, we need clear laws to bring offenders to justice. Trespassing, breaking and entering, vandalism, and stealing are against the law. They have always been against the law because they are contrary to the values and principles that society holds dear. That has not changed and will not change.

In crafting this legislation we have been mindful of the need to balance clear punishment for destructive conduct with the need to encourage legitimate experimentation and the free flow of information. As witnesses testified in both the computer virus hearings and the subcommittee's March 16, 1988 hearing on information and competitiveness, the open exchange of information is crucial to scientific development and the growth of new industries. We cannot unduly inhibit that inquisitive 13-year-old who, if left to experiment today, may tomorrow develop the telecommunications or computer technology to lead the United States into the 21st century. He or she requests our future and our best hope to remain a technologically competitive nation.

Mr. President, this bill clarifies the intent standards, the actions prohibited, and the jurisdiction of the current Computer Fraud and Abuse Act [CFAA], 18 U.S.C. section 1030. Under the current statute, prosecution of computer abuse crimes must be predicted upon the violator's gaining, unauthorized access to the affected Federal interest computers. However, computer abusers have developed an arsenal of new techniques which result in the replication and transmission of destructive programs or codes that inflict damage upon remote computers to which the violator never gained access in the commonly understood sense of that term. The new subsection of the CFAA created by this bill places the focus on harmful intent and resultant harm, rather than on the technical concept of computer "access."

The bill makes it a felony intentionally to cause harm to a computer or the information stored in it by transmitting a computer program or code—including destructive computer viruses—without the knowledge and authorization of the person responsible for the computer attacked. This is broader than existing law, which prohibits "intentionally access[ing] a Federal interest computer without authorization," if that causes damage.

This legislation recognizes that some computer incidents are not malicious, or even intentional, and they are treated differently. The bill creates a parallel misdemeanor for knowingly transmitting a computer program with reckless disregard of a substantial and unjustifiable risk that the transmission will cause harm. The standard for recklessness is taken from the Model Penal Code. This provision will give prosecutors and juries greater flexibility to get convictions for destructive conduct.

The bill creates a new, civil remedy for those harmed by violations of the CFAA. This would boost the deterrence of the statute by allowing aggrieved individuals to obtain relief.

The bill expands the jurisdiction of the CFAA. It would cover all computers involved in interstate commerce, not just Federal interest computers, as the current law does. This is appropriate because of the interstate nature of computer networks. American society is increasingly dependent on computer networks that span State and national boundaries. The potential for abuse of computer networks knows no boundaries. The bill addresses this threat by expanding the jurisdiction of the CFAA to the full extent of the powers of Congress under the commerce

clause of the U.S. Constitution, article I, section 8.

Mr. President, it is important to update the CFAA to stay abreast of rapid changes in computer technology and computer abuse techniques. The Computer Abuse Amendments Act of 1991 has been drafted and revised on the basis of careful reviews of issues raised in the Subcommittee on Technology and the Law's hearings, and with the benefit of consultation with computer experts. At the hearing of the Subcommittee on Technology and the Law on July 31, 1990, Deputy Assistant Attorney General Mark Richard testified that this bill "* * * provides a useful improvement over and clarification of, the scope of existing law." The bill has been broadly supported by the computer industry and computer users. In the 101st Congress, the bill was unanimously reported by the Judiciary Committee and unanimously passed by the Senate.

Mr. President, I want to thank Senators BROWN and KOHL for joining with me in reintroducing this bill in the 102d Congress. I look forward to working with them on this 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. 1322

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 "Computer Abuse Amendments Act of 1991".

SEC. 2. AMENDMENTS TO THE COMPUTER FRAUD AND ABUSE ACT.

(a) PROHIBITION.—Section 1030(a)(5) of title 18, United States Code, is amended to read as follows:

"(5)(A) through means of or in a manner affecting a computer used in interstate commerce or communications, knowingly causes the transmission of a program, information, code, or command to a computer or computer system if—

"(i) the person causing the transmission intends that such transmission will—

"(I) damage, or cause damage to, a computer, computer system, network, information, data, or program; or

"(II) withhold or deny, or cause the withholding or denial, of the use of a computer, computer services, system or network, information, data or program; and

"(ii) the transmission of the harmful component of the program, information, code, or command—

"(I) occurred without the knowledge and authorization of the persons or entities who own or are responsible for the computer system receiving the program, information, code, or command; and

"(II)(aa) causes loss or damage to one or more other persons of value aggregating $1,000 or more during any 1-year period; or

"(bb) modifies or impairs, or potentially modifies or impairs, the medical examination, medical diagnosis, medical treatment, or medical care of one or more individuals; or

"(B) through means of or in a manner affecting a computer used in interstate commerce or communication, knowingly causes the transmission of a program, information, code, or command to a computer or computer system—

"(i) with reckless disregard of a substantial and unjustifiable risk that the transmission will—

"(I) damage, or cause damage to, a computer, computer system, network, information, data or program; or

"(II) withhold or deny or cause the withholding or denial of the use of a computer, computer services, system, network, information, data or program; and

"(ii) if the transmission of the harmful component of the program, information, code, or command—

"(I) occurred without the knowledge and authorization of the persons or entities who own or are responsible for the computer system receiving the program, information, code, or command; and

"(II)(aa) causes loss or damage to one or more other persons of a value aggregating $1,000 or more during any 1-year period; or

"(bb) modifies or impairs, or potentially modifies or impairs, the medical examination, medical diagnosis, medical treatment, or medical care of one or more individuals;".

(b) PENALTY.—Section 1030(c) of title 18, United States Code is amended—

(1) in paragraph (2)(B) by striking "and" after the semicolon;

(2) in paragraph (3)(A) by inserting "(A)" after "(a)(5)"; and

(3) in paragraph (3)(A) by striking the period at the end thereof and inserting "; and"; and

(4) by adding at the end thereof the following:

"(4) a fine under this title or imprisonment for not more than 1 year, or both, in the case of an offense under subsection (a)(5)(B).".

(c) CIVIL ACTION.—Section 1030 of title 18, United States Code, is amended by adding at the end thereof the following new subsection:

"(g) Any person who suffers damage or loss by reason of a violation of the section, other than a violation of subsection (a)(5)(B), may maintain a civil action against the violator to obtain compensatory damages and injunctive relief or other equitable relief. Damages for violations of any subsection other than subsection (a)(5)(A)(ii)(II)(bb) or (a)(5)(B)(ii)(II)(bb) are limited to economic damages. No action may be brought under this subsection unless such action is begun within 2 years of the date of the act complained of or the date of the discovery of the damage.".

(d) REPORTING REQUIREMENTS.—Section 1030 of title 18, United States Code, is amended by adding at the end thereof the following new subsection:

"(h) The Attorney General shall report to the Congress annually, during the first 3 years following the date of the enactment of this subsection, concerning prosecutions under section 1030(a)(5) of title 18, United States Code.".

(e) DEFINITION.—Section 1030(e)(1) of title 18, United States Code, is amended by striking ", but such term does not include an automated typewriter or typesetter, a portable hand held calculator, or other similar device".

(f) PROHIBITION.—Section 1030(a)(3) of title 18, United States Code, is amended by inserting "adversely" before "affects the use of the Government's operation of such computer".

Mr. BROWN. Mr. President, I rise today to join Senators LEAHY and KOHL in support of passage of S. 1322, the Computer Abuse Amendments Act of 1991. As ranking member of the Subcommittee on Technology and the Law of the Senate Judiciary Committee, and as an original cosponsor of S. 1322, I urge the Senate to pass this legislation.

S. 1322 represents the culmination of the efforts of the Subcommittee on Technology and the Law to clarify and strengthen the existing Federal law dealing with computer abuse crimes. The current measure under consideration is identical to S. 2476, the Computer Abuse Amendments Act of 1990, which passed the Senate by unanimous consent in the last Congress.

This bill has the support of computer manufacturers and the software industry. Both groups believe S. 1322 strikes the proper balance between the need for strong laws against computer abuse and the need to promote the free flow of information across computer information networks. The Department of Justice has stated that the bill is an improvement over existing Federal laws.

During the past decade, computer information networks have become an integral part of communications in modern society. Technological advances in the development of computer networks have enabled network users in different States and even different countries to communicate and exchange information. Computer networks now provide vital links for the exchange of financial information, scientific research data, and national security information. Unfortunately, the rapid technological advances that have led to the proliferation of computer information networks also have provided computer criminals with additional opportunities to introduce harmful computer worms and viruses into computer systems.

Despite the rapid technological advances in the computer manufacturing and software industries, computer security technology has not been able to keep pace with the spread of new computer abuse techniques. The existing Federal law governing computer abuse, the Computer Fraud and Abuse Act of 1986 [CFAA], has not been able to deal effectively with the new forms of computer viruses and worms which have emerged in the past 5 years.

With the number of microcomputers used in the workplace expected to increase from 10 to 34 million in the next 3 years, computer crime will become a much bigger concern for businessmen and law enforcement officials. A recent study by the accounting firm of Ernst & Whinney, cited in the National Institute of Justice Journal, estimated that computer crime now causes between $3 and $5 billion in damages each year. Three-quarters of the law enforcement officers responding to a National Institute of Justice survey identified com-

puter crime as an issue likely to take up a significant part of their workload in the future.

S. 1322 amends the CFAA and brings Federal computer crime statutes up to date with recent advances in computer technology and computer abuse techniques. The CFAA had created a felony violation for gaining unauthorized access to a computer used either by or for the Federal Government. This definition of a felony violation allowed computer criminals who were able to introduce harmful computer viruses into an information network without illegally accessing a computer to escape prosecution. S. 1322 closes this loophole by making the main element of a felony violation under the CFAA the malicious intent of a perpetrator in transmitting a computer worm or virus designed to damage or disable a computer network.

The bill also expands the scope of criminal offenses under the CFAA to include incidents of computer abuse which do not rise to the level of a felony violation. S. 1322 creates a misdemeanor violation for transmitting a computer program with reckless disregard for the potentially harmful effects of the program on other computers.

In recognition of ever-increasing numbers of computer information networks, the bill expands the scope of statutory protection against computer abuse to cover all computers used in interstate commerce or communications, not just computers used by or for the Federal Government.

S. 1322 also creates a civil cause of action for victims of felony computer abuse violations under the CFAA. The civil remedy will be limited to recovery for economic loss or damages resulting directly from the felony violation. The addition of a civil cause of action to the CFAA will strengthen the existing Federal law and provide an effective deterrent against computer abuse activities.

Passage of this legislation will serve to continue to promote the rapid growth of computer information networks, while at the same time updating Federal computer crime laws to take into account the new varieties of computer abuse techniques. S. 1322 will help clarify and strengthen the laws that are so essential to protect the computer information networks on which so many people now depend.

By Mr. GORE:

S.J. Res. 164. Joint resolution designating the weeks of October 27, 1991, through November 2, 1991, and October 11, 1992, through October 17, 1992, each separately as "National Job Skills Week"; to the Committee on the Judiciary.

NATIONAL JOB SKILLS WEEK

• Mr. GORE. Mr. President, today I am introducing a joint resolution to designate as "National Job Skills Week," the week of October 27, 1991, through November 2, 1991, and the week of October 11, 1992, through October 17, 1992.

We all know that technological achievements play a prominent role in advancing the U.S. economy. But we realize, too, that workers can be the greatest power driving economic growth. Our Nation is strongly challenged now by international economic competition to develop this masterful work force.

Mr. President, I am introducing this resolution to help us meet that challenge.

National Job Skills Week focuses national attention on the changing needs of employers and workers. It raises the profile of private and public job-training efforts. And it promotes thorough examinations of promising technological and managerial developments.

The nature of work and workplaces is evolving more rapidly than ever before. Every day we hear of technological and administrative advances that can expand our ability to compete in the global marketplace. But to use effectively those new technologies and to function efficiently with new styles of management, American companies need trained, responsible, and versatile workers. Yet even as highly skilled workers are in demand, the Nation's pool of competent entry-level workers in declining, and many of those now in the work force are limited to skills that soon will be obsolete.

Mr. President, I'm sure we all agree that a well-trained, responsible work force is fundamental to America retaining its longstanding economic leadership worldwide. I believe our education, training, and business communities have the capacity to give us this much-needed work force and in turn to give us an even higher standard of living than we presently enjoy. But I believe, too, that citizens can hasten work force improvements by taking time to learn more about technological and training developments in their companies and in their communities. For this crucial purpose, then, I ask my colleagues' support of National Job Skills Week.

For the past 5 years, I have sponsored—and Congress and the President have approved—resolutions to designate a National Job Skills Week. I trust our efforts on this matter will be equally successful this year.•

ADDITIONAL COSPONSORS

S. 98

At the request of Mr. PRESSLER, the names of the Senator from Illinois [Mr. SIMON], the Senator from Kentucky [Mr. MCCONNELL], the Senator from North Dakota [Mr. BURDICK], and the Senator from Nebraska [Mr. KERREY] were added as cosponsors of S. 98, a bill to amend the National Aeronautics and Space Administration Authorization Act, Fiscal Year 1989.

S. 141

At the request of Mr. DASCHLE, the names of the Senator from Connecticut [Mr. DODD] and the Senator from North Dakota [Mr. CONRAD] were added as cosponsors of S. 141, a bill to amend the Internal Revenue Code of 1986 to extend the solar and geothermal energy tax credits through 1996.

S. 239

At the request of Mr. SARBANES, the name of the Senator from Wisconsin [Mr. KOHL] was added as a cosponsor of S. 239, a bill to authorize the Alpha Phi Alpha Fraternity to establish a memorial to Martin Luther King, Jr., in the District of Columbia.

S. 280

At the request of Mr. SASSER, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 280, a bill to provide for the inclusion of foreign deposits in the deposit insurance assessment base, to permit inclusion of nondeposit liabilities in the deposit insurance assessment base, to require the FDIC to implement a risk-based deposit insurance premium structure, to establish guidelines for early regulatory intervention in the financial decline of banks, and to permit regulatory restrictions on brokered deposits.

S. 284

At the request of Mr. BRADLEY, the name of the Senator from Maine [Mr. MITCHELL] was added as a cosponsor of S. 284, a bill to amend the Internal Revenue Code of 1986 with respect to the tax treatment of payments under life insurance contracts for terminally ill individuals.

S. 297

At the request of Mr. HEFLIN, the name of the Senator from Arizona [Mr. DECONCINI] was added as a cosponsor of S. 297, a bill requiring that the United States Postal Service study and report to Congress on ways to encourage mailers of second-class and third-class mail matter to use recycled paper.

S. 377

At the request of Mrs. KASSEBAUM, the name of the Senator from Indiana [Mr. LUGAR] was added as a cosponsor of S. 377, a bill to amend the International Air Transportation Competition Act of 1979.

S. 448

At the request of Mr. SYMMS, the name of the Senator from Oklahoma [Mr. BOREN] was added as a cosponsor of S. 448, a bill to amend the Internal Revenue Code of 1986 to allow tax-exempt organizations to establish cash and deferred pension arrangements for their employees.

S. 480

At the request of Mrs. KASSEBAUM, the name of the Senator from Maryland [Mr. SARBANES] was added as a co-

sponsor of S. 480, a bill to amend the Public Health Service Act to provide grants to States for the creation or enhancement of systems for the air transport of rural victims of medical emergencies, and for other purposes.

S. 567

At the request of Mr. SANFORD, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of S. 567, a bill to amend title II of the Social Security Act to provide for a gradual period of transition (under a new alternative formula with respect to such transition) to the changes in benefit computation rules enacted in the Social Security Amendments of 1977 as such changes apply to workers born in years after 1916 and before 1927 (and related beneficiaries) and to provide for increases in such workers' benefits accordingly, and for other purposes.

S. 596

At the request of Mr. MITCHELL, the name of the Senator from Ohio [Mr. GLENN] was added as a cosponsor of S. 596, a bill to provide that Federal facilities meet Federal and State environmental laws and requirements and to clarify that such facilities must comply with such environmental laws and requirements.

S. 722

At the request of Mr. ROTH, the name of the Senator from Utah [Mr. HATCH] was added as a cosponsor of S. 722, a bill to amend the Internal Revenue Code of 1986 with respect to the requirement that an S corporation have only one class of stock.

S. 790

At the request of Mr. DECONCINI, the name of the Senator from Illinois [Mr. DIXON] was withdrawn as a cosponsor of S. 790, a bill to amend the antitrust laws in order to preserve and promote wholesale and retail competition in the retail gasoline market.

S. 827

At the request of Mr. SHELBY, the name of the Senator from Vermont [Mr. JEFFORDS] was added as a cosponsor of S. 827, a bill to credit time spent in the Cadet Nurse Corps during World War II as creditable for Federal civil service retirement purposes for certain annuitants and certain other individuals not covered under Public Law 99-638.

S. 844

At the request of Mr. DOMENICI, the name of the Senator from Wisconsin [Mr. KOHL] was added as a cosponsor of S. 844, a bill to provide for the minting and circulation of one-dollar coins.

S. 866

At the request of Mr. BREAUX, the name of the Senator from Utah [Mr. HATCH] was added as a cosponsor of S. 866, a bill to amend the Internal Revenue Code of 1986 to clarify that certain activities of a charitable organization in operating an amateur athletic event do not constitute unrelated trade or business activities.

S. 874

At the request of Mr. DECONCINI, the name of the Senator from Michigan [Mr. LEVIN] was added as a cosponsor of S. 874, a bill to amend the Public Health Service Act to establish a demonstration program to allow drug-addicted mothers to reside in drug abuse treatment facilities with their children, and to offer such mothers new behavior and education skills which can help prevent substance abuse in subsequent generations, and for other purposes.

S. 882

At the request of Mr. SARBANES, the name of the Senator from Massachusetts [Mr. KENNEDY] was added as a cosponsor of S. 882, a bill to amend subpart 4 of part A of title IV of the Higher Education Act of 1965 to mandate a 4-year grant cycle and to require adequate notice of the success or failure of grant applications.

S. 884

At the request of Mr. PACKWOOD, the names of the Senator from Connecticut [Mr. DODD], and the Senator from Mississippi [Mr. LOTT] were added as cosponsors of S. 884, a bill to require the President to impose economic sanctions against countries that fail to eliminate large-scale drift net fishing.

S. 895

At the request of Mr. PRESSLER, the name of the Senator from Idaho [Mr. CRAIG] was added as a cosponsor of S. 895, a bill to amend the Internal Revenue Code of 1986 to allow a deduction from gross income for home care and adult day and respite care expenses of individual taxpayers with respect to a dependent of the taxpayer who suffer from Alzheimer's disease or related organic brain disorders.

S. 1008

At the request of Mr. MCCONNELL, the name of the Senator from Alabama [Mr. SHELBY] was added as a cosponsor of S. 1008, a bill to require State agencies to register all offenders convicted of any acts involving child abuse with the National Crime Information Center of the Department of Justice.

S. 1084

At the request of Mr. MITCHELL, the name of the Senator from North Carolina [Mr. SANFORD] was added as a cosponsor of S. 1084, a bill to deny the People's Republic of China nondiscriminatory (most-favored-nation) trade treatment.

S. 1091

At the request of Mr. ADAMS, the names of the Senator from Hawaii [Mr. AKAKA], and the Senator from Connecticut [Mr. DODD] were added as cosponsors of S. 1091, a bill to require that certain information relating to nursing home nurse aides and home health care aides be collected by the National Center for Health Statistics and the Bureau of Labor Statistics, and for other purposes.

S. 1111

At the request of Mr. MITCHELL, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of S. 1111, a bill to protect the public from health risks from radiation exposure from low-level radioactive waste, and for other purposes.

S. 1151

At the request of Mr. CRAIG, the name of the Senator from Indiana [Mr. COATS] was added as a cosponsor of S. 1151, a bill to restore an enforceable Federal death penalty, to curb the abuse of habeas corpus, to reform the exclusionary rule, to combat criminal violence involving firearms, to protect witnesses and other participants in the criminal justice system from violence and intimidation, to address the problem of gangs and serious juvenile offenders, to combat terrorism, to combat sexual violence and child abuse, to provide for drug testing of offenders in the criminal justice process, to secure the right of victims and defendants to equal justice without regard to race or color, to enhance the rights of crime victims, and for other purposes.

S. 1157

At the request of Mr. DASCHLE, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of S. 1157, a bill to amend the Internal Revenue Code of 1986 to allow the energy investment credit for solar energy and geothermal property against the entire regular tax and the alternative minimum tax.

S. 1170

At the request of Mr. DURENBERGER, the name of the Senator from Arizona [Mr. MCCAIN] was added as a cosponsor of S. 1170, a bill to require any person who is convicted of a State criminal offense against a victim who is a minor to register a current address with local law enforcement officials of the State for 10 years after release from prison, parole, or supervision.

S. 1263

At the request of Mr. DIXON, the name of the Senator from North Carolina [Mr. SANFORD] was added as a cosponsor of S. 1263, a bill to amend title 18, of the United States Code to punish as a Federal criminal offense the acts of international parental child kidnaping.

S. 1281

At the request of Mr. RIEGLE, the name of the Senator from Alabama [Mr. HEFLIN] was added as a cosponsor of S. 1281, a bill to provide for immediate delivery of U.S. Savings Bonds available to the public at the point of purchase.

S. 1301

At the request of Mr. CRAIG, the name of the Senator from Alaska [Mr. STEVENS] was added as a cosponsor of S. 1301, a bill to establish grant programs and provide other forms of Federal assistance to pregnant women,

children in need of adoptive families, and individuals and families adopting children, and for other purposes.

SENATE JOINT RESOLUTION 96

At the request of Mr. RIEGLE, the names of the Senator from Louisiana [Mr. BREAUX], and the Senator from Louisiana [Mr. JOHNSTON] were added as cosponsors of Senate Joint Resolution 96, a joint resolution to designate November 19, 1991, as "National Philanthropy Day."

SENATE JOINT RESOLUTION 121

At the request of Mr. DECONCINI, the name of the Senator from Idaho [Mr. SYMMS] was added as a cosponsor of Senate Joint Resolution 121, a joint resolution designating September 12, 1991, as "National D.A.R.E. Day."

SENATE JOINT RESOLUTION 124

At the request of Mr. BRADLEY, the names of the Senator from Delaware [Mr. BIDEN], the Senator from Michigan [Mr. LEVIN], the Senator from Rhode Island [Mr. PELL], the Senator from California [Mr. SEYMOUR], and the Senator from Illinois [Mr. SIMON] were added as cosponsors of Senate Joint Resolution 124, a joint resolution to designate "National Visiting Nurse Associations Week" for 1992.

SENATE CONCURRENT RESOLUTION 43

At the request of Mr. DODD, the names of the Senator from South Dakota [Mr. PRESSLER], the Senator from Idaho [Mr. CRAIG], the Senator from Maine [Mr. MITCHELL], the Senator from Pennsylvania [Mr. SPECTER], the Senator from Washington [Mr. ADAMS], the Senator from Massachusetts [Mr. KERRY], the Senator from Virginia [Mr. ROBB], and the Senator from Michigan [Mr. LEVIN] were added as cosponsors of Senate Concurrent Resolution 43, a concurrent resolution concerning the emancipation of the Baha'i community of Iran.

SENATE RESOLUTION 82

At the request of Mr. SMITH, the name of the Senator from Alabama [Mr. HEFLIN] was added as a cosponsor of Senate Resolution 82, a resolution to establish a Select Committee on POW/MIA Affairs.

AMENDMENT NO. 295

At the request of Mr. GRASSLEY, his name was added as a cosponsor of amendment No. 295 proposed to S. 1204, an original bill to amend title 23, United States Code, and for other purposes.

At the request of Mr. ROCKEFELLER, his name was added as a cosponsor of amendment No. 295 proposed to S. 1204, supra.

AMENDMENT NO. 296

At the request of Mr. GRASSLEY, his name was added as a cosponsor of amendment No. 296 proposed to S. 1204, an original bill to amend title 23, United States Code, and for other purposes.

At the request of Mr. ROCKEFELLER, his name was added as a cosponsor of amendment No. 296 proposed to S. 1204, supra.

AMENDMENTS SUBMITTED

SURFACE TRANSPORTATION EFFICIENCY ACT

MOYNIHAN AMENDMENT NO. 353

Mr. MOYNIHAN proposed an amendment to the bill (S. 1204) to amend title 23, United States Code, and for other purposes, as follows:

At the appropriate place in the bill, insert the following:

SEC. . INTERSTATE TRANSPORTATION AGREEMENTS AND COMPACTS.

(a) CONSENT AND APPROVAL OF CONGRESS.—The consent and approval of Congress are hereby given to the several States to negotiate, enter into, and carry out agreements or compacts for the purpose of establishing policies and priorities, including allocation of funds, to resolve interstate highway and bridge problems of regional significance identified by metropolitan planning organizations.

(b) HIGHWAY TRUST FUND.—The highway and bridge projects identified in accordance with subsection (a) and included in agreements or compacts entered into pursuant to this section are eligible for funding from the Highway Account of the Highway Trust Fund.

CONGESTION PRICING PILOT PROGRAM

On page 42, line 13 strike "not to exceed $5,000,000" and insert in lieu thereof "not to exceed $25,000,000".

At the appropriate place in the bill, insert the following:

SEC. —. SUBSTITUTE PROJECT.

(a) APPROVAL OF PROJECT.—Notwithstanding any other provision of law, upon the request of the Governor of the State of Wisconsin, submitted after consultation with appropriate local government officials, the Secretary may approve substitute highway, bus transit, and light rail transit projects, in lieu of construction of the I-94 E-W Transitway project in Milwaukee and Waukesha Counties, as identified in the 1991 Interstate Cost Estimate.

(b) ELIGIBILITY FOR FEDERAL ASSISTANCE.—Upon approval of any substitute highway or transit project or projects under subsection (a), the costs of construction of the eligible transitway project for which such project or projects are substituted shall not be eligible for funds authorized under section 108(b) of the Federal-Aid Highway Act of 1956 and a sum equal to the Federal share of such costs, as included in the latest interstate cost estimate submitted to Congress, shall be available to the Secretary to incur obligations under section 103(e)(4) of title 23, United States Code, for the Federal share of the costs of such substitute project or projects.

(c) LIMITATION OF ELIGIBILITY.—If, by October 1, 1993, or two years after the date of enactment of this Act, whichever is later, the Governor of the State of Wisconsin has not submitted a request for a substitute project or projects in lieu of the I-94 E-W Transitway, the Secretary shall not approve such substitution. If, by October 1, 1995, or four years after the date of enactment of this Act, whichever is later, such substitute project or projects are not under construction, or under contract for construction, no funds shall be appropriated under the authority of section 103(e)(4) of title 23, United States Code, for such project or projects. For the purposes of this subsection, the term "construction" has the same meaning as given to it in section 101, title 23, United States Code, and shall include activities such as preliminary engineering and right-of-way acquisition.

(d) ADMINISTRATIVE PROVISIONS.—

(1) STATUS OF SUBSTITUTE PROJECT OR PROJECTS.—Any substitute project approved under subsection (a) shall be deemed to be a substitute project for the purposes of section 103(e)(4) of title 23, United States Code (other than subparagraphs (C) and (O)).

(2) REDUCTION OF UNOBLIGATED INTERSTATE APPORTIONMENT.—Unobligated apportionments for the Interstate System in the State of Wisconsin shall, on the date of approval of any substitute project or projects under subsection (a), be applied toward the Federal share of the costs of such substitute project or projects.

(3) ADMINISTRATION THROUGH FHWA.—The Secretary shall administer this section through the Federal Highway Administration.

(4) FISCAL YEARS 1993 AND 1994 APPORTIONMENTS.—For the purpose of apportioning funds for fiscal years 1993 and 1994 under section 104(b)(5)(A), the Secretary shall consider Wisconsin as having no remaining eligible costs. For the purpose of apportioning funds under section 104(b)(5)(A) of title 23, United States Code, for fiscal year 1995 and subsequent fiscal years, Wisconsin's actual remaining eligible costs shall be used.

(5) FUNDING PROVISIONS FOR SUBSTITUTE PROJECTS.—Notwithstanding any other provision of law, the source of funding for any transit substitute projects approved under subsection (a) shall be the Mass Transit Account of the Highway Trust Fund. All other funding provisions for any approved substitute projects shall be as provided in section 103(e)(4) of title 23, United States Code.

(e) TRANSFER OF APPORTIONMENTS.—Wisconsin may transfer interstate construction apportionments to its National Highway System in amounts equal to or less than the costs for additional work on sections of the interstate System that have been built with interstate construction funds and that are open to traffic as shown in the 1991 interstate cost estimate.

Insert at the appropriate place in S. 1204:

SEC.—. MONTANA-CANADA TRADE.

The Secretary shall not withhold funds from the State of Montana on the basis of actions taken by the State of Montana pursuant to a draft memorandum of understanding with the Province of Alberta, Canada regarding truck transportation between Canada and Shelby, Montana. Provided that such actions do not include actions not permitted by the State of Montana on or before June 1, 1991.

On page 5, strike out lines 3 through 9 and insert in lieu thereof:

(3) BRIDGE PROGRAM.—For the Bridge Program $2,350,000,000 for fiscal year 1992, $2,440,000,000 for fiscal year 1993, $2,580,000,000 for fiscal year 1994, $2,820,000,000 for fiscal year 1995, and $3,230,000,000 for fiscal year 1996.

On page 6, strike out line 17 and insert in lieu thereof "$120,000,000 for each of fiscal years 1992,".

On page 37, between lines 17 and 18, insert the following:

(c) REHABILITATION.—Of the funds authorized to be appropriated pursuant to section 103(b)(7)(B) of this Act, an amount equal to $20,000,000 shall be available for each of fiscal years 1992, 1993, 1994, 1995, and 1996 for continued rehabilitation of Federally-owned highways under the Federal lands highway pro-

gram of title 23, United States Code. Such funds shall remain available until expended.

On page 37, line 18, strike out "(c)" and insert in lieu thereof "(d)".

On page 4, between lines 2 and 3 insert the following:

"(c) The Secretary shall distribute copies of the Declaration of Policy contained in this section to each employee of the Federal Highway Administration, and shall ensure that such Declaration of Policy is posted in all offices of the Federal Highway Administration.".

VIOLENT CRIME CONTROL ACT OF 1991

GRAHAM AMENDMENTS NOS. 354 AND 355

(Ordered to lie on the table.)

Mr. GRAHAM submitted two amendments intended to be proposed by him to the bill (S. 1241) to control and reduce violent crime, as follows:

AMENDMENT NO. 354

At the appropriate place, add the following:

SEC. 107. RACIAL AND ETHNIC BIAS STUDY GRANTS.

(a) FINDINGS.—The Congress finds that—

(1) equality under law is tested most profoundly by whether a legal system tolerates race playing a role in the criminal justice system; and

(2) States should examine their criminal justice systems in order to ensure that racial and ethnic bias has no part in such criminal justice systems.

(b) AUTHORIZATION OF GRANT PROGRAM.—

(1) IN GENERAL.—The Attorney General, through the Bureau of Justice Assistance, is authorized to make grants to States that have established by State law or by the court of last resort a plan for analyzing the role of race in that State's criminal justice system. Such plan shall include recommendations designed to correct any findings that racial and ethnic bias plays such a role.

(2) CRITERIA FOR GRANTS.—Grants under this subsection shall be awarded based upon criteria established by the Attorney General. In establishing the criteria, the Attorney General shall take into consideration the population of the respective States, the racial and ethnic composition of the population of the States, and the crime rates of the States.

(3) REPORTS BY STATES.—Recipients of grants under this subsection shall report the findings and recommendations of studies funded by grants under this subsection to the Congress within reasonable time limits established by the Attorney General.

(4) REIMBURSEMENT OF STATES.—Grants may be made to reimburse States for work started prior to the date of enactment of this Act.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $2,000,000 for each of the fiscal years 1992, 1993, 1994, 1995, and 1996 to carry out the provisions of this section.

AMENDMENT NO. 355

Strike section 207 of the bill.

SURFACE TRANSPORTATION EFFICIENCY ACT

MOYNIHAN AMENDMENT NO. 356

Mr. MOYNIHAN proposed an amendment to amendment No. 353 proposed by him to the bill S. 1204, supra, as follows:

On page 2 of the amendment, in the new section of the bill entitled "Interstate Transportation Agreements and Compacts.", strike subsection (b).

GRAHAM (AND OTHERS) AMENDMENT NO. 357

Mr. GRAHAM (for himself, Mr. ROTH, Mr. LOTT, Mr. NUNN, Mr. SHELBY, Mr. COATS, Mr. MCCONNELL, Mr. MACK, Mr. PRYOR, Mr. SANFORD, and Mr. BOND) proposed an amendment to the bill S. 1204, supra, as follows:

Beginning on page 12, strike section 105 of the bill and insert the following new section:

SEC. 105. UNOBLIGATED BALANCES.

Unobligated balances of funds apportioned or allocated to a State under title 23, United States Code, before October 1, 1991, shall be available for obligation in that State under the law, regulations, policies and procedures relating to the obligation and expenditure of those funds in effect on September 30, 1991, except that—

(1) unobligated balances of primary and Interstate 4R funds may be transferred to the National Highway and Bridge System;

(2) other unobligated balances may be transferred to the Urban and Rural Highway and Bridge Program;

(3) transferred funds are subject to the law, regulations, policies and procedures relating to the category to which transferred;

(4) transfers will be allowed on a one time per year basis; and

(5) this section does not apply to unobligated balances of interstate construction or interstate substitution funds.

Beginning on page 12, strike section 106 of the bill, and insert the following new sections:

SEC. 106. NATIONAL HIGHWAY AND BRIDGE SYSTEM.

(a) IN GENERAL.—Chapter 1 of title 23, United States Code, is amended by adding at the end the following new section:

"SEC. 160. NATIONAL HIGHWAY AND BRIDGE SYSTEM.

"(a) FINDINGS.—The Congress hereby finds and declares the following:

"(1) National resources should be focused upon the important goals of preserving the Nation's investment in its interstate systems and insuring that these systems continue to support actively interstate commerce, national defense, and linkage of major urban areas.

"(2) Broad national defense, economic, safety, and international policy goals are advanced by efficient transportation system which ensure free movement of people, goods, and information.

"(3) National transportation investments should increasingly encourage domestic and international commerce and trade.

"(4) Based on congressionally established national transportation policy and objectives, a new Federal high priority highway network, a national highway and bridge system should be designated from the most vital elements of the current network.

"(b) ESTABLISHMENT.—(1) The Secretary shall establish the National Highway and Bridge System—

"(A) to provide an interconnected system of principal arterial routes which will serve major population centers, ports, airports and international border crossings;

"(B) to meet national defense requirements; and

"(C) to serve interstate and interregional travel.

The National Highway and Bridge System shall consist of all designated Interstate highways on the date of the establishment of the program, an appropriate portion of the rural and urban principal arterial routes, including toll facilities, and national defense highways.

"(2) In addition other routes which meet the following criteria shall be eligible for inclusion:

"(A) Nationally significant truck routes.

"(B) Routes that provide nationally significant commodities with access to markets.

"(C) Access points to significant national parks, international border crossings, ports and airports, and major regions in the States.

"(3) Facilities that will provide logical connection between major population centers and the national highway and bridge system.

"(4) Major urban corridors.

"(c) DESIGNATION.—Each State, in consultation with regional and local officials, shall designate the national highway and bridge system, with the approval of the Secretary. The National Highway and Bridge System shall be based on a functional reclassification of roads and streets in each State. The system should be designated by September 30, 1992, and shall be designated by not later than September 30, 1993, in accordance with guidelines issued by the Secretary. Such guidelines shall provide for an equitable allocation of mileage among the States. For fiscal year 1992 and, if necessary, fiscal year 1993, States may use National Highway and Bridge Program funds for the purposes of funding the preliminary National Highway and Bridge System designated by the State and approved by the Secretary as of September 30, 1991.

"(d) REVIEW.—The Secretary shall establish criteria for reviewing projects to be funded as part of the National Highway and Bridge System. The criteria shall define eligible projects to include rehabilitation, resurfacing, restoration, capacity expansion, operational improvement, safety, and new highway construction. The criteria shall ensure, as a first priority for the use of available funds, the adequate preservation and protection of investments made in the Interstate highways in each State, and the provision of suitable traveling quality by the Interstate highways. The criteria shall permit funding in urbanized areas to be used to improve highway and transit systems, in any case where there is a showing that the improvement will provide an increase in the level of service within the corridor of the National Highway and Bridge System. The criteria shall also permit the use of such funds for projects for access to ports, airports, international border crossings and other major travel destinations.

"(e) FEDERAL SHARE.—Notwithstanding any other provision of this title, the Federal share payable for a project under this section for the construction of high occupancy vehicle lanes (as described in section 102(d) of this title) shall not exceed 90 percent of the cost of the project.

"(f) DISCHARGE OF RESPONSIBILITIES.—(1) Upon the request of any State, the Secretary may discharge responsibilities under this title relating to any National Highway and Bridge System project that—

"(A) meets the categorical exclusion criteria (as defined in section 771 of title 23, Code of Federal Regulations, as in effect on the date of the enactment of the Surface Transportation and Efficiency Act of 1991); and

"(B) has an estimated cost of construction of less than $5,000,000,

by accepting a certification by the State transportation or highway department that any such project will be developed, let to contract and constructed in the same manner as other National Highway and Bridge System project.

"(2) Upon the request of any State, the Secretary may discharge responsibilities under this title relating to any National Highway and Bridge System that—

"(A) meets the categorical exclusion criteria (as defined in in section 771 of title 23, Code of Federal Regulations);

"(B) has an estimated cost of construction of $5,000,000 or more; and

"(C) is selected in accordance with criteria established by the Secretary,

by accepting a certification by the State transportation or highway department that any such project will be developed, let to contract and constructed in the same manner as other National Highway and Bridge System projects.

"(g) PROCEDURES AFTER FISCAL YEAR 1995.—Beginning with fiscal year 1996, the Secretary shall discharge responsibilities for the National Highway and Bridge System projects described in subsection (c)(1) of this section by the certification process described in this section. The Secretary shall, beginning with fiscal year 1996, rescind project approval if a satisfactory certification is not presented by the State.".

(b) APPORTIONMENT.—Section 104(b) of title 23, United States Code, is amended—

(1) by striking paragraph (1) and inserting the following new paragraph:

"(1) NATIONAL HIGHWAY AND BRIDGE PROGRAM.—

"(A) APPORTIONMENT FORMULA.—For the National Highway and Bridge Program—

"(i) 1/9 in the ratio which the rural lane miles in each State bears to those of all States;

"(ii) 1/9 in the ratio which rural vehicle miles traveled in each State bears to those of all States;

"(iii) 2/9 in the ratio which the urban lane miles in each State bears to those of all States;

"(iv) 2/9 in the ratio which the urban vehicle miles traveled in each State bears to those of all States; and

"(v) 3/9 in the ratio which diesel fuel consumed in each State bears to that consumed in all States.

"(B) MINIMUM APPORTIONMENT.—No State shall receive less than ½ of 1 percent of each year's apportionment.

"(C) TRANSFER TO URBAN AND RURAL HIGHWAY AND BRIDGE PROGRAM.—A State may transfer up to 20 percent of its annual National Highway and Bridge System program apportionment to the urban and rural highway and bridge program of the State if the Governor of the State and the Secretary agree that adequate Interstate System conditions exist.";

(2) by striking "upon the Federal-aid systems" and inserting "upon the National Highway and Bridge System, the Urban and Rural Highway and Bridge Program, and the Congestion Mitigation and Air Quality Improvement Program";

(3) by striking "paragraphs (4) and (5)" and inserting "subparagraph (5)(A)"; and

(4) by striking "and sections 118(c) and 307(d)" and inserting "and section 307".

SEC. 106A. URBAN AND RURAL HIGHWAY BRIDGE PROGRAM.

(a) IN GENERAL.—Chapter 1 of title 23, United States Code, is amended by adding at the end the following new section:

"SEC. 161. URBAN AND RURAL HIGHWAY AND BRIDGE PROGRAM.

"(a) ESTABLISHMENT.—The Secretary shall establish an urban and rural highway and bridge program to provide a category of funds that minimizes Federal requirements, and to provide flexibility in the use of available funds for either highway or transit projects. The urban and rural highway and bridge program shall consist of all public highways (including bridges) functionally classified as arterials, urban collectors, and rural collectors (other than those designated as part National Highway and Bridge System), and shall also include bridges on any public road. Each State, in cooperation with regional and local agencies of the State, shall establish guidelines for implementing the program under this section. The guidelines shall—

"(1) include criteria for setting priorities and encouraging regional intermodal solutions, where appropriate;

"(2) ensure that administrative costs are minimized through simplification of processes and application of controls that ensure accountability for funds and projects;

"(3) ensure that each agency has flexibility to use funds for solutions to transportation problems that bring about a most efficient increase in mobility and best address regional and local land use, air quality, and economic development issues.

"(b) ELIGIBLE HIGHWAYS.—Highway projects may be funded on public roads (except any road on the National Highway and Bridge System, any road functionally classified as local, or any road functionally classified as rural minor collector). Part of a State's annual urban and rural highway and bridge program apportionment may be extended for highway safety improvements, bridge replacement or rehabilitation, or eliminating rail-highway crossing hazards on public roads functionally classified as local or as rural minor collector.

"(c) ELIGIBLE PROJECTS.—Eligible projects under this section shall include construction, operational improvements, highway safety improvements, highway research and development, transportation planning, capital transit projects (such as the construction, reconstruction, and improvement of fixed rail facilities, including purchase of rolling stock for fixed rail), the purchase of buses and support facilities, capital projects to improve access and coordination between intercity and rural bus service, technology transfer projects, startup costs for traffic management and control projects, bicycle and pedestrian projects, projects to develop and improve scenic byways, projects to enhance rural and urban accessibility and mobility, the acquisition of outdoor advertising signs and the sites, removal or screening of junkyards, carpool projects, fringe and corridor parking projects, the construction of exclusive or preferential high occupancy vehicle lanes, landscaping, scenic enhancement and rest area projects, and projects that create, conserve or enhance wetlands.

"(d) REQUIREMENTS.—

"(1) COMPLIANCE WITH STATE REQUIREMENTS.—Projects under this section must be designed, constructed, operated, and maintained in accordance with State laws, regulations, directives, safety standards, design standards and construction standards.

"(2) COMPLIANCE WITH FEDERAL REQUIREMENTS.—

"(A) IN GENERAL.—Each State with a project under this section shall comply with the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, the Single Audit Act of 1984 (31 U.S.C. 7501 through 7507), the Civil Rights Act of 1964, the Clean Air Act (42 U.S.C. 7401 et seq.), the National Environmental Policy Act of 1969 (42 U.S.C. 4231 et seq.), the applicable requirements of this title and other applicable Federal laws, regulations, and Executive orders.

"(B) DELEGATIONS.—In lieu of applying the Federal environmental review procedures otherwise applicable under the National Environmental Policy Act of 1969 (42 U.S.C. 4231 et seq.) the Secretary may, under regulations, provide for the approval of projects by recipients of assistance under this section. Such recipients, pursuant to the requirements of this paragraph, may assume all of the responsibilities for environmental review, decision making, and action described in the National Environmental Policy Act, and other provisions of law that would apply to the Secretary if the projects were undertaken as Federal projects. The Secretary shall issue regulations to carry out this paragraph only after consultation with the Council on Environmental Quality.

"(C) CERTIFICATION.—Each State or other recipient assuming responsibilities on the part of the Secretary pursuant to subparagraph (B) shall submit an annual certification under the regulations authorized by subparagraph (B). The certification shall—

"(i) be in a form acceptable to the Secretary,

"(ii) be executed by the chief executive officer or other officer of the recipient of assistance under this section qualified under the regulations authorized by subparagraph (B),

"(iii) specify that the recipient of assistance under this section will fully carry out its responsibilities as described under the regulations authorized by subparagraph (B),

"(iv) specify that the certifying officer—

"(I) consents to assume the status of a responsible Federal official under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) and each provision of law specified in regulations issued by the Secretary (to the extent that the provisions of such Act, or other provisions of law apply under the regulations authorized by subparagraph (A) or (B)); and

"(II) is authorized and consents on behalf of the recipient of assistance under this section and the certifying officer to accept the jurisdiction of the Federal courts for the purpose of enforcement of the certifying officer's responsibilities; and

"(v) agree that the Secretary's approval of any certification shall be deemed to satisfy the Secretary's responsibilities under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) and other provisions of laws the regulations of the Secretary specify insofar as the responsibilities relate to the approval of projects by recipients under this section.

"(3) BRIDGE INSPECTION AND INVENTORY SYSTEM.—Each State that conducts a project under this section must have an ongoing bridge inspection and inventory system.

"(4) CONSULTATION.—In any case where a tribe has jurisdiction or is affected by a project under this section, consultation with local officials and Indian tribal officials shall be required.

"(5) DISTRIBUTION OF FUNDS.—In cooperation with local units of government each State shall develop a method to distribute apportionments within the State under this section fairly and equitably to rural areas, urban areas and urbanized areas with a population greater than 250,000.

"(6) COMPLIANCE.—If the Secretary determines that a State or local government has failed to comply substantially with provisions of this section, the Secretary shall notify the State that, if the State or local government fails to take corrective action within 120 days after the receipt of the notification, the Secretary may withhold payments under this section until the Secretary is satisfied that appropriate corrective action has been taken.

"(e) OBLIGATION OF FUNDS AND METHOD OF PAYMENT.—

"(1) OBLIGATION OF FUNDS.—The Governor of each State shall certify prior to the first day of each fiscal year that the State will meet all the requirements of subsection (e). The Governor shall notify the Secretary of the amount of obligations expected to be incurred for urban and rural highway and bridge program projects. The State may subsequently request adjustment to the obligation amounts during the fiscal year. Acceptance of the notification and certification shall be deemed a contractual obligation of the United States for the payment of the urban and rural highway and bridge funds expected to be obligated by the State in that fiscal year.

"(2) METHODS OF PAYMENT.—The Secretary shall make payments to a State (or other recipient) for costs incurred with respect to a program conducted pursuant to this section. Such payments shall not exceed the Federal share of costs incurred as of the date the State requests payment.

"(f) REVIEW AND REPORT.—The Secretary may conduct reviews of State procedures and projects. The States shall report annually to the Secretary in accordance with guidelines established by the Secretary on the use of funds administered under this section.".

(b) APPORTIONMENT.—Section 104(b) of title 23, United States Code, is amended by inserting the following paragraph in an appropriate place:

"(3) URBAN AND RURAL HIGHWAY AND BRIDGE PROGRAM.—

"(A) APPORTIONMENT FORMULA.—The funds authorized to be appropriated for the urban and rural highway and bridge program shall be apportioned in the ratio of attributable tax payments to the highway account of the Highway Trust Fund, attributable to the highway users of each State. No State shall receive less than ½ of 1 percent of each years apportionment.

"(B) TRANSFER TO NATIONAL HIGHWAY AND BRIDGE PROGRAM.—A State may transfer up to 20 percent of its annual urban and rural highway and bridge program apportionment to the national highway and bridge program of the State.".

At the appropriate place in the bill, insert the following new section:

SEC.—. FEDERAL SHARE PAYABLE.

Section 120(a) of title 23, United States Code, is amended to read as follows:

"(a) NATIONAL HIGHWAY AND BRIDGE PROGRAM AND URBAN AND RURAL HIGHWAY BRIDGE PROGRAM PROJECTS.—(1) Except as provided in paragraph (2) and in section 129 the Federal share payable on account of any national highway and bridge and urban or rural highway and bridge program project—

"(A) shall not exceed 85 percent of the cost of the project (except that in the case of any State containing nontaxable Indian lands, individual and tribal, and public domain lands (both reserved and unreserved), exclusive of national forests and national parks and monuments, exceeding 5 percent of the total area of all lands in the State, the Federal share may be increased by a percentage of the remaining costs equal to the percentage that the area of such lands in the State, is of its total area); or

"(B) shall not exceed 85 percent of the costs of the project (except that in the case of any State containing nontaxable Indian lands, individual and tribal, public domain lands (both reserved and unreserved), national forests, and national parks and monuments, the Federal share may be increased by a percentage of the remaining cost equal to the percentage that the area of all such lands in the State is of its total area, except that the Federal share payable on any project in a State under subparagraph (A) or (B) shall not exceed 90 percent of the cost of the project.

"(2) In any case where a State elects to have the Federal share provided pursuant to paragraph (1)(B), the Governor of the State must enter into an agreement with the Secretary (for a period of not less than 1 year). As part of the agreement the State shall agree to use such funds solely for highway construction purposes (other than paying the State share of the projects approved under this title) during the period covered by the agreement the difference between amount of the State share of such State (as provided in paragraph (1)(B)) and an amount determined pursuant to paragraph (1)(A) that represents the amount that such State would have received had the State elected pursuant to paragraph (1)(A) to pay the share under such subparagraph.".

Beginning on page 28, strike section 108 and insert the following new section:

SEC. 108. DISCRETIONARY BRIDGE PROGRAM.

Section 144 of title 23, United States Code, is amended to read as follows:

"SEC. 144. DISCRETIONARY BRIDGE PROGRAM.

"(a) PURPOSE.—Congress finds and declares it to be in the vital interest of the Nation that a discretionary bridge replacement and rehabilitation program be established to enable States and Federal agencies to replace and rehabilitate high cost highway bridges over waterways, other topographical barriers, other highways, or railroads when the State or Federal agencies and the Secretary find—

"(1) that a bridge is important;

"(2) that the bridge is unsafe because of structural deficiencies, physical deterioration, or functional obsolescence;

"(3) that the bridge poses a safety hazard to highway users;

"(4) that the replacement or rehabilitation of the bridge would minimize disruptions, delays, and costs to users; or

"(5) that the replacement or rehabilitation of the bridge would provide more efficient routes for emergency services.

"(b) INVENTORY; ASSESSMENT; IMPROVEMENT CATEGORY; COST.—The Secretary, in consultation with the States, shall—

"(1) inventory all highway bridges on public roads that are bridges over waterways, other topographical barriers, other highways, and railroads;

"(2) assess each bridge from the standpoint of safety and adequacy to serve traffic; and

"(3) based on the assessment described in paragraph (2), assign each bridge to one of the following improvement categories:

"(A) REPLACEMENT.

"(B) REHABILITATION.

"(c) APPROVAL OF FEDERAL PARTICIPATION.—In approving projects under this section, the Secretary shall give consideration to projects that will remove from service bridges most in danger of failure. For bridges on the National Highway and Bridge System, the Secretary may approve Federal participation where a determination as to need, type of improvement and timing have been established through a bridge management system approved by the Secretary. On other public roads the Secretary may approve Federal participation if the agency with jurisdiction over the bridge has a bridge inspection and inventory program that meets the requirements of the National Bridge Inspection Standards (NBIS).

"(d) ELIGIBLE ACTIVITIES.—

"(1) HIGH PRIORITY DEFICIENCIES.—Discretionary Bridge Program funds may be used to correct normally ineligible safety related bridge deficiencies that have been identified as high priority by the Secretary. A State shall submit a strategy, work plan and timetable for approval by the Secretary before bridge funds can be used to correct deficiencies. Removal of deficiencies identified as high priority by the Secretary is mandatory for any bridge improved under the discretionary bridge program.

(2) REPLACEMENT AND REHABILITATION.—Discretionary Bridge Program funds may be used for replacement and rehabilitation.

"(e) ALLOCATION.—Amounts available for the discretionary bridge program shall be allocated to States at the discretion of the Secretary. For projects for bridges—

"(1) with a replacement or rehabilitation cost of $20,000,000 or more; or

"(2) with respect to which more than 10 percent of a State's annual Federal highway apportionment is expended.

"(f) TOLL BRIDGE ASSESSMENT.—Applications for funding under the Discretionary Bridge Program must include a comprehensive assessment of—

"(1) the feasibility of constructing a toll bridge; and

"(2) the option of using combinations of funds other than Discretionary Bridge Program funds.

"(g) SELECTION OF PROJECTS.—In selecting projects for the Discretionary Bridge Program the Secretary shall consider—

"(1) the bridge rating factor which includes, but is not limited to serviceability, safety, essentiality for public use, traffic volume, and cost;

"(2) whether the bridge is closed to traffic or has severe load limits;

"(3) the need for equitable nationwide distribution of funds;

"(4) the need to continue or complete projects already begun with discretionary funds; and

"(5) other factors that the Secretary deems appropriate.

"(h) OBLIGATION AND ADMINISTRATION OF PROJECTS.—Discretionary bridge projects on the National Highway and Bridge System shall be obligated and administered under National Highway Program procedures. Bridge projects on public roads not on the National Highway and Bridge System shall be obligated and administered under urban and rural highway and bridge program procedures.

"(i) THE GENERAL BRIDGE ACT OF 1946.—Notwithstanding any other provision of law,

the General Bridge Act of 1946 (33 U.S.C. 525 et seq.) shall apply to bridges authorized to be replaced, in whole or in part, by this section, except that subsection (b) of section 502 of the General Bridge Act of 1946 and section 9 of the Act of March 3, 1899 (30 Stat. 1151, chapter 425) shall not apply to any bridge constructed, reconstructed, rehabilitated, or replaced with assistance under this title, if the bridge is over waters—

"(1) that are not used and are not susceptible to use in their natural condition or by reasonable improvement as a means to transport interstate or foreign commerce; and

"(2) that are—

"(A) not tidal waters; or

"(B) if tidal waters, are used only by recreational boating, fishing, and other small vessels less than 21 feet in length.

"(j) REHABILITATE DEFINED.—As used in this section the term 'rehabilitate' in any of its forms means major work necessary to restore the structural integrity of a bridge as well as work necessary to correct a major safety defect.

"(k) FEDERAL SHARE PAYABLE.—The Federal share payable on account of a project under this section shall not exceed 85 percent of the cost of the project.".

On page 4, strike lines 16 through 22 and insert the following new paragraph:

(1) NATIONAL HIGHWAY AND BRIDGE PROGRAM.—For the National Highway and Bridge Program $6,000,000,000 for fiscal year 1992, $6,250,000,000 for fiscal year 1993, $6,650,000,000 for fiscal year 1994, $7,365,000,000 for fiscal year 1995 and $9,060,000,000 for fiscal year 1996.

On page 5, strike lines 3 through 8 and insert the following new paragraphs:

(3) URBAN AND RURAL HIGHWAY AND BRIDGE PROGRAM.—For the Urban and Rural Highway and Bridge Program $6,000,000,000 for fiscal year 1992, $6,250,000,000 for fiscal year 1993, $6,650,000,000 for fiscal year 1994, $7,365,000,000 for fiscal year 1995 and $9,060,000,000 for fiscal year 1996.

(4) DISCRETIONARY BRIDGE PROGRAM.—For the Discretionary Bridge Program $230,000,000 for fiscal year 1992, $280,000,000 for fiscal year 1993, $330,000,000 for fiscal year 1994, $380,000,000 for fiscal year 1995, and $440,000,000 for fiscal year 1996.

On page 5, line 17, strike "(5)" and insert "(6)".

On page 6, line 1, strike "(6)" and insert "(7)".

On page 6, line 9, strike "(7)" and insert "(8)".

On page 6, line 19, strike "(8)" and insert "(9)".

On page 6, line 23, strike "(9)" and insert "(10)".

On page 7, line 4, strike "(10)" and insert "(11)".

On page 7, line 12, strike "(11)" and insert "(12)".

On page 7, line 18, strike "(12)" and insert "(13)".

On page 8, line 10, strike "(13)" and insert "(14)".

On page 12, beginning on line 19, strike "Surface Transportation Program" and all that follows through the period on line 20 and insert "National Highway and Bridge Program or for the Urban and Rural Highway and Bridge Program as if the funds had been apportioned for the programs.".

Beginning on page 30, strike section 109 and insert the following new section:

SEC. 109. MAINTENANCE.

Section 116 of title 23, United States Code is amended to read as follows:

"§ 116. Maintenance

"(a) DUTY TO MAINTAIN.—It shall be the duty of the State transportation or highway department to maintain, or cause to be maintained, any project on the National Highway and Bridge System constructed with the aid of Federal funds under this title or under the provisions of prior Acts. Each State shall use sums needed from its National Highway and Bridge Program apportionment to ensure adequate maintenance of the Interstate System. If the Secretary finds that a State is not adequately maintaining the Interstate System, the Secretary will require the State to program amounts from its National Highway and Bridge Program apportionments to bring the Interstate System up to adequate condition and keep it in that condition. The State's obligation to the United States to maintain a project shall cease when it no longer constitutes a part of the National Highway and Bridge System.

"(b) STATE AGREEMENTS WITH LOCAL OFFICIALS.—In any State where the State transportation or highway department is without legal authority to maintain a project within a municipality or within an Indian reservation, the transportation or highway department shall enter into a formal agreement for its maintenance with the appropriate officials of the municipality or Indian tribe.

"(c) WITHHOLDING PROJECT APPROVAL.—If at any time the Secretary shall find that any project on the National Highway and Bridge System constructed under this title, or constructed under the provisions of prior highway Acts, is not being properly maintained, the Secretary shall call that fact to the attention of the State transportation or highway department. If, within 90 days after receipt of the notice, the project has not been put in proper condition of maintenance, the Secretary shall withhold approval of further projects of all types in the State highway district, municipality, county, other political or administrative subdivision of the State, or the entire State in which the project is located, whichever the Secretary deems most appropriate, until the project shall have been put in proper condition of maintenance.".

On page 34, line 21, strike "Surface Transportation Program" and insert "National Highway and Bridge Program".

Beginning on page 34, strike line 23 and all that follows through page 35, line 4.

On page 53, line 10, strike "section 133(c)(2)" and insert "the Urban and Rural Highway Bridge Program".

On page 57, strike lines 14 through 18.

On page 57, line 19, strike "(c)" and insert "(b)".

On page 58, line 3, strike "(d)" and insert "(c)".

On page 71, beginning on line 4, strike "Surface Transportation Program project" and insert "National Highway and Bridge Program project, Urban and Rural Highway and Bridge Program project."

On page 74, beginning on line 1, strike "Except as provided" and all that follows through "Transportation Program" on line 3 and insert "Projects".

On page 79, line 10, strike "Surface Transportation Program" and insert "National Highway and Bridge Program".

On page 84, beginning on line 17, strike "Surface Transportation Program" and insert "National Highway and Bridge Program".

On page 96, strike lines 6 through 17.

On page 96, line 22, strike " "metropolitan area" ".

On page 97, strike lines 22 and 23.

On page 103, beginning on line 20, strike "Surface Transportation Program" and insert "Urban and Rural Highway and Bridge Program".

On page 104, strike lines 14 and 15 and insert the following new subparagraph:

(A) Subsection (a) is amended by striking "section 117 of this title" and inserting in lieu thereof "for the Urban and Rural Highway and Bridge Program".

On page 105, strike lines 16 through 21 and insert the following new subparagraph:

(A) Subsection (a) is amended—

(1) by striking "located on a Federal-aid system" and inserting in lieu thereof "constructed under this chapter"; and

(2) by striking "in section 117 of this title" and inserting in lieu thereof "for the National Highway and Bridge Program and the Urban and Rural Highway and Bridge Program".

On page 106, line 3, strike "SURFACE TRANSPORTATION PROGRAM" and insert "URBAN AND RURAL HIGHWAY BRIDGE PROGRAM".

On page 106, line 8, strike "section 104(b)(1)" and insert "the Urban and Rural Highway and Bridge Program".

On page 106, line 10, strike "AND PRIMARY" and insert "AND NATIONAL HIGHWAY AND BRIDGE PROGRAM".

On page 110, beginning on line 14, strike "Surface Transportation Program" and insert "National Highway and Bridge Program, Urban and Rural Highway and Bridge Program".

On page 112, beginning on line 19, strike "Federal-aid primary" and insert "National Highway and Bridge".

On page 111, line 7, strike "Surface Transportation Program" and insert "National Highway and Bridge Program".

On page 111, strike lines 11 through 17 and insert the following new paragraph:

(22) Section 217 is amended by striking in each of the 2 places it appears "in accordance with paragraphs (1), (2), and (6) of section 104(b) of this title" and inserting in lieu thereof in each place "for the National Highway and Bridge Program and the Urban and Rural Highway and Bridge Program".

On page 112, lines 9 and 14, strike "Surface Transportation Program" and insert "National Highway and Bridge Program".

On page 112, beginning on line 20, strike "Surface Transportation Program" and insert "National Highway and Bridge Program".

On page 122, line 7, strike "or device," the first place it appears.

On page 124, line 2, strike "Surface Transportation Program" and insert "National Highway and Bridge Program".

On page 126, line 3, strike "Surface Transportation Program" and insert "National Highway and Bridge Program".

On page 126, lines 8 and 12, insert an ending quotation mark before the period.

On page 123, line 18, strike "set forth in section 120(a)" and insert "85 percent".

At the appropriate places in the bill, conform the analysis and the section numbers of title 23, United States Code, to the foregoing and following amendments.

At the appropriate place in the bill, insert the following new sections:

SEC.—. ELIMINATION of I—R4 PROGRAM.

(a) IN GENERAL.—Section 104(b)(5) of title 23, United States Code is amended by striking subparagraph (B).

(b) CROSS-REFERENCES.—Notwithstanding any other provision of law, any reference to subparagraph (B) section 104(b)(5) of title 23 of the United States Code shall have no force or effect.

(c) INTERSTATE SYSTEM RESURFACING.—Title 23 of the United States Code is amended by striking section 119.

(d) CROSS-REFERENCES.—Notwithstanding any other provision of law, any reference to section 119 of title 23, United States Code, shall have no force or effect.

SEC.—. MINIMUM ALLOCATION.

(a) 90 PERCENT MINIMUM ALLOCATION.—Subsection (a)(3)(A) of section 157 of title 23, United States Code, is amended to read as follows:

"(A) GENERAL RULE.—In each fiscal year, on October 1, or as soon as possible thereafter, the Secretary shall allocate among the States amounts sufficient to ensure that the total of apportionments and minimum allocation for each State in each such fiscal year shall not be less than 90 per centum of the percentage of estimated tax payments into the Highway Account of the Highway Trust Fund, attributable to highway users in the State (in the latest year for which such data are available) of total apportionments in each such fiscal year and allocations for the prior year (except allocations for emergency relief, forest highways, Indian reservation roads, parkways and park roads, nonconstruction safety grants authorized by sections 402, 406, and 408 of this title, and Bureau of Motor Carrier Safety Grants authorized by section 404 of the Surface Transportation Assistance Act of 1982).".

(b) HOLD HARMLESS.—Subsection (f) is added to section 157 of title 23, United States Code to read as follows:

"(f) HOLD HARMLESS.—In each fiscal year the Secretary shall allocate among the States amounts sufficient to ensure that each State's total apportionment from the Highway Account of the Highway Trust Fund for the year is not less than that made during the 1991 fiscal year (excluding any interstate construction funds in excess of fiscal year 1992 one-half percent minimum, interstate substitution, and amounts for demonstration or discretionary funding programs or projects.".

(c) CONFORMING AMENDMENTS.—

(1) Subsection (b) of section 157 of title 23, United States Code is amended by striking "primary, secondary, interstate, urban, bridge replacement and rehabilitation, hazard eliminations, and rail-highway crossings" and inserting in lieu thereof, "Interstate, National Highway and Bridge Program and Urban and Rural Highway and Bridge Program".

(2) Subsection (d) of said section is amended by striking "section 154(f) or 158(a) of this title or any other provision" and inserting in lieu thereof "a".

NOTICES OF HEARINGS

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. LEAHY. Mr. President, I would like to announce that the Senate Committee on Agriculture, Nutrition, and Forestry Subcommittee on Agricultural Research and General Legislation will be holding an oversight hearing on the grain quality title of the 1990 farm bill. The hearing will be on Wednesday, June 25, 1991, at 2:30 p.m. in SR-332.

For further information please contact Ray Dobert of the subcommittee staff at 224-2321.

Mr. President, I would like to announce that the Senate Committee on Agriculture, Nutrition, and Forestry Subcommittee on Agricultural Research and General Legislation will be holding an oversight hearing on the research title of the 1990 farm bill. The hearing will be on Thursday, July 9, 1991, at 9 a.m. in SR-332.

For further information please contact Ray Dobert of the subcommittee staff at 224-2321.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON ENVIRONMENTAL PROTECTION

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the Subcommittee on Environmental Protection, Committee on Environment and Public Works, be authorized to meet during the session of the Senate on Tuesday, June 18, beginning at 9:30 a.m., to conduct a hearing on RCRA interstate transportation of waste.

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

COMMITTEE ON SMALL BUSINESS

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the Small Business Committee be authorized to meet during the session of the Senate on Tuesday, June 18, 1991, at 10 a.m. The committee will hold a full committee hearing on lender liability for environmental cleanup costs.

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

SUBCOMMITTEE ON MANPOWER AND PERSONNEL

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the Subcommittee on Manpower and Personnel of the Committee on Armed Services be authorized to meet on Tuesday, June 18, 1991, at 9:30 a.m., to receive testimony on the issue of the utilization of women in the military services, in review of S. 1066, the Department of Defense authorization bill for fiscal years 1992-93.

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

COMMITTEE ON ARMED SERVICES

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet on Tuesday, June 18, 1991, at 2 p.m., to receive testimony on current issues associated with sustaining and enhancing the Nation's industrial base as it supports the national security, in review of S. 1066, the Department of Defense authorization bill for fiscal years 1992-93.

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

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be allowed to meet during the session of the Senate, Tuesday, June 18, 1991, at 10 a.m. to conduct a hearing on the nominations of David Mullins to be Vice Chairman of the Board of Governors of the Federal Reserve System; and Constance Harriman, to be a member of the Board of Directors of the Export-Import Bank.

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

SUBCOMMITTEE ON PUBLIC LANDS, NATIONAL PARKS, AND FORESTS

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the Subcommittee on Public Lands, National Parks, and Forests of the full Committee on Energy and Natural Resources be authorized to meet during the session of the Senate, 9:30 a.m., June 18, 1991, to receive testimony on S. 1029, a bill to designate certain lands in the State of Colorado as components of the National Wilderness Preservation System, and for other purposes.

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

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation and the National Ocean Policy Study, be authorized to meet during the session of the Senate on June 18, 1991, at 10 a.m. on weather service modernization.

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

ADDITIONAL STATEMENTS

CHEMICAL ARMS DISPOSAL: HOW SAFE WILL IT BE?

• Mr. SIMON. Mr. President, recently, the Chicago Tribune had an article on chemical arms disposal written by David Evans that I may have missed in other newspapers. I think what it says is extremely important.

The article suggests serious problems in the disposal of chemical arms that this Nation and other nations have consumed.

I welcome the move that halts chemical arms production.

But the problems of disposal also suggest that we should be very careful before we create certain arms, that we create long-term problems in the process.

I ask to insert the chemical arms disposal story into the RECORD at this point.

The article follows:

CHEMICAL ARMS DISPOSAL: HOW SAFE WILL IT BE?

(By David Evans)

WASHINGTON.—America's chemical weapon disposal program is plagued with technical problems and fierce opposition from local groups who fear that toxic gases will spew from the stacks of the incinerators being built to eliminate these "pesticides for people."

The Army is under the gun to dispose of its stockpile of some 30,000 tons of chemical

weapons. Congress required that the U.S. unilaterally destroy its aging stocks by 1997 and President Bush wants to sign a chemical disarmament treaty by May 1992 that will require all nations to eliminate their chemical stockpiles within 10 years.

The Army plans to build a complex of incinerators in states where the U.S. weapons are stored, as well as on Johnston Island in the Pacific, where about 300,000 chemical shells and rockets await disposal. Army officials say the disposal plan is intended to avoid the risks of transporting the weapons, many of which are badly corroded, to distant cremation sites.

Eliminating these chemicals, is a dangerous and formidable engineering challenge. The nerve agents in the arsenals to the U.S., the Soviet Union and Iraq are extraordinarily toxic. A drop the size of this "o" on the skin is enough to kill.

Residents of areas where the incinerators will be built are deeply suspicious of Army assurances that the plants will be environmentally safe.

(More than 1,500 people turned out for a meeting April 25 in Richmond, Ky., to protest the Army's plan to build an incinerator at the Lexington-Blue Grass Army Depot to destroy 500 tons of mustard and nerve munitions stored there.

"Everybody from the governor down to the local dogcatcher is totally opposed to building an incinerator 10,000 feet from a grade school with 800 kids," said Peter Hile, a leader of a local group opposing the incinerator. "It's totally unacceptable. If we agreed to get rid of all our nukes, we wouldn't spread the uranium into the environment."

Hile pointed out that according to the Army's own studies, taking no action and leaving the munitions in their bunkers for 25 years, poses "a lower risk than removal or incineration at this site."

However, in a draft of a chemical weapons treaty, the U.S. and the Soviet Union have agreed in principle to eliminate their chemical stockpiles by the end of this century. The Soviets report they have 50,000 tons of weapons.

And under the United Nations cease-fire accord in the recent Persian Gulf war, Iraq's chemical arsenal—estimated at 1,000 tons—must be eliminated before the end of this year.

The U.S. military may have the only disposal technology that is immediately available: advanced incinerators with robotic machinery designed to slice or drill holes in bombs, rockets and shells, suck out the chemical agents, burn the contents and sterlize the metal cases in banks of incinerators.

The technology has obvious application for disposing of the Soviet and Iraqi chemical arsenals. Neither nation has comparable technology at hand. According to sources, the Soviets considered, then dropped, the idea of destroying their chemical weapons in an underground nuclear test.

However, the Army's program has been plagued with technical glitches and soaring cost overruns.

Last month, Susan Livingstone, assistant secretary of the Army for installations and environment, told Congress the cost estimate for the program was $6.5 billion—more than double the $3.2 billion she reported in 1990.

The disposal cost is now around $200,000 a ton. Charles Baronian, deputy director of the Johnston Island incinerator, said at this price it will cost about 10 times more to dispose of these weapons than it did to produce them.

In addition, it has taken months longer than expected to complete test burns at Johnston Island, where the first full-scale incinerator has been built.

The project manager's daily reports from last August through September outlined a discouraging list of glitches: "Burners difficult to light . . . [chemical] agent feed lines broken . . . ram feeder sticks in full extended position . . . rocket punch machine not punching holes [to drain the chemical] . . . agent leak detected in observation corridor . . . general shutdown after the discovery of EPA violation."

Baronian conceded that the problems were "very depressing for an engineer." Fixes installed last December have since boosted the rate at which chemical rockets were sliced, drained and incinerated from 4 per hour to 11. The goal is a destruction rate of 24 per hour, and further test runs will take until March 1992.

Opponents of the Army's mechanically intensive process cite these problems as reasons for looking at alternatives to incinerators.

Sebia Hawkins, co-director of Greenpeace's Pacific Campaign, argues that with a little more effort, better technologies could be developed, possibly some that would use enzymes in a biodegradation process, comparable to "odor eaters" for chemical weapons.

"All the alternatives [to incineration] we've looked at can be done at equal or less cost in a closed system," Hawkins said. "We don't want toxic emissions released to the environment."

While waiting for these environmentally superior methods to reach full-scale application, Hawkins said, the existing stocks of chemical weapons could be placed in storage containers, rather like hermetically sealed time capsules, to await the day of disposal.

This approach conflicts with the U.S.-Soviet disposal timetable. For this reason, Greenpeace's stance is opposed by arms control advocates, who prefer using the best available method now for eliminating chemical weapons.

Lee Feinstein, an expert at the Arms Control Association, said: "The issue is, What's the best method to limit the damage and risks? Keeping them around leaves open the remote possibility that they can be used again. We think thse weapons should be destroyed now to avoid a bigger problem in the future."

Rep. Martin Lancaster (D-N.C.) also disagrees with Greenpeace. A member of the Armed Services Committee, Lancaster is one of four congressional observers to the chemical weapons talks with the Soviets.

"With biodegradation, you might be able to destroy a little bit, but you still end up with hazardous waste," he said.

Lancaster has visited the Johnston Island incinerator and is confident that "the technical problems will work themselves out."

"I frankly think we haven't accelerated the destruction because we didn't want to get ahead of the Soviets. They haven't appropriated a single ruble for destruction facilities," he said.

Lancaster suggested that "we ought to sell our [incinerator] technology to the Soviets. It can't be turned to hostile purposes." Indeed, the draft treaty with the Soviets promises U.S. technical assistance for disposal.

"We are not going to build an incinerator in Kentucky until the Johnston Island facility is safe," Lancaster said.

As an incentive to building all eight incinerators, he suggested, "it would be cheaper if we built two, one on each coast." This alternative, Lancaster said, would alleviate some of the public opposition and would still minimize the risk of transporting the chemicals.

The Iraqis' chemical arsenal will be the first to be eliminated completely. A UN disarmament expert, speaking on condition of anonymity, said building a special incinerator in Iraq and running it with a UN team is "one of several options being looked at."

Locating the incinerator in Iraq would emulate the U.S. strategy to minimize transportation risks.

Regarding the risk of toxic emissions out the stacks, the UN expert said, "That may not be any more hazardous than the sulfur emissions pouring out of all those burning oil wells in Kuwait."•

TRIBUTE TO FRANK SAIN, LAS VEGAS, NV

• Mr. BRYAN. Mr. President, I rise today to commemorate the work of one of Nevada's most outstanding citizens. Mr. Frank Sain, executive director of the Las Vegas Convention and Visitors Authority, is retiring July 1, 1991, after 10 years of dedicated service to Nevada. Without a doubt, his hard work and diligence will be difficult to replace.

The Las Vegas Convention and Visitors Authority was founded in 1957 by a small group of entrepreneurs who envisioned southern Nevada as a booming area for conventioning business men and women and tourists. Although southern Nevada was an underdeveloped area in the 1950's, the Nevada State Assembly provided funding to build the Las Vegas Convention Center and to set up the Las Vegas Visitors Authority. These undertakings were meant to encourage more businesses to bring their annual conventions to the West, thus, bringing a new influx of business to the tourism industry. Since its inception, the convention center has grown to new heights with $100 million in expansion and renovation projects in the last decade. The convention center has a $45 million expansion plan this year. Frank Sain has been a crucial part of this progress.

Frank Sain has done much to boost tourism in Nevada, the State's primary industry. He has been a driving force for Las Vegas' economic growth. Conventions and meetings added over $1.1 billion to the Las Vegas economy in 1989. In fact, due to increased tourism, Las Vegas is one of the fastest growing metropolitan areas in the country and was the destination of more than 20 million people in 1990, double the number in 1980. These accomplishments can be in large part accredited to Mr. Sain.

Mr. President, business is booming in Nevada. Frank Sain has helped make Las Vegas a city of prosperity by showing its continuing potential for growth. He has given his time, hard work and conviction to the economic future of Las Vegas, and I am pleased to have this opportunity to express my gratitude for all he has done.•

A NEW WORLD ORDER?

• Mr. SIMON. Mr. President, one of the most thoughtful, balanced, and insightful public officials in my years in public life is former Secretary of State Cyrus Vance.

Recently, a friend of mine, Ted Van Dyk, sent me a copy of Cyrus Vance's address to the Fletcher School of Law and Diplomacy at Tufts University. It was delivered there last month.

Its title is: "A New World Order?"

I ask to insert it at the end of these remarks.

There are several things in his speech that are worth noting.

He calls for regional political offices of the United Nations. He says:

> Imagine for a moment what might have been possible had the U.N. possessed the capacity to head off or avert Iraq's aggression.
>
> In this connection, Prime Minister Ingvar Carlsson's Stockholm Initiative recommends, among other things, the establishment of a global emergency system with the United Nations.
>
> Under this proposal, which I enthusiastically support, permanent U.N. political offices would be established in key places, such as India/Pakistan, South Korea/North Korea, Iraq/Kuwait, and Iran, to provide early-warning of potential aggression. But that, alone, would be inadequate. The U.N. also marked forces that are available on the call of the Security Council—to intervene, forcibly if necessary, when the Security Council so determines.

This suggestion seems to me to be eminently sensible. We must not only put out wars of aggression when they occur, we must do more to prevent the wars of aggression from occurring in the first place.

In another point in his remarks he says:

> We must also recognize that debt service continues to consume a major share of developing country resources.

He might have included the United States in that characterization, but we have to be very careful that we do not encourage excessive borrowing by developing nations. When we encourage that, ultimately, you end up with a transfer of wealth from the poor country to the richer country, and from poor people to wealthy people. If all of the nonwealthy countries in the world did not have their heavy debts, their ability to revive their economies would be substantial, and that would help our economy.

In this connection, Cyrus Vance says:

> The common thread that links these complex and intersecting factors is evident: No nation can resolve all its own problems without the help of other nations. Common actio is essential.

Secretary Vance urges us to pay attention to world poverty. He says:

> The United Nations estimates that one billion people—one-fifth of the world population—now live in extreme poverty. Yet the World Bank estimates that with sufficient investment, this number could be reduced by almost half by the end of the decade.
>
> Such an effort would require that all nations commit themselves to simple and discrete targets.
>
> The worldwide cost of meeting key social-development targets is estimated at $20 billion annually—the cost, if you will, of sustaining the recent Persian Gulf war for a fortnight.

After World War II, under the Marshall plan, the United States spent 2.9 percent of its gross national product [GNP] in helping the poor beyond our borders. We now spend less than one-fifth of 1 percent of our GNP on helping the poor beyond our borders. Why? After World War II, the Schmidt's could say to the Members of the House and Senate, "What are you doing to help my relatives in Germany?" The Zagnelli's would say to their Members of Congress, "What are you doing to help my relatives in Italy."?

But now the people who need help live in places like Bangladesh, and no one comes up to us asking us to help their relatives.

The political sex appeal has gone out of assistance to the poor, both at home and abroad, but it is shortsighted of us to fail to recognize the need.

He urges that we pay attention to population growth, and who can fail to recognize that need, but we do fail to recognize that need in our policies.

Finally, he mentions the population effect on our environment:

> More than half of Africa's arable land is at risk of becoming desert. One-third of Asia's and one-fifth of Latin America's land is in the same state. We know of the environmental catastrophe which exists in the Soviet Union and in much of Eastern and Central Europe.

In this connection, the legislation that I have pending that calls for greater research in finding inexpensive ways of converting salt water to fresh water must receive the attention of this Congress. I am pleased to have bipartisan support, but we need to act. The world's population is growing, and out water supplies are not growing. We live on less than one-half of 1 percent of the world's water, yet countries that are desperately in need of water live right on the ocean.

But I am now taking off on my own thoughts after reading the excellent remarks of Cyrus Vance.

I urge my colleagues to read his remarks which follow. I ask that his remarks be inserted into the RECORD at this point.

The remarks follow:

A NEW WORLD ORDER?

(Remarks by Cyrus Vance)

The two and one-half years since 1989 will unquestionably be remembered as a time when unprecedented and unexpected events took place at every turn. And, in the wake of those events, it will be remembered that literally dozens of people began offering definitions of something called "a new world order." A number of them seem to have in mind only enhanced military security.

For my part, I am convinced that a "new world order" cannot be confined to questions of military security, or based on notions of the United States as world arbiter.

In that spirit and recognizing that the new world situation encourages us to look for solutions that would have been previously impossible, let me offer a few ambitious suggestions.

A new world order, I believe, should be structured along the general lines of the recent Stockholm Initiative to meet the following imperatives:

International peace and security;

Sustained economic development;

Curbing uncontrolled population growth and environmental degradation;

Fostering democracy and human rights; and

Strengthening international institutions.

INTERNATIONAL PEACE AND SECURITY

The first and primary imperative of a new world order must be the maintenance of peace and security on both a global and regional scale.

Although the Cold War may be over, and no immediate major conflict seems likely to engage the United States, we need look no further than the nightly television network news to recognize that national, ethnic, religious, economic and other conflicts—both across and inside present national borders—posed potential threats to peace and security.

Beyond maintaining appropriate military capabilities, we should begin our search for peace and greater security by strengthening the mandate and the capabilities of the institution that has the widest and most potentially-effective reach—the United States.

The UN's collective security potential was at least partially demonstrated during the Gulf crisis. After Iraq's invasion of Kuwait, nations working within the UN framework impressively and effectively applied an unprecedented policy of embargo and containment. And, when the war ended, there was no choice but to turn to the United Nations to provide long-term stability and humanitarian aid.

Yet, with new thinking in mind, imagine for a moment what might ahve been possible had the UN possessed the capacity to head off or avert Iraq's aggression.

In this connection, Prime Minister Ingvar Carlsson's Stockholm Initiative recommends, among other things, the establishment of a global emergency system within the United Nations.

Under this proposal, which I enthusiastically support, permanent UN political offices would be established in key places, such as India/Pakistan, South Korea/North Korea, Iraq/Kuwait, and Iran, to provide early-warning of potential aggression. But that, alone, would be inadequate. the UN also needs its own collective security forces—by which I mean earmarked forces that are available on the call of the Security Council—to intervene, forcibly if necessary, when the Security Council so determines.

To make the global emergency system effective, the Secretary-General should be granted greater leeway to deploy the organization's diplomatic, monitoring, and dispute-resolution capabilities whenever requested by a member state.

Returning to the Gulf crisis, a UN with such capacity and authority could have posted intermediary forces on the Iraq-Kuwait border, could have facilitated peaceful discussion of the two countries' border disputes, and could have signaled that Iraqi aggression would trigger a collective response by the world community.

But the United Nations cannot be everywhere. To keep the peace, we also need to modernize regional security arrangements, particularly in volatile areas like the Middle East and South Asia, where no effective regional institutions now exist.

The Conference on Security and Cooperation in Europe—known as CSCE—has facilitated to a major degree the post Cold War thaw which has taken place in Eastern and Central Europe. NATO, of course, was the Western shield which kept a fragile situation stable until a thaw could take place. But it was CSCE, through treaties and confidence-building measures, which helped the West, the Soviets, and the Warsaw Pact countries work their way through an essentially peaceful transition to democracy and free-market economies.

In the wake of the Gulf war, this model should be considered for the Middle East. Obviously, on one level, a regional conference would discuss Arab-Israeli relations and the issue of a Palestinian homeland. But, on another level, affected nations both inside and outside the region could tackle a broader range of issues, including regional security arrangements, human rights, environmental degradation, economic cooperation, and restraints on all kinds of weapons.

As to the latter, there is a crying need to rid the Middle East of weapons of mass destruction and methods of delivery as soon as possible, but the limitation of conventional arms exports to the Middle East must also be addressed as an item of top priority.

Here at home, we regard it as quite normal that we should be beginning a major military build-down. With the presently fading Soviet threat, we are beginning to reduce strategic weapons and other expenditures and to reallocate the resources to domestic priorities. Yet, in the Middle East and much of the rest of the world, arms sales continue only slightly abated. Unfortunately, we and other arms-exporting nations persist in viewing such buildups as commercial opportunities rather than potential threats to regional and, as we have recently seen, our own security. We urgently need a convention limiting the sale of conventional arms, especially in the Middle East.

SUSTAINED ECONOMIC DEVELOPMENT

Correspondingly, peace and development will be served if a prospective new world order includes a recommitment to international economic cooperation and increased development assistance.

Both the United States and other countries have had recent bouts of protectionist flu as economic pressures and changing world trading patterns have endangered the previous worldwide consensus on access to good and money.

President Kennedy, when he signed the historic Trade Expansion Act of 1962, remarked that "a rising tide lifts all boats." The premise remains true but, sadly, its support is less widespread than one would hope.

The General Agreement on Tariffs and Trade needs to be reinforced, not weakened, as seems to be the drift today. When the International Monetary Fund and World Bank were created at Bretton Woods, the GATT was seen as the global trade organization which could accommodate the interests of both developed and developing countries while holding back the protectionist and mercantilist forces which were so destructive in the past. But protectionist forces now seem unfortunately to be gaining strength, rather than waning.

The GATT, World Bank, IMF and UNCTAD (the UN Trade Development organization) all are important global institutions. They are complemented by regional trade and financial entities ranging from the European Community to the Asian, African and Latin American development banks and, now, the new European Bank for Reconstruction and Development.

Over the past several years, fresh regional groups have taken on new life. That is good. But, it would be tragic for all of us if this were to end up dividing the world into European, Asian, and North American economic blocs pitted against each other, while leaving the world's poor nations on the outside looking in.

Have-not nations cannot prosper absent a free and open international economic and financial environment. But such an environment alone will not ensure sustained growth. No viable new world order can be based on a trickle-down theory.

We must not forget, however, that the history of the past 40 years has been replete with surprising economic-success stories. The development process, once begun, takes on a dynamic momentum that carries it forward at a self-sustaining rate. Certain interrelated factors can be identified as reasons for success.

Investments in human capital through better education, health, population planning, and training.

Investments in infrastructure and industry which have the long-term prospect of bringing success in international markets.

Development of domestic agricultural production, distribution, and processing.

By the same token, we have learned that grandiose projects such as dams, superhighways, steel mills and modern airport complexes often do not make sense unless they are part of sound, overall plans for sustainable economic development.

We must face the dual realities that slow growth in both developed and developing nations illustrates a down side of interdependence, namely that slow growth in each decreases demand for products of the other. Similarly, we must also recognize that debt service continues to consume a major share of developing country resources. Even resource-rich but heavily indebted potential powerhouses such as Brazil and Mexico will do well in the next decade not to lose ground. And it is evident that these issues are severely aggravated by problems of population, environment and refugees.

The common thread that links these complex and intersecting factors is evident: No nation can resolve all its own problems without the help of other nations. Common action is essential.

We have learned from hard experience that multilateral global action is the only way we can achieve widespread sustainable growth and expanding investment.

The United Nations estimates that one billion people—one-fifth of the world population—now live in extreme poverty. Yet the World Bank estimates that with sufficient investment, this number could be reduced by almost half by the end of the decade.

Such an effort would require that all nations commit themselves to simple and discrete targets.

The worldwide cost of meeting key social-development targets is estimated at $20 billion annually—the cost, if you will, of sustaining the recent Persian Gulf war for a fortnight.

It is all a question of priorities: do we care enough to make a similar investment in the future of humanity?

The long-cited target for development assistance is that each industrialized country provide seven-tenths of one percent of its GNP to international development. With slow world growth, this will be hard to achieve. As we know, a heavily indebted developing world will be hard pressed to borrow enough money or generate enough wealth internally unless direct assistance is forthcoming and spent wisely. This is a reality we cannot avoid.

CONFRONTING CRITICAL GLOBAL ISSUES

There are two commanding and sensitive issues which both rich and poor must confront if a successful new world order is to emerge. I am talking, of course, about population and environment. The relevance of these subjects has recently been graphically and tragically demonstrated, once again, in Bangladesh. But Bangladesh, although particularly heartwrenching, is not unique.

As to population, as nations develop, birth rates invariably recede—another reason why promoting economic development is in our long-term interest. Nonetheless, longstanding religious and social pressures will continue to make it difficult to curb population growth.

It is sobering to realize that, if current projections hold, the 1990s will produce the largest generation yet born—with some 1.5 billion children entering an already-crowded world.

Population growth, by definition, tends to reduce standards of living except in nations which enjoy remarkable economic growth. Population growth also adds to environmental pressure—most directly, in areas where new deserts are created as forests are destroyed to provide land for cultivation. Such growth encourages exploitation of children, migrants, and others in the workplace. It pits neighboring countries against each other as they feel the others' population pressures.

It will take political courage, but leaders of both developed and developing nations must commit themselves to population planning programs as an integral part of their plans for economic development. A good place to start would be for the United States to renew its funding of the UN Fund for Population Activities.

In contrast to population, the related issue of environment is on everyone's mind. But the question remains: Is the United States willing to invest the political and financial capital required?

In the rush to development humanity has already done irreversible damage to the planet. And both developed and developing nations are to blame.

More than half of Africa's arable land is at risk of becoming desert. One-third of Asia's and one-fifth of Latin America's land is in the same state. We know of the environmental catastrophe which exists in the Soviet Union and in much of Eastern and Central Europe.

We are aware, however, that further damage can be checked and some of the prior damage reversed, if we muster the political will to act.

One pattern of future progress is to be found in ideas such as Debt-for-Environment swaps, in which host countries receive debt relief in return for protecting vital environmental resources. The new Global Environment Facility created by the UN and World Bank, and the private International Foundation for the Survival and Development of Humanity, created three years ago, have helped to raise public consciousness and to offer practical alternatives. One is that environmental impact assessments be built into economic development plans at both national and international levels.

Issues of global warming and ozone depletion, already high on the international agenda, must not be shunned or postponed simply because they are politically difficult. To come to grips with these challenges the na-

tions of the Northern Hemisphere alone will need to reduce emissions of carbon dioxide from the combustion of oil, coal, and other fossil fuels by perhaps 50 percent in the next 25 years or so. And we must eliminate the use of CFCs and halons on a far more rapid and comprehensive scale.

The scope of the problem is illustrated by the stark fact that if just four industrializing countries, India, Brazil, China, and Indonesia, were to increase their use of CFCs and halons up to the limit now permitted under the 1987 Montreal Protocol, the annual release of CFCs would increase by 40 percent rather than diminish.

Let us hope that next year, at the landmark UN Conference on Environment and Development, the participants will move from rhetoric to action. And let us hope the United States will take the lead.

FOSTERING DEMOCRACY AND HUMAN RIGHTS

There is another issue which is all to often ignored. It is the erroneous belief that the internal affairs of other nations are not a proper subject for state-to-state discourse, and that internal events in other countries, such as human rights violations, are not our concern. I strongly disagree.

Although our options may at times be limited in dealing with such questions, we should never stop trying to apply diplomatic, economic, and political pressures that will help the human family continue its passage toward a more open, more democratic, and freer life.

Lech Walesa and Vaclav Havel, among others, would endorse that view. So would the black citizens of South Africa and other nations where international support and pressure is helping to bring about change. So would citizens of China, still awaiting the day when their time, too, will come.

Those countries which have attempted to create economic development in a totalitarian framework have found it does not work. The human spirit, liberated, is capable of productivity and achievement undreamed of under the deadening hand of conformist control. Just as we have seen that economic and social policy steps are necessary for development, we have also seen that political steps contribute to development—the establishment of constitutional government, the rule of law, accountability of governmental officials, openness, and respect for human rights.

Regarding the rule of law, I am encouraged by the current work of the "Permanent 5" members of the Security Council on an agreement to submit certain international disputes to the International Court of Justice. Such an agreement is one of several ways governments could commit themselves to respect international law and accept the jurisdiction of the World Court.

Moreover, I believe that, just as the United Nations should establish early-warning mechanisms to foresee and, if possible, forestall military conflict between nations, the UN should strengthen its machinery for monitoring and bringing pressure to bear on violations of political and human rights.

And, just as direct intervention should be an option for the UN in a military crisis, so should it be in situations where humanity is in crisis.

The past two and one-half years have been tumultuous. But they have demonstrated that the tide of history is not running in the wrong direction. Although often beyond our control, it is currently flowing toward openness and freedom of the individual—concepts that lie at the heart of much Western thought and certainly of our own American Revolution.

In the decade of 1980s, we have seen in our own country the common good often subordinated to a selfish search for individual gain. I hope and believe your generation can and will reverse this in the decade that lies ahead.

In the 1940s, the international community held historic summits in San Francisco and Bretton Woods which helped establish a basis for a more enlightened world order. The Stockholm Initiative, to which I have referred earlier, proposes that a comparable World Summit on Global Governance should be called to address the unprecedented challenges and opportunities which confront us today.

Such a Global Summit, which must be carefully prepared through a process of consultation and negotiation among the participants, would, I suspect, lead not only the United States but most nations to the realization that it is incumbent on us to modernize present structures of cooperation—and to create new or modified institutions where needed. I refer particularly to the United Nations, which needs to be modernized, streamlined, and strengthened to meet the tasks that face it. This will require a number of changes such as broadening the authority of the Secretary-General, and overhauling the UN financial system.

This morning, I have suggested several other structural changes which would be steps on the road to greater international peace and security . . . to shared and sustainable economic development . . . to curbing uncontrolled population growth and environmental degradation . . . to fostering democracy and human rights . . . and to creating a world order in which both law and justice become the norm, rather than the exception.

We have today an unparalleled chance to define the future. Let us seize the time.●

WORLD DIABETES DAY

● Mr. LUGAR. Mr. President, I rise today to bring to the attention of my colleagues "World Diabetes Day," which is being celebrated on June 27, 1991. Growing concern among national health officials about the rising toll of diabetes throughout the world led the International Diabetes Federation [IDF] and the World Health Organization [WHO] to proclaim this day.

An estimated 120 million people suffer from diabetes. Diabetes and diabetes-related ailments are the third leading cause of death in the United States. The Centers for Disease Control [CDC] reported that 37,138 deaths in 1988 were directly attributable to diabetes. The CDC recognizes that diabetes complications can also result in death—putting the actual toll for related deaths at closer to 156,000.

What is truly unfortunate is that early diagnosis and treatment of diabetes would prevent many of these deaths. The technology exists, but there is a need for greater availability of the latest treatments and for greater awareness. The goal of "World Diabetes Day" is to share this information and to help people identify and control their diabetes at the earliest stages.

In conjunction with the IDF's 14th Congress, being held in Washington from June 23–28, the IDF and WHO are mounting an historic week of diabetes-related events. Included will be scientific presentations by renowned diabetes experts, international and national health ministers, and well-known public figures who enjoy exciting lives despite their diabetes.

The Congress is expected to be attended by over 8,000 people from 120 countries. The Secretary of Health and Human Services, Louis Sullivan, plans to participate, and the results of a Gallup Poll on diabetes will be released.

Boehringer Mannheim Corp., a leading health care company based in Indiana, has joined with its sister company in Germany, Boehringer Mannheim GmbH, in generously underwriting significant portions of the costs associated with this educational effort. I commend the thousands of individuals who work for Boehringer Mannheim in the United States and throughout the world for their work toward helping others to lead better lives.

Mr. President, I hope that my colleagues will join me in supporting the activities associated with "World Diabetes Day," thereby increasing public awareness of the multinational efforts being made to fight this disease.●

POOR CHILDREN, IMPOVERISHED NATION

● Mr. SIMON. Mr. President, the Chicago Tribune had two related editorials on Sunday, June 9, 1991.

The first of these was titled, "Poor Children, Impoverished Nation." It calls on the Nation to lift our children out of poverty.

Closely related to it is an editorial titled, "Investing in Early Intervention." It calls on the State of Illinois to do more in early childhood education. And while its editorial is directed to the State legislature, that editorial could just as well be directed to the Federal Government.

We have to do much better. The evidence is just overwhelming that early intervention saves lives, saves money, and is an investment in the future of our country.

I ask that both editorials be printed in the RECORD.

The editorials follow:

[From the Chicago Tribune, June 9, 1991]

POOR CHILDREN, IMPOVERISHED NATION

One out of every five American children lives in poverty.

It's a disgraceful statistic, especially so because children—those 18 and under—are more likely to be poor now than any other age group in the nation.

And it's disheartening that the proportion of children in poverty swelled during the nation's longest period of peacetime economic growth and despite a variety of efforts to address the problem.

Children inevitably share the lot of their parents, and such phenomena as the growth in single-parent families, drug use and the social isolation of urban and rural ghettoes

have certainly contributed to the growth in child poverty.

But society has a special obligation to children and cannot write them off simply because their parents are in trouble. It also has a special interest in ensuring that its next generations are sufficiently educated and healthy to guarantee the nation's future strength.

If there is some popular indifference to the condition of poor children, it may be due in part to a widespread perception that poor children are of a singular type and environment—minorities in fatherless, innercity, welfare homes. The Children's Defense Fund, a lobbying group, has dissected this generalization in a new analysis of data on poverty among children and found it wanting:

Location? The majority of poor children live outside cities: 3 of every 10 live in suburbs; more than one-quarter live in rural areas.

Race or origin? Two of every five children in poverty—41 percent—are non-Hispanic whites; Hispanics account for 21 percent and blacks 35 percent.

Employment? One of five has a parent who works full time; nearly two-thirds live in a family where someone works at least part-time.

Parents? Two of five live in married-couple families.

Family size? Nearly two-thirds of poor families with children have just one or two kids.

As for the most prominent icon of poverty, the study uses government data and definitions to determine that the black, innercity, welfare child in a fatherless home represents only 1 of every 10 poor American children.

Still, it remains that black children, children of any race in fatherless families, those with the youngest parents and those whose parents did not finish high school are most likely to be poor.

Whatever the circumstance, the critical question is whether this nation can afford to keep raising new and larger generations of poor children.

Forty percent of the nation's poor are under age 18—a total of more than 12 million children. Inadequate education, nutrition and development opportunities for such vast numbers of children signal dangerous and costly consequences ahead.

The Reagan administration insisted that improving the overall economy would help people throughout the social system. "A rising tide lifts all boats,' Ronald Reagan said.

Some boats rose. The 1989 poverty rate for all Americans was the lowest in the decade: 12.8 percent.

But it didn't happen for children. From 1979 to 1989, while the gross national product grew by more than one-fifth, child poverty expanded at the same pace, after dramatically lessening in the 1960s and leveling off in the 1970s.

Now, at least, discussion about poor children is again coming to the forefront, with a number of proposals for further action developing on and off Capitol Hill. Many of them—such as expanded medical insurance, more day care and others—would be expensive and controversial. But some ought to win almost universal approval.

The Earned Income Tax Credit, which puts more money into the pockets of low-wage workers with children, could be further improved to bring the nation closer to the point where no one who works full-time would have an income below the poverty level. That fact—that a parent can work full-time and still be in poverty—is one of the most distressing aspects of the child poverty dilemma.

On another front, a 1988 federal law established some provisions for collecting child support from absent parents. But more than half of the child support owed via state and federal collection programs still goes unpaid.

A stricter system with penalties and improved enforcement needs to be developed. Government cannot legislate values and tradition, but it can make sure that parents cannot dismiss their obligations and that aid programs do not encourage family breakup.

Job training opportunities also must be assured. Abundant new jobs are being created every day, but they require higher levels of skill than the industrial jobs of yesterday. The best way for a parent in a poor household to increase the family income is to get a better job, and that means improving work skills.

The ongoing effort to improve the quality of schools, and to provide incentives for teens to say in school, can do much to prevent future poverty if real improvement is achieved. Preschool programs such as Head Start, early-childhood nutrition assistance and preventive-health plans have also proved effective for the children who get to participate.

None of these initiatives would completely eradicate poverty among children. But this wealthy nation cannot afford to give up the effort to alleviate it.

INVESTING IN EARLY INTERVENTION

The sooner children with developmental problems get help, the more likely they are to grow up healthy and normal. Moreover, the earlier the intervention comes, the fewer resources it takes and the less it costs. Those facts are well established.

Last week, the Illinois House took a small step toward making early help available for the state's babies and toddlers with developmental problems. By an almost unanimous vote, it passed the commendable Early Intervention Services System Act, which would set up a new interagency system to provide and coordinate services for vulnerable, high-risk youngsters under 3 years of age.

But, regrettably, it is only a token victory. The House did not provide any money for the early intervention effort. It merely set up a framework that can be used when the financially hard-pressed state of Illinois can find some funding. The Senate is expected to use the same tactic of appearing to be helpful by passing new legislation without providing the money it would cost to make it reality.

Advocates of early intervention say it would be better to have the program on the lawbooks than not, that even without funding the legislation would be a necessary first step, that approving the idea now would make legislators more comfortable about paying for the services in the future. There is also a possibility of getting some startup money from the state Department of Education.

But without money, a new law is small comfort to the families of babies and toddlers rapidly growing past the age when early intervention would make the most successful difference in their lives.

When in the future might money be available to pay for what is essentially a new entitlement program if it is also passed by the Senate and signed by Gov. Edgar? The outlook isn't promising. Even if the income tax surtax is made permanent, it will be difficult to stretch revenues to cover existing entitlements and necessary expenses.

Further, supporters of the early-intervention act aren't eager to talk about what the ultimate cost of the services is likely to be. They propose phasing it in over five years, with first-year costs of about $6 million and bills of about $15 million annually in new state spending for the rest of the startup period.

But ultimately, it's estimated that about 56,400 Illinois children younger than age 3 would be eligible for the services, which would average $4,000 per youngster per year. That would make the annual total tab about $225 million. Of that sum, the states would pay $92 million, the federal government $131 million and local government and private foundations and charities $2 million.

Once fully in place, this would be a huge new financial commitment for a state that's scrambling to pay its current bills and facing lawsuits that may result in big additional spending for Medicaid, the schools and other services for children.

What justifies the new program are two facts. It could make an enormous, permanent improvement in the lives of children born with developmental problems. And, in the long run, it would save the state far more than it would cost by reducing the need for subsequent special education and medical services and by preventing a big range of expensive social problems.●

PRECARIOUS ECONOMIC CONDITION OF THE "BIG THREE"

● Mr. BENTSEN. Mr. President, I rise to call the Senate's attention to an important article that appeared in Sunday's Washington Post, and I ask that a full copy of that article be placed in the RECORD at the conclusion of my remarks.

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

(See exhibit 1.)

Mr. BENTSEN. In that article, Kevin Kearns, director of the automotive project at the Economic Strategy Institute, dramatically sets out the precarious economic condition of the Big Three U.S. auto makers. And while General Motors, Chrysler, and Ford sharply reduce their production, Japanese auto firms see new opportunities to increase their share of the American market, which already exceeds 30 percent.

There is no question that some American-made cars just were not up to the quality of the foreign competition. Beginning in the late seventies, it became chic to buy foreign; out-of-style to buy American.

But the U.S. auto industry has come a long way in recent years. Productivity is way up, product defects way down. Today, the Big Three are turning out cars that stand up to those made by anyone, anywhere. Quality and value have become realized objectives in much of the American automobile industry.

It's time Americans recognized these achievements and encouraged such results by buying more American cars.

The competition is tough and the playing fields hardly equal. As Kearns

points out, American automakers do not have the luxury of a closed home market, free of competition from imports. They face higher costs of capital than their foreign competitors. They are paying more in United States taxes than the Japanese transplant operations that some herald as the salvation for our declining domestic production. And, perhaps most seriously, they must try to rejuvenate their operations while competing with deep pocket companies that reap the benefits of Japan's keiretsu system of interlocking business cartels.

Japanese transplants do provide American jobs. But let's not kid ourselves: they are far from the equivalent of American-owned auto companies. Their plants and the machines that run them were made largely with Japanese products. Their profits are returned to the Japanese economy. They buy their supplies and utilize the services mainly of Japanese firms. And a recently completed Customs Service investigation reveals that at least one major Japanese automaker is not using nearly as much North American content at its plant here as it has been claiming.

The implications of the continued loss of production by the Big Three are disastrous. Autos represent more than 4 percent of our total GNP. The loss of auto production translates into losses for a long list of other key American industries, including steel, glass, and textiles—all industries themselves under siege today from sometimes-unfair foreign competition.

Fortunately, people finally are beginning to recognize just how much really is at stake, not just in auto production but also in all of those important supporting industries.

The answer, as Kearns correctly points out, is not more Government interference. But it also is not more of the benign indifference that characterized our economic policies for much of the 1980's. The Federal Government does have an important role to play. Our financial policies will dictate whether the Big Three and related industries have adequate capital to make new investments. Our trade policies will determine whether our automakers are able to sell in foreign markets, and whether the pervasive keiretsu networks will continue to distort the economic playing field through price-fixing and other unfair arrangements. And how well we enforce our tax laws and customs regulations will decide whether foreign automakers also must play according to the rules of the game.

Mr. President, those are some awfully tough policy challenges. With the right leadership, I am confident we can meet them. Without it, we will continue to see our basic industrial building blocks erode in the years ahead.

EXHIBIT 1

MEANWHILE, THE MELTDOWN IN MOTOR CITY

(By Kevin L. Kearns)

America's automakers are reeling, and the results this time may be catastrophic. Despite dramatic increases in investment, R&D, training, productivity and quality in the last 10 years, the Big Three lost an incredible $4.7 billion in the last two quarters—a record loss. More hard times lie ahead, and some analysts believe there is a very real possibility that Chrysler and even Ford may fail and that the mighty General Motors could be critically wounded.

What now threatens the very existence of the Big Three is an unusually potent combination of cyclical and structural factors. Part of the problem is the current recession: The auto industry is always disproportionately affected by economic downturns (in the first quarter the unemployment rate reached 6.5 percent for the general economy but 16 percent in autos). But a very substantial part of the problem is structural. Even when the recession ends, the industry will be left facing this ominous reality: an enormous worldwide excess of automaking capacity, most of it aimed at the rich U.S. market.

As sales have dropped, Detroit has been forced to respond with massive cuts in production. Yet as the Big Three retrenches, Japanese auto firms have viewed Detroit's difficulties as a period of great strategic opportunity. That's not surprising from rivals whose share of the U.S. market topped 30 percent this spring—and has almost tripled since 1978.

"So what?" ask many Americans. "Why should there be a government response? Poor quality and poor management are the real problems." In any case, that argument goes, the "transplants"—the new assembly plants built by Toyota, Honda and other Japanese producers in this country—will save us; they'll produce the cars America needs better and cheaper than the Big Three. And the transplants are becoming more "American" every day. There's really no difference between Toyota and General Motors.

Undoubtedly, past U.S. management and labor practices contributed substantially to the auto industry's decline; a forthcoming Brookings Institution study will point to a disturbing drop in brand loyalty to American cars and a corresponding rise in loyalty to Japanese brands.

But before punishing the Big Three for the lemons they sold in 1980, consider that the domestic product is vastly better than it was: The Big Three invested $170 billion in improving productivity and quality during the last decade. In 1981, the number of defects per U.S. vehicle was about four times the Japanese average. Today, the still-shrinking difference between the U.S. defect rate of 1.6 per car and the Japanese 1.2 per car is negligible. An extensive MIT study of the auto industry worldwide found that the top Big Three plant actually has fewer defects per car than the top plant in Japan. In addition, many industry analysts also believe that the value-to-price ratio of domestic cars substantially exceeds that of Japanese manufacturers.

The productivity of American-owned auto plants and their workers is also up significantly. According to another recent study, the four most productive auto facilities in America—and eight of the top 10—are Ford plants. Only two are Japanese transplants. American factories still trail plants in Japan in productivity, but here too the gap is narrowing. The conclusion is inescapable: Detroit got the message and is responding effectively to consumer needs.

It is worthwhile remembering that, unlike its Japanese rivals, Detroit achieved this without a closed home market that assured profits and without new plants subsidized by governments. The Big Three were also dealing with huge health and pension costs, the sky-high cost of capital and, in the early '80s, an exchange rate that crippled exports.

Consider also that the automobile industry employs 750,000 Americans directly in assembly and parts operations, plus millions more in related industries. In fact, automobiles account for 4.1 percent of GNP, an incredible chunk for a single industry. Transferring many of those jobs and much of that wealth-creating activity to foreign companies will have a devastating impact on America's economic future.

In addition, there remain the important linkages between the auto industry and other critical U.S. industries. Everyone knows that automobiles are huge consumers of steel, plastics, textiles, rubber and glass. But as cars have gone high tech, the auto industry has become the largest consumer of semiconductor chips and uses vast numbers of sophisticated machine tools, robots, computers and advanced materials. Thus the auto industry will increasingly serve as a more important market for the output of other key high-tech industries. Without Detroit, their future will also be at risk.

Won't transplants buy the same U.S. products as Detroit and, in that way, fill the same role? The evidence suggests otherwise:

The plants themselves were built largely by Japanese construction companies.

The machine tools and robots in the plants are imported from Japan.

High-paid jobs in management and R&D—those which potentially add most value to production—are retained in Japan.

The financial services associated with these plants were provided by Japanese banks and insurance companies.

Profits earned on the sales of the transplants are repatriated to Japan.

U.S. taxes paid by the Japanese auto companies and their Japanese suppliers are mysteriously far below amounts paid by equivalent U.S. firms.

The transplants have largely shunned American auto parts suppliers and have imported their own supplier networks from Japan.

The transplants have decreased significantly the number of auto jobs in America, with perhaps as many as 175,000 workers displaced in the traditional industry from 1983 to 1989.

The siting and hiring practices of transplants indicate that they are reluctant to employ minorities and women.

Yet, the argument continues, haven't the transplants attained a U.S. content almost as high as the Big Three?

In fact, while Honda, the acknowledged leader in "Americanization," alleges a U.S. content well in excess of 70 percent, impartial studies refute that claim. A 1989 GAO report concludes that Japanese automakers have reached 50.5 percent local content, as compared to an average of 87.3 percent for the Big Three. The University of Michigan Transportation Research Institute conducted an independent care study of the Honda plant in Maryville, Ohio, and estimates a domestic content of at most 62 percent, but the authors cite factors that could make it lower. A Canadian newspaper recently reported that a still-in-process U.S. Customs Service investigation has estimated actual North American content at less than 50 percent.

To inflate their U.S. content, the transplants use qustionable counting procedures: They include indirect costs that would be incurred whether or not manufacturing occurs here and arbitrarily counting parts imported from Japan as 100 percent American simply because they are purchased from a Japanese-owned supplier located here.

The transplants, in other words, are not American companies.

The Big Three today face enormous obstacles. Perhaps most worrisome are the market conditions skewed by Japan's economic system—in particular the interlocking business cartels known as keiretsu. The solution will require government-coordinated action.

A critical first step is simply to recognize that a significant structural problem exists. Vice President Quayle, during his recent trip to Tokyo, protested the Japanese government's continued protection of its automakers. In doing so, he became the rare administration official who will publicly say that the Japanese system of close government-business cooperation, closed home market and keiretsu distorts the global market to give Japanese manufacturers significant comparative advantages.

Thus, most Japanese auto manufacturers have been able to absorb the substantial losses associated with setting up shop here in pursuit of market share. This "patient capital" has brought the Japanese automakers to the verge of dominating an American industry.

And this is where the record losses of the last two quarters take their most serious toll. Since the Big Three are in financial distress, they cannot afford to make the range of investments in new products necessary to keep them fully competitive. At the same time, Japan is introducing an extraordinary proliferation of new models and options in the U.S. auto market, much faster than Detroit can match.

Meanwhile, worldwide production overcapacity—a result of deliberate Japanese overbuilding—is hammering Detroit. Big Three capacity has fallen from 15.6 million units in 1984 to 14.4 million in 1989. Industry analysts predict a further fall to 13.7 million units in 1991.

In spite of these cuts, worldwide excess capacity still runs at 8 million units—75 percent of which is targeted on the U.S. market. To make matters worse, the transplants continue to add capacity in ambitious increments: The number of cars and light trucks is set to rise from 1990's 2.54 million to 3.5 million by 1995. By adding to current levels of overcapacity, Japanese manufacturers can initiate fierce price competition—with the result that the Big Three will cede additional market share.

Whether the Japanese system is fair or not is irrelevant. Some believe Japan is too politically sensitive to seek the actual takeover of America's auto industry. The point nevertheless is that Japan's automakers are eager to increase significantly their hold here, and the current system favors that goal. So do such U.S. responses as an internal report prepared for the president by the Treasury Department (leaked to the Detroit News) that blamed automakers' poor performance on myopic management. This is the same Treasury Department that in 1989, over U.S. Customs Service and Big Three objections (and counter to standard industry practice worldwide) reclassified imported light trucks as passenger cars, thus allowing Japanese automakers to save over $500 million yearly in U.S. import duties.

The prevailing economic wisdom within the administration contends that assisting Detroit would be unwarranted interference with the market mechanism. That response is certainly ideologically pure, but will it work? In searching for an answer to the same problems facing U.S. automakers, the European Community decided to place numerical limits on the market share of Japanese cars until European automakers are strong enough to compete. Such a drastic solution is debatable, but it underscores the immensity of the problem.

What can be done without resorting to heavy-handed government interference? A chief ingredient of any rescue plan is providing stable financial conditions for the auto industry: ensuring that sufficient capital is available to the Big Three, the parts makers and the suppliers; ensuring that the cost of the capital is not exorbitantly high and ensuring that exchange rates remain sufficiently stable for rational long-term planning.

In addition, transplants must behave like U.S. companies, which means that *keiretsu* practices, which violate U.S. law, have to stop at the water's edge. The federal government must make an all-out effort to investigate and end dumping, vertical price-fixing among assemblers and suppliers, tax avoidance through transfer pricing and a host of other practices outlawed here years ago. And the Commerce Department and Customs Service should conduct a joint audit with the Japanese companies in order to establish a program for bringing their domestic content close to the level of the Big Three.

At the same time, the Japanese need to open their domestic market to exports from the Big Three and U.S. parts makers, as well as European and Asian competitors. An immediate "affirmative action" program must be implemented so that U.S. cars, light trucks and parts receive reciprocal treatment in the Japanese market.

In return, the Big Three, the parts industry and American labor must publish their own action plans to pursue additional excellence in quality, productivity and price. Excessive executive compensation and overly generous clauses in union contracts are likewise fair game.

We can quibble about details, so long as we don't delay until irreparable damage has been done to domestic auto manufacturers and parts suppliers. If the problems are not addressed now with autos, we will be facing the same situation in five years with the computer and other flagship industries, but we will be in a much weaker position to respond effectively.

Today, it is Washington, not Detroit, that is afflicted by myopic management.●

UNIVERSITY OF MAINE EXPANDS—IN BULGARIA

● Mr. SIMON. Mr. President, I was pleased to see a story in the Chicago tribune, written by Dusko Doder that the University of Maine has started an American university in Bulgaria.

The American universities in Cairo, Lebanon, and Turkey have all made significant contributions to the areas that they have served.

I hope there are some practical ways that we can encourage the University of Maine in this endeavor.

I would add that I hope we can encourage the development of an American university somewhere south of the Sahara in Africa, and an American university in Armenia, one of the Soviet Union Republics.

Each of these American universities, the one already developing in Bulgaria, and the ones that should be developed in Africa and Armenia, could contribute a great deal.

I commend the leaders of the University of Maine.

I ask that the Chicago Tribune article by Dusko Doder be printed in the RECORD.

The article follows:

[From the Chicago Tribune]

UNIVERSITY OF MAINE EXPANDS—IN BULGARIA

(By Dusko Doder)

BLAGOEVGRAD, BULGARIA.—Once the most faithful of Kremlin allies, Bulgaria is fast becoming the most America-loving country in Eastern Europe. People are clamoring for American movies, music, market economies and, now, education.

The last is soon going to be offered in a big way. Assisted by the University of Maine, the first American liberal arts college in Eastern Europe is to open its doors this fall in this provincial town near the Macedonian border.

The college will occupy the marble-and-glass former headquarters of the Communist Party, which dominates the town. Faculty members now being recruited will be offered accommodations in no less ironic a place: a spacious, three-story hunting lodge built for Todor Zhivkov, the Communist dictator of Bulgaria for 35 years until his ouster in 1989.

Zhivkov had homes and lodges built throughout the country to be used if he visited. He visited Blagoevgrad only once.

Soon, local officials hope, the university will be the institution that most influences life in the town. Many Bulgarians hope it will mark the resumption of strong American ties of all types with this Balkan country.

Some other U.S. universities have links with east European universities, but this would be the first completely American university, according to George Prohasky, director of the Open Society Fund in Sofia, the capital, which is providing part of the funding.

This fund was set up by George Soros, a Hungarian-born American businessman to further American-style freedom of intellectual inquiry—what he calls "the concept of an open society . . . that transcends frontiers."

In addition to Bulgaria, Soros has created similar foundations in Hungary, Poland, Czechoslovakia, Romania and Soviet Union.

The American University of Blagoevgard is hardly off the drawing boards, but already 1,600 people have signed up for the English and entrance tests.

Dale Lick, president of the University of Maine, visited Blagoevgrad last November, saw the buildings and "from that point on it has taken on a life of its own," according to an American closely involved with the project.

Lick had been interested in Bulgaria since his university began accepting students from that country.

A detailed plan was drawn up last winter by William Higdon, former president of Graceland College in Lamoni, Iowa, and a specialist in Third World education. Five University of Maine administrators came here in March to complete the planning.

Though initial funding is being provided by Soros through the foundation and the build-

ings are being provided by the town of Blagoevgrad, the university wants to raise additional money in the United States.

A modest opening is envisaged—just some 250 students this fall, with the number increasing to around 1,000 over four years. The aim is for 70 percent of the students to be Bulgarian, 10 percent from the U.S. and 20 percent from other countries.

The president of the university is to be an American, but no one has been named. Initially, most of the staff will be American, though eventually it will be half-American and half-Bulgarian. Prospective students will have to pass tough entrance exams.

The curriculum has not been worked out fully, but Stefan Chernokolev, the university's project director, said it would be "basically a liberal arts college with about 10 majors including various business courses, sociology, political science, American studies, Balkan studies, history and computer sciences."

Students also will be required to pay substantial charges for tuition and board—a new concept for Bulgarians. Though the amount hasn't been decided yet, Chernokolev said it will not be less than 10,000 leva, or about a year's wages for the average Bulgarian.

Despite the stringent entry requirements, the telephone has been ringing off the hook in the now-empty offices of Blagoevgrad's former Communist Party officials. Lyudmil Georgeyev, the university's local coordinator, said prospective students are phoning from all over the country.

"How they get the number I don't know," he said as he padded across the thick carpeting of the vast office once occupied by the local party chief.

U.S. Ambassador Kenneth Hill said there is an "enormous desire in Bulgaria to have American schools." Many Bulgarians, he said, still remember with nostalgia the pre-Communist days when there were several American high schools and colleges in the country. The most prestigious was the American College of Sofia, which the Communist government shut down in 1947.

Last summer a reception was held in Sofia for former graduates of American schools, many of which were started by missionaries.

"There were women in their 60s and 70s with tears in their eyes who said it was the first time they had spoken English in 40 years," said an American diplomat who attended the reception.●

1991 UTAH HUNTER EDUCATION CHAMPIONSHIP

● Mr. HATCH. Mr. President, I rise to recognize the 1991 Utah Hunter Education Championship competition that was held in Vernal, UT, on May 4, 1991. This competition provided young people between the ages of 12 and 18, the opportunity to exhibit their gun hunting and education skills and to further develop those skills.

The competition included rifle and shotgun shooting, archery, outdoor firearms handling, wildlife identification, and a general knowledge in resonsible hunting, wildlife management, survival, and first aid. The top contenders in this competition at the Hunter Education Invitational Challenge in July 1991, at the National Rifle Association's Wittington Center in Raton, NM. As you can see, Mr. President, these young people will likely be the future forerunners in wildlife conservation and management.

Mr. President, the State of Utah is recognized as having the most outstanding hunter education program on the North American continent because of their dedicated staff of volunteer instructors. It is the goal of the Utah Hunters Education Association to have an organization dedicated to educating the young people of Utah to become safe and ethical sportsmen. Their program consists of not only sending instructors to the far corners of the State but also to the densely populated areas. In addition, they have a program to educate disabled individuals so that they too may enjoy the same privileges as the members of this organization.

Mr. President, it is organizations such as this that we in the U.S. Senate should consider funding. As we are greatly concerned in promoting safety for the citizens of the United States, responsible organizations like the Utah Hunters Education Association deserve to be commended for their actions to teach gun safety and management. I applaud them for their efforts.●

A CREATIVE PRISON PROJECT

● Mr. SIMON. Mr. President, I would like to pay tribute to the inmates and staff of Vienna Correctional Center, to Southeastern Illinois College, and to the agencies contributing to their initiative in setting up and running an ethanol plant at the correctional center. I would also like to share with you their story. Their innovation and optimism reminds us that there are better ways to use both the human and environmental resources of our Nation.

Ethanol is a renewable fuel that can be added to gasoline to reduce the amount of carbon monoxide released into the air. By producing ethanol, the inmates at Vienna are making available a product that can help our Nation's cities meet the air quality requirements of the 1990 Clean Air Act.

Those associated with this project are not only contributing to antipollution efforts, they are also demonstrating that the production of ethanol can be integrated with the creation of greenhouses and with the production of feed for livestock. I ask that an article detailing the recent honors awarded to the project at the Vienna Correctional Center from the Southern Illinoisan be printed in the RECORD.

The article follows:

VIENNA CORRECTIONAL CENTER HONORED—INMATE-RUN ETHANOL PLANT CITED BY JUDGES

(By Phil Brinkman)

The Agricultural Research Project at Vienna Correctional Center is being honored by a national environmental group in Washington D.C. today for its inmate-run ethanol plant.

Renew America honored the project for producing a clean, renewable energy source that can be blended with gasoline for use in the state's car fleet. The center is the only recipient of the award for renewable energy projects. Altogether, awards were granted in 20 categories.

"This is an integrated system," Renew America Executive Director Tina Hobson said of the Vienna project. "It appealed to the group (judges) because it not only was conserving natural resources, but it was also productive for the human beings involved."

Ethanol is produced at the plant by fermenting grain crops. When the fermentation is complete and the liquid fuel is removed, the remaining organic matter is used as feed for livestock, ranging from beef and dairy cattle to poultry, catfish and freshwater shrimp.

The plant includes a greenhouse to take advantage of the excess heat produced in the manufacture of ethanol. Carbon dioxide produced during the fermentation process is circulated back into the greenhouse to stimulate growth. A 1,200-head cattle feeding operation also is planned to use the grain byproduct.

The operation is run entirely by inmates with help from Southeastern Illinois College near Harrisburg. Twenty-six state, federal and local agencies have contributed to the development of the project through financial or technical assistance.

Renew America issued the awards in conjunction with the National Environmental Awards Council, a coalition of 28 leading national environmental organizations. The project will be included in the Environmental Success Index, a 150-page directory that organizers say is the only comprehensive list of successful environmental projects nationwide.

Hobson said the directory is designed to provide individuals, public interest groups, industry and policy makers with access to a broad range of creative and effective environmental programs in their state.

"You read a story in a newspaper and you think, 'Gee, that's a good idea,' but then you lose it," Hobson said. "We're a center for those good ideas."●

BRAZIL'S PRESIDENT COLLOR BRINGS MESSAGE OF REFORM, PROGRESS

● Mr. CRANSTON. Mr. President, this morning I, along with many of my colleagues, met with Brazilian President Fernando Collor deMello.

For the last year and a half, President Collor has served as the Chief Executive of Latin America's most populous and most economically important country, a nation whose strategic cooperation with the United States reaches back to World War II and the fight against facism in Europe.

President Collor is the first President of Brazil to be chosen by direct elections in nearly three decades. He has been a strong and consistent advocate of free-market reforms, a sane nuclear energy policy and environmental protection. He deserves our support and our help.

Before he arrived, I—together with seven of my colleagues—sent a letter to President Bush, asking him to urge President Collor to establish territorial boundaries for the Yanomami Indians

as a means of assuring their survival and of giving legal protection to the Amazon Rain Forest.

We also urged the President to ask President Collor to help ease deforestation pressures in the Amazon—the world's "green lung"—by abolishing fiscal incentives for environmentally destructive cattle ranching and agribusiness in the region.

This morning I brought the issue directly to President Collor. He understood and was well aware of the plight of the Yanomami. I hope that the subsidies given to Amazon ranchers and agribusiness interests will be diverted by this Government to areas that need them the most, such as Brazil's impoverished northeast.

I also brought up the issue of nuclear energy. United States policymakers have long looked at Brazil's nuclear policy, which included efforts to make an atom bomb, with a jaundiced eye.

Brazil has refused to sign the 1968 treaty on nonproliferation of nuclear weapons, which would give the International Atomic Energy Agency the right to inspect its nuclear installations.

And, although Brazil signed and ratified the Treaty of Tlatelolco, which seeks to make Latin America a nuclear-free zone, it has not waived the entry-into-force requirement. Traditionally, Brazil's view is that such treaties are an attempt by the nuclear club members to exclude it from the club.

Despite this, President Collor has taken several steps to bring Brazil's position closer to that of the international community.

And, just this morning, he assured us that his Government will continue to cooperate internationally. He said he was aware of the need to regulate the use by former nuclear industry employees of their expertise in other countries.

President Collor evidenced great determination on the nuclear issue. He deserves not only our praise, but also our commercial and technological help, as he redirects Brazilian know-how in this area to exclusively peaceful means.

And, finally, Mr. President, I would like to say a word about United States-Brazilian relations in the counternarcotics area.

There has been growing concern in the United States about Brazil's role as a transshipment point for narcotics and as a supplier of precursor chemicals.

The escalation of the Andean drug war has caused narco traffickers to shift their shipping routes through Brazil's immense and largely unguarded borders.

There is also evidence that drug producers from Colombia, Peru, and Bolivia have used Brazilian territory as a safe haven from their own countries' security forces.

The administration appears to be pushing the idea, as they have in other South American countries, that the Brazilian military ought to take a more active counternarcotics role.

The military, for its part, have sought to escape such a function, arguing that—under Brazil's constitution—antinarcotics efforts form part of the Federal Police's functions.

On balance, and keeping in mind the horrible precedents being established by military involvement in places like Bolivia and Colombia, I think the Brazilian position is the more correct one.

If the administration wants to increase antinarcotics efforts with Brazil, I believe it would be wise for them to leave the delicate issue of civil-military relations for the Brazilians to resolve. And to channel United States support through the agency designed to receive it—the Brazilian Federal Police.

Mr. President, I ask that the letter I referred to earlier in my remarks be printed in the RECORD.

The letter follows:

U.S. SENATE,
Washington, DC, June 14, 1991.

Hon. GEORGE BUSH,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: We are writing you today to urge you to include the plight of the Yanomami people in your discussions next week with Brazilian President Fernando Collor de Mello.

As you know, the Brazilian government has committed itself to undertaking major environmental policy reforms for the Amazon region. Since his inauguration, President Collor has given unprecedented attention to environmental issues. However, much remains to be done and this unfinished agenda is of vital concern to both our nations.

In particular, the demarcation of the Yanomami people's land rights is a critical test of the Brazilian government's willingness to live up to its commitments on the environment and human rights in the Amazon region.

Some 9.4 million hectares of pristine rain forest—home to nearly 10,000 Yanomami people—have been recognized by Brazil's federal courts as guaranteed to its original inhabitants by that country's Constitution. However, an invasion by gold and tin miners into the region has threatened the physical survival of the largest isolated indigenous group in the Americas. Disease, mercury pollution and siltation of watersheds are some of the worst manifestations of this unhappy clash between cultures.

Internationally recognized environmental and human rights groups say that the legal demarcation of the Yanomami territory fulfills the minimal necessary condition for protecting their physical survival. It is essential that President Collor ensure that entire, continuous Yanomami area be legally demarcated immediately.

Similarly, we believe the Brazilian government ought to be doing more to abolish the fiscal incentives and subsidies for cattle ranching and agribusiness in the Amazon. Such steps would help ease deforestation pressures in the region and would help create a level playing field for environmentally sustainable activities.

And, finally, we urge you to include the agenda the chronic rural violence which has resulted in the murders of hundreds of small holders and peasants in the last five years. If the Brazilian government does not stop large landowners from causing the murder of rural activists seeking sustainable livelihoods for the rural poor and the defense of Indian lands, it will also be clearly incapable of preventing them from destroying the forests.

In making these suggestions, we would again underscore our support for, and appreciation of, the many steps President Collor has already undertaken in the environmental area. However, the overwhelming pressure faced by the Amazon forests, and the people who call them home, is too great not to importune the Brazilian president for immediate action.

Sincerely,

Alan Cranston, Edward M. Kennedy, Paul Wellstone, Dennis DeConcini, Daniel Patrick Moynihan, Albert Gore, Jr., Tom Harkin, Tim Wirth.●

FORGIVING POLAND'S COMMERCIAL DEBT

● Mr. SIMON. Mr. President, recently the Paris Club agreed to forgive a minimum of 50 percent of Poland's $33 billion debt to Western governments. Thanks in large part to pressure from Congress, the U.S. Government took the lead in these talks and pressed hard for significant debt reduction. We are going to go beyond the 50 percent figure and will forgive 70 percent of Poland's debt to us, a move that ought to encourage other creditor governments to go further than the Paris Club agreement. The relief is expected to really help the Polish economy move from its current difficult situation to a prospering free market economy.

Today and tomorrow, June 18 and 19, the London Club is meeting in Frankfurt, Germany to decide on whether and how much to forgive of Poland's debt to commercial banks. Poland owes about $12 billion to commercial banks. I urge the commercial banks to show the same wisdom and flexibility displayed by the Paris Club and provide some breathing space to allow the bold reforms in Poland, which are the most far-reaching economic reforms underway anywhere in the world today, to succeed. Now that official debt has been halved, many potential investors are taking a fresh look at Poland. The signal that many Western investors are waiting for, commercial debt relief, will doubtless spur this much-needed investment.

Mr. President, the Polish reform program is exciting and holds great promise for a genuine economic breakthrough. We are all familiar with the great strides toward democracy already taken in Poland. We are perhaps less familiar with the progress already made in the economic sphere:

Poland now has a fully convertible currency and a liberalized trade system;

Inflation has been radically reduced;

A hard currency trade surplus of $3.8 billion was achieved in 1990, far better than anyone had predicted;

Food and consumer goods are now widely available, in part because prices have risen to market-clearing levels while wages have been controlled;

A stock exchange opened in April, the first one since World War II, and independence for the central bank in credit policy;

An ambitious privatization program has begun, aided in part by the Polish-American Enterprise Fund, and has already made some headway in privatizing Poland's 8,000 state-owned enterprises;

Cuts in state subsidies to industry and state enterprises;

Legislative changes necessary to promote the growth of the private sector.

These preliminary results are encouraging, even though there is a short-term price. Unemployment is now at 7.7 percent, as output has fallen. The fall in production is compounded by the loss of the Soviet and East German markets at preferential terms; the Soviets now charge world prices for energy, which clearly hurts. The cost of inputs other than energy has also risen, often substantially. It is clear that 1991 will be a hard year, even with the reduction in Poland's official debt burden.

Mr. President, I am confident that the Poles will use commercial debt relief wisely to further their march toward a free and open economy. The Polish Government has already suggested a plan to the Paris Club governments to reduce their officially-held debt by another 10 percent in a debt-for-nature swap, which would apply another $3 billion to cleaning up the overpolluted Polish environment. It seems to me that the commercial banks ought to consider this kind of swap, and other innovative arrangements, as a sound financial investment in a country that offers such great potential. I hope the Western commercial bankers will agree and work out a fair and equitable plan on debt reduction.●

BUDGET SCOREKEEPING REPORT

● Mr. SASSER. Mr. President, I hereby submit to the Senate the most recent budget scorekeeping report for fiscal year 1991, prepared by the Congressional Budget Office under section 308(b) of the Congressional Budget Act of 1974, as amended. This report serves as the scorekeeping report for the purposes of section 605(b) and section 311 of the Budget Act.

This report shows that current level spending is under the budget resolution by $0.4 billion in budget authority, and under the budget resolution by $0.4 billion in outlays. Current level is $1 million below the revenue target in 1991 and $6 million below the revenue target over the 5 years, 1991–95.

The current estimate of the deficit for purposes of calculating the maximum deficit amount is $326.6 billion, $0.4 billion below the maximum deficit amount for 1991 of $327.0 billion.

The report follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, June 17, 1991.

Hon. JIM SASSER,
Chairman, Committee on the Budget, U.S. Senate, Washington, DC

DEAR MR. CHAIRMAN: The attached report shows the effects of Congressional action on the budget for fiscal year 1991 and is current through June 14, 1991. The estimates of budget authority, outlays, and revenues are consistent with the technical and economic assumptions of the Budget Enforcement Act of 1990 (Title XIII of P.L. 101–508). This report is submitted under Section 308(b) and in aid of Section 311 of the Congressional Budget Act, as amended, and meets the requirements for Senate scorekeeping of Section 5 of S.Con.Res. 32, the 1986 First Concurrent Resolution on the Budget.

Since my last report, dated June 11, 1991, the President has signed into law H.R. 2251, Emergency Supplemental for Humanitarian Assistance (P.L. 102–55). This action does not affect the current law estimates of budget authority, outlays or revenues.

Sincerely,

ROBERT D. REISCHAUER,
Director.

THE CURRENT LEVEL REPORT FOR THE U.S. SENATE, 102D CONG. 1ST SESS. AS OF JUNE 14, 1991

[In billions of dollars]

	Revised on-budget aggregates [1]	Current level [2]	Current level +/− aggregates
On-budget:			
Budget Authority	1,189.2	1,188.8	−0.4
Outlays	1,132.4	1,132.0	−.4
Revenues			
1991	805.4	805.4	(3)
1991–95	4,690.3	4,690.3	(3)
Maximum deficit amount	327.0	326.6	−.4
Direct loan obligation	20.9	20.6	−.3
Guaranteed loan commitments	107.2	106.9	−.3
Debt subject to limit	4,145.0	3,405.9	−739.1
Off-budget:			
Social Security outlays:			
1991	234.2	234.2	.....
1991–95	1,284.4	1,284.4	.....
Social Security revenues:			
1991	303.1	303.1	.....
1991–95	1,736.3	1,736.3	.....

[1] The revised budget aggregates were made by the Senate Budget Committee staff in accordance with section 13112(f) of the Budget Enforcement Act of 1990 (title XIII of Public Law 101–508).

[2] Current level represents the estimated revenue and direct spending effects of all legislation that Congress has enacted or sent to the President for his approval. In addition, full-year funding estimates under current law are included for entitlement and mandatory programs requiring annual appropriations even if the appropriations have not been made. In accordance with section 606(d)(2) of the Budget Enforcement Act of 1990 (title XIII of Public Law 101–508) and in consultation with the Budget Committee, current level excludes $45.3 billion in budget authority and $34.6 billion in outlays for designated emergencies including Operation Desert Shield/Desert Storm; $.1 billion in budget authority and $.2 billion in outlays for debt forgiveness for Egypt and Poland; and $.2 billion in budget authority and outlays for Internal Revenue Service funding above the June 1990 baseline level. Current level outlays include a $1.1 billion savings for the Bank Insurance Fund that the committee attributes to the Omnibus Budget Reconciliation Act (Public Law 101–508), and revenues include the Office of Management and Budget's estimate of $3.0 billion for the Internal Revenue Service provision in the Treasury-Postal Service appropriations bill (Public Law 101–509). The current level of debt subject to limit reflects the latest U.S. Treasury information on public debt transactions.

(3) Less than $50,000,000.

THE CURRENT LEVEL REPORT FOR THE U.S. SENATE, 102D CONG. 1ST SESS. SENATE SUPPORTING DETAIL, FISCAL YEAR 1991 AS OF CLOSING OF BUSINESS JUNE 14, 1991

[In billions of dollars]

	Budget authority	Outlays	Revenues
I. Enacted in previous sessions:			
Revenues	.....	.....	834,910
Permanent appropriations	725,105	633,016	.....
Other legislation	664,057	676,371	.....
Offsetting receipts	−210,616	−210,616	.....
Total enacted in previous sessions	1,178,546	1,098,770	834,910
II. Enacted this session:			
Extending IRS deadline for Desert Storm troops (H.R. 4, Public Law 102–2)	.....	.....	−1
Veterans' education, employment and training amendments (H.R. 180, Public Law 102–16)	2	2	.....
Dire emergency supplemental appropriations for 1991 (H.R. 1281, Public Law 102–27)	3,823	1,401	.....
Higher education technical amendments (H.R. 1285, Public Law 102–26)	3	3	.....
OMB Domestic Discretionary sequester	−2	−1	
Emergency supplemental for humanitarian assistance (H.R. 2251, Public Law 102–55)	(1)	.....	.....
Total enacted this session	3,826	1,405	−1
III. Continuing resolution authority	.....	.....	.....
IV. Conference agreements ratified by both Houses	.....	.....	.....
V. Entitlement authority and other mandatory adjustments required to conform with current law estimates in revised on-budget aggregates	−8,572	539	.....
VI. Economic and technical assumption used by Committee for budget enforcement act estimates	15,000	31,300	−29,500
On-budget current level	1,188,799	1,132,014	805,409
Revised on-budget aggregates	1,189,215	1,132,396	805,410
Amount remaining:			
Over budget resolution	.....	.....	.....
Under budget resolution	416	382	1

[1] Less than $500,000.

Note.—Numbers may not add due to rounding.●

SOME STRAIGHT DOPE ON THE ANDEAN DRUG WAR

● Mr. CRANSTON. Mr. President, recently the Washington Office on Latin America [WOLA] issued a briefing paper on developments in the Andean drug war.

Unfortunately, not enough attention appears to be given to administration policy there—as wrong-headed an approach as could be found anywhere.

A single statistic in the WOLA report might serve to cause us to pay more attention—military assistance to Colombia and Bolivia jumped from less than $5 million in fiscal year 1988 to more than $140 million in fiscal year 1990, with military aid to these two countries exceeding all that given the governments of Central America that year.

As I have said before on this floor, our Andean policy is a tragedy waiting to happen. This latest WOLA report gives us a framework to ponder what is going wrong, and what might be done now.

I ask that the report, "Going to the Source: Results and Prospects for the

War on Drugs in the Andres," be printed in the RECORD.

The report follows:

GOING TO THE SOURCE: RESULTS AND PROSPECTS FOR THE WAR ON DRUGS IN THE ANDES

SUMMARY

The U.S. continues to face serious problems of drug abuse and drug-related violence for which there are no quick or easy solutions. However, the administration's "Andean strategy," which targets the cocaine supply coming from source countries, is not working. And overwhelming evidence exists that it cannot succeed.

Furthermore, in pursuing this strategy, the U.S. has trained and equipped forces engaged in widespread, egregious violations of human rights, strengthened militaries at the expense of fragile civilian rule, and threatened to spark armed resistance in Bolivia and fuel guerrilla movements in Peru. If the military component of the Andean strategy proceeds as planned, it is likely to have more serious negative consequences on human rights, democratization, and internal stability in the Andean region.

U.S. problems of drug use must ultimately be solved at home. The U.S. should redirect funding to reduce the demand for drugs in the U.S., and to meet development needs and offer debt relief in the region.

Such a shift in resources would use antinarcotics monies more effectively and would facilitate a more balanced foreign policy toward the Andes—one in which U.S. interests in human rights and democratization are not sacrificed to an unworkable source-country drug policy.

I. THE ANDEAN STRATEGY

The "Andean strategy" is the centerpiece of the administration's international drug policy. Announced in September 1989, the strategy is part of an overall effort to reduce cocaine supply in the U.S. by 60% by 1999, and includes eradication, low-level interdiction at the processing and trafficking stages, and efforts targeting high-level cartel leaders. Although the strategy proposes significant amounts of economic assistance as part of the five-year, $2.2 billion "Andean Initiative", it marks a sharp shift toward militarization:

(1) For the first time, U.S. antinarcotics policy views Andean militaries as essential to source-country efforts. U.S. military officials admit that the strategy endorses an internal security mission for Andean militaries which is denied the U.S. military under law because it would jeopardize U.S. democracy.

(2) The Andean strategy calls for a dramatic increase in U.S. military involvement in source-countries. Coincident with the announcement of the Andean strategy, Secretary of Defense Cheney upgraded the counternarcotics mission to a "high priority national security mission" for the Pentagon. He directed key commands, including the U.S. Southern Command (SouthCom) with responsibility for Central and South America, to draw up antinarcotics plans.

(3) Under the Andean strategy, economic and military aid are conditioned on host-country "performance," including involvement of Andean militaries in the drug war. Although Congress has mandated significant economic assistance the Andean Initiative called for only military aid and for FY 1990. In practice the administration has withheld economic and military assistance pending each Andean government assent to military participation in drug enforcement.

II. IMPLEMENTING THE ANDEAN STRATEGY: THE FIRST YEAR-AND-A-HALF

Three tendencies marked the first year-and-a-half of the Andean strategy: (1) the expansion of the U.S. military role, (2) the formal agreement of all three Andean governments to military participation in the drug war; (3) a sharp increase in security assistance following bilateral accords.

1. Expansion of the U.S. Military Role

As planned, in the first year-and-a-half of the Andean Stragegy, the U.S. military's role in the drug war has expanded dramatically:

In 1990 SouthCom's then-commander, Gen. Maxwell Thurman, ordered his commanders to make the anti-drug mission their "number one priority," and drugs remains the command's top priority.

While the direct U.S. troop presence in the Andes is only a few hundred, (the number is classified), this presence reportedly rose through 1990 and early 1991. With the recent U.S.-Peru bilateral accord, U.S. troop levels in that country are likely to rise over the next year.

SouthCom's anti-drug budget rose from $230 million in FY1990 to over $430 in FY1991.

The Persian Gulf War had little effect on training and security assistance activities "on the ground" in the Andes. The Pentagon diverted some of its most sophisticated equipment to the Gulf, including AWACS planes and some in-country radar, which had been used mainly for air and sea interdiction.

2. Formal Agreement from Andean Governments

Since late 1989, all three Andean governments have formally agreed to an expanded military role in the drug war.

Peru: After almost a year of negotiations, the Fujimori government signed a bilateral anti-drug accord with the United States in May 1991. In the accord, the two governments agreed to sign three annexes governing military, police, and economic assistance by the end of 1991. The U.S. proposal for the military annex includes the training of six strike battalions and refurbishing of twenty A-37 airplanes.

Boliva: Under intense U.S. pressure, the government signed an accord in May 1990 agreeing to expand military participation in the drug war. Since then the air force and navy participation in narcotics-support roles increased. However, the Paz Zamora government delayed inclusion of the army in antinarcotics operations for almost a year. In April 1991, the first of 112 Green Berets arrived in Bolivia to begin training the army.

Colombia: In 1989 the Colombian government agreed to a greater role for its armed forces in antinarcotics, and since then the U.S. has provided antinarcotics advice and training to the armed forces and the police.

3. Military and Economic Assistance

Following the bilateral accords, U.S. military assistance to the Andean nations shot up. Economic assistance, which has also increased, consists overwhelmingly of balance of payments support, not assistance for development projects.

Military assistance, including drawdown equipment, to Colombia and Bolivia jumped from less than $5 million in FY1988 to over $140 million in FY1990. Military aid to these two countries exceeded that to all of Central America in FY1990. Over $141 million was requested in military assistance for Colombia, Bolivia and Peru for FY1992.

Over $313 million was requested in economic aid for the three Andean countries in FY1992. However, 88% of that aid will be economic support funds (ESF), of which more than 85% will be for balance of payments support, rather than development projects.

The administration has requested only $22.5 million for Bolivia and $15.7 million for Peru in development assistance for FY1992, a decrease from FY1990 levels for both countries.

III. WILL THE ANDEAN STRATEGY WORK?

A. Results to Date

Thus far, the Andean Strategy has failed to achieve its goals. While cocaine use in the United States appears to have declined in 1990, indications are that supply has increased. The administration's main supply-side goals are to reduce cocaine supply by 60% within 10 years, and by 15% within two years. Since those goals were set in 1989, DEA agents report that production in South America increased in 1990 by 28%. Recently revised statistics of the State Department indicate that net coca leaf production in the Andean region—where U.S. efforts have been overwhelmingly focused—actually increased last year. According to those same figures, eradication efforts in 1990 destroyed only 4% of total production in the Andes, and none in the world's largest producer, Peru.

B. An Unworkable Strategy

Substantial evidence has been presented by Congressional and other sources that the Andean strategy cannot succeed because it ignores two fundamental realities in the region. First, Andean governments do not have the political will to pursue the drug war. They have shown disinterest or outright opposition to the militiary thrust of the Andean Strategy. Corruption is rampant within Andean governmental forces, and counterinsurgency is the top priority for the Colombian and Peruvian militaries.

Second, the Andean strategy ignores the market logic of the cocaine trade. In what's known as the "balloon effect," squeezing production and trafficking in one place simply forces operations to shift elsewhere. And even successful repression of supply would have little effect on the ultimate price, and thus the demand, of cocaine on U.S. streets.

1. Lack of Political Will

Despite having reached bilateral and multilateral accords with the United States, Andean governments have generally opposed the military thrust of the Andean strategy. One Member of the House Foreign Affairs Committee, based on meeting with the ambassadors of all three countries, reported that, "the governments of these countries have asked the United States not to provide this level of military assistance."

Peru: In negotiating the bilateral accord, Peruvian officials had resisted the U.S. proposal, which its ambassador termed a "military solution," favoring more socio-economic assistance for alternative crop development. However, U.S. law requires the U.S. to vote against any multilateral loans to Peru in international financial institutions if the government is not cooperating with the U.S. anti-drug efforts. The "stick" of legal sanctions and the "carrot" of desperately-needed foreign aid led President Fujimori to accept the military component in May 1991.

Bolivia: As in Peru, the Paz Zamora administration has resisted army involvement in antinarcotics. Even after the May 1990 accord, the Paz Zamora government delayed inclusion of the army in antinarcotics operations for almost a year. When U.S. training of the army began in April 1991 after a year-long delay, protests erupted from labor groups, opposition parties, and the Catholic church.

Colombia: Current events are likely to strain Colombia's cooperation with U.S. anti-drug efforts. Colombia has never actively sought military aid, and has offered to forego *all* foreign assistance in exchange for trade benefits. In late 1990, President Gaviria offered not to extradite and to reduce sentences for drug traffickers who turned themselves in and confessed to one drug-related crime. In addition, the Constituent Assembly, meeting from February to July 1991, is likely to ban extradition. Privately U.S. officials acknowledge that these developments are a big blow to the administration's antinarcotics strategy.

Corruption

Corruption is rampant within Andean military and security forces. Andean officials retain working alliances with drug traffickers in all three countries, largely because of the unrivalled rewards offered by traffickers.

SouthCom's Special Forces commander stated in February 1991 that there is "unbelievable corruption" among Peruvian state forces, and that "we know as a fact that the Army gets payments for letting traffickers use airstrips."

In two separate incidents during the second week of March 1990, Peruvian military personnel fired upon police units traveling in U.S.-owned helicopters.

In late 1989, the office of Colombia's Attorney General was investigating 4,200 cases of corruption by police and some 1,700 involving the armed forces.

According to the Washington Post, Colombian law enforcement officials confirmed in May 1991 that the three Ochoa brothers, who surrendered under the government policy of immunity from extradition to the United States and reduced prison sentences, continue to run "one of the largest narcotics networks in Latin America from a special prison . . . outside Medellin."

In March 1991, the Minister of the Interior and the recently-appointed head of Bolivia's anti-drug police resigned amid charges that they were involved in drug trafficking. The latter had been appointed by President Paz Zamora despite his well-known service in the cocaine-trafficking García Meza military regime of the early 1980s.

In April 1991, the Bolivian government announced that due to alleged corruption it would completely reorganize the "UMOPAR" antinarcotics police, replacing many of the officers. This unit has been the main recipient of U.S. training in the Andes, and the recent action signals the failure of four years of U.S. Special Forces training.

Conflicting Military Priorities

Both the armed forces and the police of the Andean region have long opposed an expanded military role in antinarcotics activities. Although the militaries of Colombia, Peru, and Bolivia welcome U.S. security assistance, any antinarcotics aid will undoubtedly be used for other missions of higher priority for the Andean armed forces. Counterinsurgency, viewed by Andean militaries as independent of the drug war, is chief among these other missions.

In Peru, where the Bush administration openly advocates using antinarcotics assistance for counterinsurgency efforts against the Shining Path, the military has been hostile to the anti-drug mission, impeding police operations in areas under their control. As then-commander of the Upper Huallaga Valley told WOLA in 1990, "If we attack drug trafficking, we will convert the local population into our enemy . . . Instead of one enemy, the Shining Path, we will have three: the Shining Path, the local population who will then support the Shining Path, and the drug traffickers who will then provide resources to the Shining Path."

In Colombia, the armed forces have faced armed insurgencies for 25 years and have failed to suppress a recent guerrilla offensive. High-ranking military officials have stated that $38.5 of $40.3 million in U.S. counternarcotics military aid for FY 1990 was to be used for an unrelated counterinsurgency operation. Although the military registered more drug confiscations and arrests in 1990 than in 1989, its priority continues to be fighting the FARC and the ELN guerrillas.

In Bolivia, the army has been reluctant to get involved in antinarcotics activities. At the same time that U.S. troops were preparing to fly to Bolivia to begin training the Bolivian army, SouthCom's top Special Forces commander told WOLA that for counternarcotics efforts to work in Bolivia, the armed forces "must have the intent to become successful, and I don't think they do."

2. The Market Logic of the Cocaine Industry

Even if Andean governments could carry out effective antinarcotics programs, U.S. cocaine use would not be significantly affected because of the flawed logic of U.S. antidrug policy. The Andean strategy assumes the following links between supply-side efforts and U.S. demand: (A) that supply-side efforts will reduce the availability of cocaine to U.S. consumers, and (B) that disruption of production and trafficking will drive up the price to the consumer, reducing demand.

This logic ignores two fundamental economic realities of cocaine trafficking: (1) that effective repression of production and trafficking in one locale will simply shift it to another, and (2) that even successful disruption of production and trafficking can have only very marginal influence on the final price of cocaine to the consumer.

The "Balloon Effect"

Even if current Andean suppression efforts are successful, DEA officials acknowledge that production is likely to simply spread to other countries. This dispersion, called the "balloon effect," (i.e., squeezing in one place produces expansion into others), has already occurred in the Andes.

In response to the crackdown in Colombia in late 1989 and early 1990, cocaine trafficking and production has increased in Brazil, Bolivia, Venezuela, and Ecuador according to the DEA. Cocaine trafficking continues through these countries and Argentina, Uruguay, Paraguay and Panama. Without suppressing production throughout the hemisphere, antinarcotics efforts are useless.

The Small Impact of Source-County Efforts on Demand

In testimony before Congress in early 1991, RAND corporation economist Peter Reuter stated that, "Source country programs, whether they be crop eradication, crop substitution or refinery destruction, hold negligible prospect for reducing American cocaine consumption in the long-run." Reuter's analysis shows that:

Coca leaf farmers receive less than 1% of the final retail price of cocaine.

Earnings of cocaine exporters and smugglers comprise less than 15% of the final price.

Because over 85% of cocaine profits are made outside the source countries, source-country efforts will not drive up the retail price in the U.S. enough to significantly reduce cocaine consumption. According to this analysis, even if interdiction efforts were able to stop the extremely unlikely figure of 50% of cocaine shipments from Colombia, the retail price of cocaine in the United States would rise by less than 3%. No one has presented data to refute Reuter's analysis.

IV. THE NEGATIVE CONSEQUENCES OF THE ANDEAN STRATEGY

The Andean strategy is not only unworkable but directly harmful to U.S. interests in the region. U.S. narcotics-related aid is directly contributing to counterinsurgency campaigns characterized by widespread and systematic human rights violations in Colombia and Peru. As the militarization of the drug war proceeds in 1991, U.S. policy is likely to exacerbate those abuses. The Andean strategy is also undermining civilan control of powerful militaries and cementing their impunity from prosecution for human rights violations. Ironically, the strategy appears to have already contributed to the Shining Path guerrillas recruitment in Peru, and poses the serious danger of sparking armed unrest in Bolivia's volatile Chapare coca-growing region.

A. Human Rights

U.S. antinarcotics training, assistance, and equipment is going to military and police forces in Colombia and Peru which engage in systematic human rights abuses including disappearances, torture, and extrajudicial executions. In Bolivia, government human rights violations, disturbingly reminiscent of previous dictatorships, increased last year.

Peru: Peru's civil war is a source of systematic and flagrant human rights abuses on both sides. Peruvian military and police forces are among the worst violators of human rights in the hemisphere. The 1990 State Department human rights report describes Peru's counterinsurgency campaign as one of "widespread and egregious human rights violations." The report notes "widespread credible reports of summary executions, arbitrary detentions, and torture and rape by the military, as well as less frequent reports of such abuses by the police." Rape by members of the security forces is reported to be so frequent that "such abuse can be considered common practice, condoned—or at least ignored—by the military leadership." For the fourth consecutive year, the United Nations Commission on Human Rights declared Peru the country with the most reported cases of disappearances in the world.

Colombia: While the sources of violence in Colombia are multiple and complex, statesanctioned political violence is widespread. The State Department reports that in 1990 Colombian security forces were responsible for "extrajudicial executions, torture, and massacres" against leftist politicans, human rights monitors, and labor and peasant leaders. Colombian human rights groups have documented the use of U.S.-furnished A-37 airplanes to bomb civilan populations as part of counterinsurgency operations. Right-wing paramilitary groups continue to work closely with the military and police in carrying out political killings and disappearances.

Bolivia: While of a far lesser scale than in Peru or Colombia, state-sanctioned human rights violations in Bolivia resurged late last year. In 1990, the State Department documented cases of extrajudicial executions of detainees, as well as torture and cruelty by police and army intelligence units. These abuses are more widespread than in previous years, and some Bolivian prisoners have been

used as slaves, beaten, tortured, and murdered.

U.S. antinarcotics policy contributes to human rights violations in a number of ways:

U.S. equipment and training is being used directly for Colombia's counterinsurgency campaign, characterized by consistent human rights violations against civilians. Colombia's fleet of A-37's, all of which were sold or given to Colombia by the U.S., has been used to bomb civilian populations. The link with counterinsurgency will be even more explicit in support to Peru's military.

U.S. military aid represents a vote of confidence in the military despite its human rights record.

Military aid will augment the institutional strength of the armed forces, decreasing the chances that civilian rulers will take them on and press for accountability for human rights violations.

B. Civilian Control of the Military

Congress has included provisions in the International Narcotics Control Act of 1990 and in the Defense Authorization Act of 1990 aimed at ensuring that U.S. antinarcotics assistance does not undermine the fragile civilian governments in the Andes. While military coups continue to be unlikely at the present time, military influence has increased in Peru and Bolivia, and the high levels of military assistance to Colombia threaten to cement impunity for human rights violations there.

In Peru, the increase in military autonomy is clearest. Since taking office in July 1990, President Fujimori has ceded great policy-making roles to the military. He has declared additional provinces "emergency zones," placing all civilian authorities under military control. These zones, in which human rights abuses are most concentrated, now, cover 42% of the national territory. Fujimori has also named active-duty officers to head the Interior Ministry and the Defense Ministry. Not a single military officer has been convicted for a human rights violation.

In Bolivia, according to one Bolivian government official, U.S. pressure to involve the armed forces in the war on drugs has already eroded the authority of Paz Zamora's government vis-a-vis the military. Although Bolivia does not face insurgencies like those in Colombia and Peru, the country has a longer history of military rule. The country has had 188 military coups in 166 years of independence, and most recently the brutal "cocaine regime" of Gen. Garcia Meza (1980-1981) dramatized the extent of the military's corruption and its tendency for political intervention.

Despite Colombia's history of civilian rule, the Colombian armed forces maintain great authority from civilian control. Colombia is the only country in South America whose police are institutionally part of the Defense Ministry. All military personnel are immune from prosecution in civilian courts for human rights violations. The military has acquired almost complete control over counterinsurgency policy in strategy in recent years.

C. Internal Political Stability

In Peru and Bolivia, the involvement of the army in drug-related law enforcement activities is extremely unpopular because of concerns that the military will abuse its expanded authority. The destabilizing effect of U.S. troops is of special concern. Peruvian analysts claim that, as peasants seek protecton from coca suppression programs, support for the Shining Path has increased. Growing nationalist resentment of the U.S. presence and influence could also help the guerrillas. Referring to U.S. anti-drug assistance, one high-ranking Peruvian military officer said, "It will allow Sendero to wave the nationalist banner and win legitimacy."

In Bolivia, militarization is occurring in a prticularly explosive situation. Sectors throughout Bolivia fear that army involvement will lead to political unrest. The Chapare coca-growing region is the most politically volatile in the country, and the coca growers the best organized workers where few profitable alternatives exist.

V. TOWARD AN ALTERNATIVE POLICY

One official of the U.S. Southern Command summed up his opinion of the drug war as of early 1991; "There's an increasing sense that this is a 'holding action'. We're not stopping durg supply because it moves. And we could never get the resources to shut down the whole hemisphere. The evidence is that we haven't affected price or supply. Is this the way we want to spend U.S. dollars? I think not."

Rather than sinking millions of dollars into expanding an unworkable strategy to the entire hemisphere, Congress should heed the expert testimony presented before it. The Defense Department has repeatedly told Congress that the Pentagon's role cannot be the decisive one in the war on drugs. Ultimately, this country's drug abuse problem must be solved at home.

Yet for the past three years the administration's National Drug Control Strategy has maintained a roughly 70/30 ratio in favor of supply control measures. Shifting resources to the demand side will be more effective in solving the problems of drug abuse and drug-related violence.

It will also remove a major factor undermining human rights, democratization, and political stability in the Andes. U.S. antinarcotics aid is now contributing to counterinsurgency campaigns characterized by abhorrent human rights violations—torture, murder, and bombing of civilian populations. By strengthening abusive and politicized Andean armed forces, that aid will further erode weak civilian rule.

Shifting away from military assistance will allow the United States to pursue a more balanced foreign policy in the hemisphere. Latin American governments are focused on improving economic performance and strengthening civilian rule. They have requested trade concessions and debt relief. Rather than militarizing anti-drug efforts throughout the region, the U.S. is in a position to repsond to their requests, to spend its antinarcotics monies more effectively, and to promote U.S. interests in human rights and democratization simultaneously.●

TRADING WITH JAPAN

● Mr. SIMON. Mr. President, I want to speak briefly today on the issue of United States-Japanese trade.

Recently, two accounts came to my attention which illustrate some problems which businesses in Illinois have experienced when exploring export opportunities in Japan.

In April 1989, an alfalfa marketing company based in Bushnell, IL, began to explore export opportunities for alfalfa with subsidiaries of the Mitsubishi Corp. An agreement was reached for a trial shipment of alfalfa from western Illinois to be donated to Japan. In exchange for the alfalfa, the Japanese subsidiary agreed to provide certain information on the condition of the alfalfa during the shipment to Japan, and upon its arrival.

The company encountered a number of problems after the alfalfa was shipped. The information on the alfalfa was provided by the Japanese a year later, and only after numerous requests. In addition, conflicting reports were given to the company about the condition of the alfalfa on arrival. One acount said the alfalfa arrived in a moldy condition. The company tried to continue a dialog, but eventually concluded that it was useless to try to establish a working relationship with the Japanese.

A second example involves the Canfield Co., an extremely successful soda bottling company in Chicago. The Canfield Co. sent free samples—100 cases of soda—to a Japanese company that showed interest in marketing Canfield products. The cases of soda were never delivered. Instead, they were stopped at the Japanese border and shipped back to the Canfield Co. Customs officials stated that the soda was returned because it contained ingredients which were barred from entry in Japan. Japanese customs officials have not yet provided the Canfield Co. with a list of the illegal ingredients in the soda.

I am dismayed by these two accounts. In town meetings across Illinois, my constituents bring up these types of unfair trading practices. I can understand why many working men and women do not really believe in free trade and its economic benefits. Free trade must provide a level playing field, free of the types of practices which are detailed in these two accounts. I urge my colleagues to read this material, and consider it carefully.

I ask that a story published in the Chicago Sun-Times regarding the Canfield Co. be printed in the RECORD.

The article follows:

CANFIELD SEES INTERNATIONAL BUSINESS FIZZ

The other day, 2,400 cans of pop arrived from Japan at the offices of the Canfield company on the South Side.

It was by way of being the end of a story. To start at the beginning, Alan Canfield, the energetic and creative leader of the Canfield family soft-drink company, had decided some weeks earlier to make another effort at cracking the Japanese market. He had located a Japanese company that indicated an interest in trying to sell Canfield products to the Japanese.

Accordingly, he had shipped his Japanese contact samples of Canfield beverages. He was serious. He didn't send a couple of cans but, 100 cases, 24 cans per case—the same 2,400 cans that arrived at the Canfield offices last week after making a 6,000-mile trip from Chicago to Tokyo and back. Japanese customs had treated the crate as if it contained heroin or some other substance calculated to infect Japan's culture. They dispatched the cases homeward, stamped the equivalent of "return to sender."

"Japan is unbelievable," Alan Canfield says, adding philosophically, "I guess we are just not smart enough to figure out how to get into that market."

On inquiry, Canfield was told that "ingredients" in the drinks were barred from entry into Japan. Canfield, astonished, asked for a list of the prohibited ingredients, but never got an answer.

Consul Ko Kodaira at the Japanese consulate in Chicago said Wednesday, "We are contacting Tokyo immediately to explore this matter."

Oh well, there's the rest of the globe.

Ten years ago, the Canfield company was considered "just" another regional bottler or should it be canner. Long since, however, it has burst out of the Midwest. Now Canfield products are found in all 50 states. Further, it bottles product in Canada, Ireland, England, Belgium and Amsterdam.

From the U.K. and Amsterdam, it ships to Belgium and Germany. It ships to Caribbean points from Miami and to Wake Island from Los Angeles.

This week, a gentleman armed with a bank draft will visit Alan and Art Canfield in their offices on East 89th Place to talk about producing one of the company's very new drinks in Poland. It's Uptown, a lemon-lime flavor in the Sprite/7 Up category but featuring a no-salt claim.

Assuming everything goes as planned, Poland will be the seventh country on Canfield's list of substantial foreign markets.

Wake Island needs a little explanation. Alan Canfield spent some time on the island before shipping out to Korea when he served as a private and then a corporal in the Army from 1960 through 1962. The company now does a good business with the military, and its distributor on Wake sells to other Pacific outposts.

The company sells its own versions of the cola drinks and specializes in finding profitable niches. For years, it has held the Midwest franchise for Canada Dry and Sunkist drinks.

Brand new on the shelves is a Sunkist lemonade "with just a touch of carbonation." The company's staff of chemists succeeded a few years back in conquering chocolate, and its carbonated chocolate fudge drink is a winner. Then there's Hubba Hubba, the flavor borrowed from Wrigley and Wrigley's bubble gum. And aimed successfully here and abroad at the gum's young market.

The company can make mistakes. Years back, the French representatives of Perrier asked the firm to act as a distributor here. Alan Canfield isn't 100 percent sure why the opportunity was turned down, but he's now happy with the outcome. Canfield's own entry in the field, Natural Seltzer, now has 68 percent of the market in the Midwest. And it has a good "still" water in the French Evian.

There's more ahead for this family owned, Chicago company.

"We're looking at Saudi Arabia now," Alan Canfield says. And the research department is working on what Canfield calls an "energy" drink that would compete with the phenomenon of Gatorade.

The talk of new products and adventures in foreign lands is very young, especially for a company that has been in business for 65 years and is dominated by one family. "I've never been to an annual meeting of the company," Alan says, That's because the dinner table conversations can suffice.

Alan, 50, thinks he's a vice president while his older brother, Arthur, 52, is president. Their father, also Arthur, keeps up with developments at age 75. Then there are Alan's two sons, Alan and Andrew, in their 20s, and Arthur's daughter, Kathleen, 24. All three are now out there selling Canfield products.●

RESPONSE TO BROADCASTING TO CHINA ACT

● Mr. BIDEN. Mr. President, last month I introduced legislation entitled the Broadcasting to China Act (S. 1093), legislation designed to pave the way for a new initiative in U.S. foreign policy: The support of radio broadcasting to the People's Republic of China of information about developments within that immensely large and troubled nation.

The legislation takes the first step in this initiative by establishing a commission to examine the feasibility, and the costs and benefits, of such a radio service, which would be modeled on two existing radio facilities of proven merit: Radio Free Europe and Radio Liberty.

For over 40 years, Radio Free Europe and Radio Liberty have disseminated news and information to the Soviet Union and Eastern Europe about developments in that region, helping to spread the message of freedom across the Iron Curtain. Through four tortured decades in the lives of those nations, these broadcasts heartened dissidents from Berlin to Bucharest and across the Soviet Union, inspiring hope and courage among those suffering under Communist tyranny.

Those radios helped maintain the flame of freedom in an era of darkness.

More recently, Radio Marti has provided accurate information to the people of Cuba, where the flow of news has been carefully restricted by a dictator who fears the truth. Radio Marti is a testament to our determination to promote the spread of information and ideas to those living under the rule of despots.

Mr. President, China's severe restriction on the flow of information is an unchallenged fact. Since coming to power in 1949, the Communist leadership in Beijing has maintained tight control over the dissemination of news, telling the Chinese people only what it wants them to hear.

This policy continues today. The State Department's annual report on human rights practices describes current Chinese policy clearly: "The Chinese Government maintains television and radio broadcasting under strict party and government control * * * continues to jam most Chinese-language broadcasts of the Voice of America and British Broadcasting Corporation."

These restrictions represent a denial of a fundamental right enshrined in article 19 of the Universal Declaration of Human Rights, which affirms that all people have the "right to seek, receive and impart information and ideas through any media and regardless of frontiers."

These restrictions are a repugnant manifestation of the communist idea—now fully discredited around the globe—that the party and the state must control not only the lives of the people, but their every thought as well.

Unfortunately, the Bush administration continues to believe that the United States must maintain close ties with the leadership in Beijing. I believe strongly that another channel of communication is more important, with the people of China. The democratic ideal is alive in China, and we should not shrink from encouraging those who embody it.

Currently, the Voice of America plays an important role in filling the information gap in China with nearly 20 hours of daily radio broadcasting. But this broadcasting focuses on international events rather than developments within China itself.

The service contemplated by this legislation could provide a critical complement to current Voice of America broadcasting, emphasizing not only Chinese events but also developments in neighboring states in east Asia, especially those where democracy is slowly taking root, such as the Philippines, South Korea, and Taiwan.

This legislation would create a temporary commission comprise of experts on China and on international broadcasting. The commission would have 6 months to review the many issues involved in expanding United States broadcasting to China and to present its recommendations. A similar procedure, I would point out, was followed in the early 1980's, when a commission established by President Reagan examined the question of radio broadcasting to Cuba.

Last week the foreign relations committee approved the "Broadcasting to China Act as a part of a comprehensive legislative package governing the State Department and foreign aid.

I was also pleased to note that last week deputy Secretary of State Eagleburger declared that the administration will not oppose the establishment of the Commission envisaged by this legislation.

The co-sponsorship of this initiative now includes Senators HATCH, PELL, HELMS, SARBANES, CRANSTON, DODD, KERRY, and DIXON. I urge my other colleagues to join in support of the Broadcasting to China Act.

Mr. President, I ask that there appear in the RECORD at this point the text of this legislation, along with a letter from the president of the Independent Federation of Chinese Students and Scholars and an editorial from the Washington Post, both of which express strong endorsement of this initiative.

The material follows:

S. 1093

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 "Broadcasting to China Act".

SEC. 2. FINDINGS.

The Congress finds that—

(1) according to the annual human rights report issued by the Department of State for 1990, the Government of the People's Republic of China maintains television and radio broadcasting "under strict party and government control" and "continues to jam most Chinese-language broadcasts of the Voice of America and the British Broadcasting Corporation";

(2) fundamental to long-standing United States foreign policy has been support for the right of all people to "seek, receive and impart information and ideas through any media and regardless of frontiers" as affirmed in Article 19 of the Universal Declaration of Human Rights.

(3) pursuant to this policy, the United States has for decades actively supported the dissemination of accurate information and the promotion of democratic ideals among citizens in countries of critical importance to United States interests;

(4) prominent in the implementation of this policy has been support for Radio Free Europe, Radio Liberty, and Radio Marti, which have broadcast accurate and timely information to the oppressed people of Eastern Europe, the Soviet Union, and Cuba, respectively, about events occurring in those countries;

(5) the introduction of similar radio broadcasting to the People's Republic of China could complement existing Voice of America programming by increasing the dissemination to the Chinese people of accurate information and ideas relating to developments in China itself; and

(6) such broadcasting to the People's Republic of China, conducted in accordance with the highest professional standards, would serve the goals of United States foreign policy by promoting freedom in mainland China.

SEC. 3. COMMISSION ON BROADCASTING TO THE PEOPLE'S REPUBLIC OF CHINA.

(a) ESTABLISHMENT.—There is established a Commission on Broadcasting to the People's Republic of China (hereafter in this Act referred to as the "Commission") which shall be an independent commission in the executive branch.

(b) MEMBERSHIP.—The Commission shall be composed of 11 members from among citizens of the United States, who shall within 45 days of the enactment of this Act be appointed in the following manner:

(1) The President shall appoint 3 members of the Commission.

(2) The Speaker of the House of Representatives shall appoint 2 members of the Commission.

(3) The Majority Leader of the Senate shall appoint 2 members of the Commission.

(4) The Minority Leader of the House of Representatives shall appoint 2 members of the Commission.

(5) The Minority Leader of the Senate shall appoint 2 members of the Commission.

(c) CHAIRMAN.—The President, in consultation with the congressional leaders referred to in subsection (b), shall designate 1 of the members to be the Chairman.

(d) QUORUM.—A quorum, consisting of at least 6 members, is required for the transaction of business.

(e) VACANCIES.—Any vacancy in the membership of the commission shall be filled in the same manner as the original appointment was made.

SEC. 4. FUNCTIONS.

(a) PURPOSE.—The Commission shall examine the feasibility, effect, and implications for United States foreign policy, of instituting a radio broadcasting service to the People's Republic of China to promote the dissemination of information and ideas to that nation, with particular emphasis on developments in China itself.

(b) SPECIFIC ISSUES TO BE EXAMINED.—The Commission shall examine all issues related to instituting such a service, including—

(1) program content;

(2) staffing and legal structure;

(3) transmitter and headquarters requirements;

(4) costs; and

(5) expected effect on developments within China and on Sino-American relations.

(c) METHODOLOGY.—The Commission shall conduct studies, inquires, hearings, and meetings as it deem necessary.

(d) REPORT.—Not later than 180 days after the date of enactment of this Act, the Commission shall submit to the President, the Speaker of the House of Representatives, and the President of the Senate a report describing its activities in carrying out the purpose of subsection (a) and including recommendations regarding the issues of subsection (b).

SEC. 5. ADMINISTRATION.

(a) COMPENSATION AND TRAVEL EXPENSES.—

(1) Members of the Commission—

(A) except as provided in paragraph (2), shall each receive compensation at a rate of not to exceed the daily equivalent of the annual rate of basic pay payable for grade GS-18 of the General Schedule under section 5332 of title 5, United States Code, for each day such member is engaged in the actual performance of the duties of the Commission; and

(B) 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) Any member of the Commission who is an officer or employee of the United States shall not be paid compensation for services performed as a member of the Commission.

(b) SUPPORT FROM EXECUTIVE AND LEGISLATIVE BRANCHES.—

(1) EXECUTIVE AGENCIES.—Executive agencies shall, to the extent the President deems appropriate and as permitted by law, provide the Commission with appropriate information, advice, and assistance.

(2) CONGRESSIONAL COMMITTEES.—Congressional committees shall, as deemed appropriate by their chairmen, provide appropriate information, advice, and assistance to the Commission.

(c) EXPENSES.—Expenses of the Commission shall be paid from funds available to the Department of State.

SEC. 6. TERMINATION.

The Commission shall terminate upon submission of the report described in section 4.

[From the Washington Post, June 11, 1991]

TUNING UP RADIO FREE CHINA

Congress has inserted a welcome new element into the China debate—a proposal to study setting up a radio to broadcast to Communist China the sort of material bearing on internal affairs that totalitarian governments normally restrict. "Radio Free China" would follow the example of Radio Free Europe and similar stations that have won deserved credit for helping to open other closed Communist societies over the years. These radios differ from the official Voice of America, which deals mostly with news from the United States and abroad, in their attempt to take on the role of an absent domestic free press. Radio Free China is a good idea that should have been put into effect decades ago.

The Chinese authorities, needless to say, dissent. No doubt they realize that the new radio, by providing a means to inform a broad Chinese public of things now known only on a local and fragmentary basis or not at all, would tend to weaken their fiercely guarded monopoly on information; it would make it harder for them to wield power. Beijing's way of conveying its disapproval is not so much to argue against the proposal in terms like these. It is to vaguely threaten that the new station will spoil "the overall interests of U.S.-China relations." By this formulation China's aging and out-of-touch Communist rulers apparently mean their own political convenience.

Scarcely less out of touch, the American government has given the Radio Free China proposal a cold shoulder. It sees it as a further congressional intrusion into Mr. Bush's strangely coveted personal domination of China policy and, specifically, as a further complication in the raging debate over renewal of "most-favored-nation" trading status for Beijing. It is not just unfortunate but grotesque to see the Bush administration's reluctance to stand up to the Chinese leadership on the radio issue. President Bush is undermining the national interest, which is to encourage basic human rights in China by a tested and otherwise widely accepted method of communication. Radio is the ultimate democratic instrument: Each listener decides for himself whether to tune in. That the president of the United States should be denying Chinese citizens this choice is astounding.

INDEPENDENT FEDERATION OF CHINESE STUDENTS AND SCHOLARS (IFCSS),

Washington, DC, June 3, 1991.

Hon. JOSEPH R. BIDEN, Jr.,
U.S. Senator, Washington, DC.

DEAR SENATOR BIDEN: We are grateful to you for taking the initiative in promoting free radio broadcast to China through the introduction of the China Broadcasting Bill. On behalf of the Chinese students and scholars in the U.S., we would like to extend our appreciation and express our support and endorsement of this bill.

Radio broadcast is critical to the dissemination of accurate and necessary information, particularly in China, where all mass media is under tight control and often used as a mere mouthpiece for government rhetoric. We believe that the freedom of access to information is a crucial step toward the democratization of the current political structure in China. In this respect VOA has proven to be both effective and essential in providing the Chinese people with an awareness of global developments. Our concern remains, however, that the citizens of China are being suffocated by an ignorance of what is happening within their own country.

The people of China have only fleeting access to the annals of freedom. In order for them to find the courage and perseverance to triumph over oppression, truth must be given full passage. Only an unabridged

knowledge of both international and domestic occurrences can provide for the citizens of China real verity, their only assurance to freedom, while at the same time paralyze the corrupt and decomposing legacy of communism.

We understand the risks that may be involved in establishing free radio broadcasting to China, particularly as it would threaten our government in it's attempt to exercise tyrannical control. However, we remain committed to our struggle and strive to offer encouragement to our people in China. We believe that this would best be accomplished through the establishment of free radio broadcasting to China, a crucial resource for accurate and complete information transmission to arm the people of China in their battle toward freedom.

We thank you so much for your commitment to life and liberty in our country and offer you our complete support.

With best regards,

XINGYU CHEN,
President.●

Mr. MITCHELL. Mr. President, I am about to propound a unanimous-consent request which would put us back on this bill tomorrow morning with the Senator from Mississippi [Mr. LOTT] to be recognized to offer an amendment and a vote on that to occur at 10:15 in the morning. This has been discussed with the Senator from Mississippi; the managers, Senator MOYNIHAN and Senator SYMMS; and the distinguished Republican leader. I believe there is not objection to this.

ORDERS FOR TOMORROW

Mr. MITCHELL. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 10 a.m. on Wednesday, June 19; that following the prayer, the Journal of proceedings be deemed approved to date; that the time for the two leaders be reserved for their use later in the day; that at 10 a.m., the Senate resume consideration of S. 1204 and that Senator LOTT be recognized to offer an amendment regarding non-Federal matching ratios, on which there will be 15 minutes of debate equally divided and controlled in the usual form on the amendment with no amendment to the amendment to be in order; that when the time is used or yielded back on the Lott amendment, the Senate, without any intervening action or debate, proceed to vote on or in relation to the Lott amendment.

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

Mr. MITCHELL. Mr. President, I ask unanimous consent that it be in order to now request the yeas and nays on the Lott amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. MITCHELL. I now ask for the yeas and nays on the Lott amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

RECESS UNTIL TOMORROW AT 10 A.M.

Mr. MOYNIHAN. Mr. President, if there is no further business to come before the Senate today, I now ask unanimous consent that the Senate stand in recess, as under the previous order, until the hour of 10 a.m., Wednesday, June 19, 1991.

There being no objection, the Senate, at 7:52 p.m., recessed until Wednesday, June 19, 1991, at 10 a.m.

HOUSE OF REPRESENTATIVES—*Tuesday, June 18, 1991*

The House met at 12 noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Every person longs for fulfillment in their lives and we are grateful when we can be with those we love and respect in our communities and in our families. We especially remember those who do not share in these gifts and who are denied for all sorts of reasons the basic human relationships that we hold dear. We pray, gracious God, for those separated from their families and their communities, that they will sense our concern and the grace that You freely give. As the peoples of the world share in common hopes, may the hostages and all other captives endure their separation and find peace in Your presence and in Your grace and finally know the joy of homecoming with those they love. This is our earnest prayer. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. FAZIO. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. FAZIO. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 281, nays 102, answered "present" 1, not voting 47, as follows:

[Roll No. 156]

YEAS—281

Abercrombie
Ackerman
Alexander
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Aspin
Atkins
Bacchus
Barnard
Barton
Bellenson
Bennett
Berman
Bevill
Bonior
Borski
Boucher
Boxer
Broomfield
Browder
Brown
Bruce
Bryant
Bustamante
Byron
Cardin
Carper
Carr
Chapman
Clement
Coleman (TX)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooper
Costello
Cox (IL)
Coyne
Cramer
Darden
Davis
de la Garza
DeFazio
DeLauro
Dellums
Derrick
Dicks
Dixon
Donnelly
Dooley
Dorgan (ND)
Dornan (CA)
Downey
Dreier
Duncan
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Edwards (TX)
Emerson
Engel
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Ford (MI)
Ford (TN)
Frank (MA)
Frost
Gejdenson
Gephardt
Geren
Gibbons
Gillmor
Gilman
Glickman
Gonzalez
Gordon
Gradison
Green
Guarini
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Harris
Hatcher
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hoagland
Hobson
Hochbrueckner
Horn
Horton
Houghton
Hoyer
Huckaby
Hughes
Hutto
Hyde
Johnson (CT)
Johnson (SD)
Johnson (TX)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kasich
Kennedy
Kennelly
Kildee
Kleczka
Klug
Kolter
Kopetski
LaFalce
Lancaster
Lantos
LaRocco
Laughlin
Lehman (CA)
Lent
Levin (MI)
Lewis (GA)
Lipinski
Livingston
Long
Lowey (NY)
Luken
Manton
Markey
Martinez
Mavroules
Mazzoli
McCloskey
McCollum
McCrery
McCurdy
McDermott
McHugh
McMillen (MD)
McNulty
Mfume
Michel
Miller (CA)
Mineta
Mink
Moakley
Montgomery
Moody
Moran
Morella
Murtha
Myers
Nagle
Natcher
Neal (MA)
Neal (NC)
Nichols
Oakar
Oberstar
Obey
Olin
Ortiz
Orton
Owens (NY)
Owens (UT)
Oxley
Pallone
Panetta
Parker
Patterson
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pickle
Poshard
Price
Quillen
Rahall
Rangel
Ray
Reed
Richardson
Rinaldo
Ritter
Roe
Roemer
Rose
Rostenkowski
Rowland
Roybal
Russo
Sabo
Sangmeister
Sarpalius
Savage
Sawyer
Scheuer
Schiff
Schulze
Schumer
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NJ)
Snowe
Solarz
Spratt
Staggers
Stallings
Stark
Stenholm
Studds
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Taylor (MS)
Thomas (GA)
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Walsh
Washington
Waters
Waxman
Weiss
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Wylie
Yates
Yatron
Young (FL)

NAYS—102

Allard
Armey
Baker
Ballenger
Barrett
Bentley
Bereuter
Bilirakis
Bliley
Boehlert
Boehner
Bunning
Burton
Callahan
Camp
Campbell (CA)
Campbell (CO)
Clay
Coble
Coleman (MO)
Cox (CA)
Crane
Cunningham
Dannemeyer
DeLay
Dickinson
Doolittle
Edwards (OK)
Fawell
Franks (CT)
Gallegly
Gallo
Gekas
Gilchrest
Gingrich
Goodling
Goss
Grandy
Gunderson
Hancock
Hansen
Hastert
Hefley
Henry
Herger
Holloway
Inhofe
Ireland
Jacobs
James
Kolbe
Kyl
Lagomarsino
Lewis (CA)
Lewis (FL)
Lightfoot
Lowery (CA)
Marlenee
McCandless
McMillan (NC)
Meyers
Miller (OH)
Miller (WA)
Molinari
Moorhead
Murphy
Nussle
Packard
Paxon
Ravenel
Regula
Rhodes
Ridge
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Santorum
Saxton
Schaefer
Schroeder
Sensenbrenner
Shays
Sikorski
Smith (OR)
Solomon
Stokes
Stump
Sundquist
Thomas (CA)
Thomas (WY)
Upton
Vucanovich
Walker
Weber
Weldon
Wolf
Young (AK)
Zeliff
Zimmer

ANSWERED "PRESENT"—1

Taylor (NC)

NOT VOTING—47

Archer
AuCoin
Bateman
Bilbray
Brewster
Brooks
Chandler
Clinger
Coughlin
Dingell
English
Fields
Foglietta
Gaydos
Gray
Hopkins
Hubbard
Hunter
Jefferson
Jenkins
Kaptur
Kostmayer
Leach
Lehman (FL)
Levine (CA)
Lloyd
Machtley
Martin
Matsui
McDade
McEwen
McGrath
Mollohan
Morrison
Mrazek
Nowak
Porter
Pursell
Ramstad
Roukema
Sanders
Serrano
Sharp
Shaw
Smith (TX)
Spence
Stearns

□ 1226

So the Journal was approved.

The result of the vote was announced as above recorded.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Indiana [Mr. VISCLOSKY] come forward and lead the House in the Pledge of Allegiance.

Mr. VISCLOSKY 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.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The Speaker laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, DC.
June 17, 1991.

Hon. THOMAS S. FOLEY,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: I am in receipt of a letter from Mr. John W. Cloonan, Director of Elections stating that the unofficial returns of a special election held on June 4, 1991, for First Congressional District of the Commonwealth of Massachusetts were as follows: John W. Olver, (Democrat), 70,022 votes, Steven D. Pierce, (Republican), 68,052 votes, Patrick J. Armstrong, (Independent), 1,859 votes, Thomas Boynton, (Unenrolled), 250 votes, and Dennis M. Kelly, (Pro-Democracy Reform), 880 votes. These totals did not include a small number of overseas absentee ballots, which Massachusetts law allows to be received and counted until ten days after the election.

With great respect I am,

Sincerely yours,

DONNALD K. ANDERSON,
Clerk, House of Representatives.

SWEARING IN OF THE HONORABLE JOHN W. OLVER OF MASSACHUSETTS, AS A MEMBER OF THE HOUSE

Mr. GEPHARDT. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts, Mr. JOHN W. OLVER, be permitted to take the oath of office today. His certificate of election has not arrived, but there is no contest, and no question has been raised with regard to his election.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The SPEAKER. Will the Member-elect from the First District of Massachusetts, the Honorable JOHN W. OLVER, come forward?

Mr. OLVER appeared at the bar of the House and took the oath of office, as follows:

Do you solemnly swear that you will support and defend the Constitution of the United States against all enemies, foreign and domestic; that you will bear true faith and allegiance to the same; that you take this obligation freely, without any mental reservation or purpose of evasion, and that you will well and faithfully discharge the duties of the office on which you are about to enter. So help you God.

The SPEAKER. Congratulations, you are now a Member of the Congress of the United States.

□ 1230

WELCOME TO THE HONORABLE JOHN OLVER

(Mr. MOAKLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MOAKLEY. Mr. Speaker, I rise to introduce to this Chamber and to this body the newest Member of Congress the Honorable JOHN OLVER of Massachusetts' First District. The towns and cities of Massachusetts' First District—Pittsfield, Amherst, Holyoke, and Northampton—have a rich and noble tradition of sending men of integrity, ability, and knowledge to Washington to represent them in this historic institution we all love. JOHN OLVER is a man in and of that tradition.

A distinguished member of Massachusetts' State Senate representing the Amherst area since 1972, Congressman OLVER has spent the better part of the past 20 years tending to the varied needs of his senate district. He has represented each of them to the best of his ability—which is unlimited—and has become a paramount force in the State legislature on their behalf. He responds to the details of his constituents needs with the same attention, devotion, and commitment that he developed during his academic career at MIT. His rigorous training as a chemist has given him a rather unique framework from which to approach and analyze problems. His career as a professor of chemistry at the University of Massachusetts at Amherst has earned him plaudits from students, faculty, peers, and administration alike. He is the consummate academician, ready and willing to look at difficult scenarios from every conceivable point of view in the hopes that untried solutions could emanate as a consequence.

JOHN OLVER will bring competency, decency, honesty, and brilliance to this delegation and this institution. As was the case with our great friend and former colleague, the late Hon. Silvio O. Conte, the First District of Massachusetts will continue to be represented by a man of character, warmth, and inherent decency. As dean of the Massachusetts delegation, I welcome JOHN to the Congress and I look forward to working with him closely as we address the needs of the Commonwealth of Massachusetts and the Nation as we approach the 21st century.

A WORKHORSE FOR THE CAUSES WE ALL CARE ABOUT

(Mr. OLVER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OLVER. Mr. Speaker, I thank you very much, and now I can say, my fellow colleagues.

Standing before you as a duly sworn Member of the U.S. Congress is the fulfillment of a long-held dream for me. I am truly honored and deeply humbled to be part of this body where so much of the most important business of the country is conducted.

I am also honored that my constituents chose me to follow Silvio Conte. I often said during the campaign that Silvio Conte had very large shoes to fill, and I do not presume to be able to fill those shoes. I merely intend to follow in his footsteps.

This is a particularly gratifying moment for me, because so much of my family is able to be here with me. My wife, whose support has been absolutely unflagging during this past campaign, my mother, my wife's mother, my daughter, our brothers and sister and other members of our extended family are here with me today, and I am very grateful for their presence here. I am also honored by the presence of a good many of my supporters who made the trip from western Massachusetts by car and bus and plane. I really very much appreciate their taking the time to be with me in this very special moment for me.

During my campaign, I made a promise to my supporters that I would be a workhorse for the causes that we all care about, and it is a promise that I intend to keep.

I am eager to work with all of you in this Chamber on improving American education and creating jobs and providing an affordable health-care system for Americans.

So thank you very much. It is a great honor.

BUSH POLICY FAILURES

(Mr. VISCLOSKY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VISCLOSKY. Mr. Speaker, President George Bush has finally turned his attention to working Americans.

He wants the IRS to audit more of them.

President George Bush believes that good policy is having the IRS audit more working families in place of auditing millionaires.

Could somebody please explain this to me?

Mr. Speaker, everybody should pay their fair share of taxes—no one group should pay the tab for another.

If we have determined that random IRS audits are necessary, every taxpayer should be equally considered for an audit.

It is appalling that President George Bush wants to skew the IRS audits.

Besides, we all know who has the cash to tax—and it's not the working family of four trying to send two kids to college.

Once again, the privileged are preferred over working Americans—at the expense of the Federal Treasury.

Mr. Speaker, while John Sununu takes the White House limo to a stamp auction in New York, working Americans take the bus to their IRS audits.

FEDERAL PRISON INDUSTRIES UNFAIR COMPETITION FOR SMALL BUSINESS

(Mr. IRELAND asked and was given permission to address the House for 1

minute and to revise and extend his remarks.)

Mr. IRELAND. Mr. Speaker, I have been concerned for some time about the devastating effect unfair competition can have on America's small businesses. In particular, I have been keeping an eye on the nonprofit Federal Prison Industries and its quasi-governmental arm, Unicor.

Congress granted Unicor a Federal procurement preference several years ago, in order to provide a market for small items produced by prisoners as part of their rehabilitation.

Unicor is using that preference in ways that go far beyond our original intent. And it is putting legitimate small companies out of business and their employees out of work. Some rehabilitation programs, for example, Unicor has used its preference to take away all the Federal contracts of a small glove manufacturer in New York. Countless other small firms have had similar experiences when Unicor entered their markets, as well.

We must act now to stop further abuse of Unicor's Federal procurement preference.

Join me in asking the Judiciary Committee to look into the commercial activities of Unicor and Federal Prison Industries.

My colleagues, it is easy to say that you're for small business. But it's how you vote that really counts.

WHITE HOUSE BUDGET OFFICE KILLED ROBIN HOOD

(Mr. DOWNEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DOWNEY. Mr. Speaker, Robin Hood is dead and the White House Budget Office killed him.

Not only have the rich gotten richer over the last 10 years, but the poor have gotten poorer, and the middle class have gotten nothing. When it comes to tax policy, the Reagan-Bush administration has advocated and seen enacted, lower taxes on the rich and higher taxes on the middle class. Now, to add insult to this equity injury, we learned recently that over the last 10 years, rich taxpayers have been subject to fewer tax audits than middle and lower income individuals.

To make matters worse, the White House Budget Office recently pressed the IRS to concentrate on auditing lower income taxpayers rather than wealthier individuals and businesses.

By systematically slashing the IRS budget request to examine wealthy individuals and businesses, this Republican administration not only wants lower taxes on the rich, they apparently don't even mind if they don't pay the money they do owe—Republican economics—of the rich, for the rich, by the rich.

It is time to get the sheriff of Nottingham out of the White House Budget Office.

ROBIN HOOD IS BACK

(Mr. ROTH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROTH. Well, thank you for that fine applause.

I want you to know Robin Hood is back, and he is going to be back today, and the first amendment up when we come back to the foreign aid bill will be my amendment to cut at least $2 billion out of the foreign aid pipeline.

You know, this bill is for some $25 billion, but GAO has told us that there is a pipeline going back as far as 10 years, $8.8 billion, and all I am asking is we cut about $2 billion out of that pipeline.

The bureaucrats are putting so much money into this pipeline that they cannot spend it fast enough on the other side, at a time that we are cutting back on our own people, on Medicare, agriculture, seniors, education, right down the line. I am asking the Members to stand with me on this and cut back.

It is about time we start taking care of our people and our problems for a change.

A TAX-COLLECTION NIGHTMARE

(Mr. SMITH of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of Florida. Mr. Speaker, I had a terrible nightmare last night. I dreamt that the IRS had come to the Office of Management and Budget and asked them for $75 million or so to better be able to go after taxpayers who had not paid their full and due taxes, and the Office of Management and Budget cut that request to practically nothing but said, "We are not going to give you the money, but we have got a simple way for you to take the money we are giving you and turn it into a real winner. Go after the poor and the middleclass taxpayers on the delinquencies and on the ones that do not pay, because when you send them a letter or you threaten them, they pay right up. The rich folks, they get lawyers. It takes a long time. But if you want to convert this small amount of money we are giving you into big bucks, go after them."

Mr. Speaker, I will tell you, I woke up very, very, very thankful that that was only a nightmare. The only problem was this morning I read in the Wall Street Journal that it was not a nightmare at all. IRS asked for $76 million for delinquent taxpayers and to ferret out people who had not paid their rightful taxes, and they are told that they are only going to get 5 or 6, but they should go after the poor and middle class, because they respond immediately to letters and will pay up.

This is absurd, absolutely absurd. Once again, we are seeing exactly what is going to happen: Do not go after the rich, do not go after the wealthy, go after those that scare easily, the ones that cannot protect themselves, the ones that do not have the capability to pay for lawyers to fight the ogre IRS, the poor and the middle class.

That is what is running the country. That is what is running the White House. That is what is running the administration.

Vote for the amendment today to stop this folly.

THE LUXURY TAX

(Mr. GOSS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GOSS. Mr. Speaker, John Marshall once very wisely said that the power to tax involves the power to destroy, and if recent tax policy is any indication, Congress is well on its way to destroying otherwise productive sectors of our economy.

The American people—through the Constitution—entrusted this body with the power to tax. In return, Congress repeatedly comes up with taxes that not only lose money, but wipe out thousands of jobs and deprive the Treasury of millions of income dollars in the process.

Clearly, we are moving in the wrong direction with tax policies that unfairly single out specific industries. The examples are all around us—from the boat user fee that attempts to cut the deficit on the backs of recreational boaters, to the misnamed and ill-advised luxury tax which has, despite the rhetoric of its proponents, only managed to put thousands of middleclass workers in the unemployment line. Despite the majority's big windup and powerful swing aimed at socking it to the rich, all we managed to do was hit ourselves with a devastating punch to the midsection.

It is time to repeal the luxury taxes or rename them to sock-it-to-the-working-people taxes.

□ 1240

FREE RIDE FOR SOME—MORE TAXES ON MORE

(Mr. ECKART asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ECKART. Mr. Speaker, it seems today there are indeed two Americas: One in recession where work and jobs are tough to find and proud families are scraping to make ends meet. What

does the White House do? They discovered middle-income America, and they sent the tax collectors out after them.

That is right, the White House ordered the IRS audit middle-class tax families instead of the rich. While we discover that half of the rich, who do not even bother to file their returns, never even get a second look from the IRS.

Then there is another America that is out of touch. In this one, the times are so good that the White House Chief of Staff can take a limousine, paid for by the same middle-class taxpayers, and collect something else—rare stamps. A ride on the back of the taxpayer to buy some rare stamps. One of the stamps, we are told, was a 5 cent bearing the picture of Benjamin Franklin on it, old Mr. frugal Franklin. There was old Ben, who observed that "Remember that time is money," and, "A penny saved is a penny earned."

Whose time, Mr. Speaker, and indeed, whose money? Why go after the pennies of the middle class, Mr. Speaker, while the millionaires and White House staffers get a free ride? This is an America that even Mr. Franklin would not recognize.

SOVIET AID TO CUBA MUST END

(Ms. ROS-LEHTINEN asked and was given permission to address the House for 1 minute.)

Ms. ROS-LEHTINEN. Mr. Speaker, not only should the termination of Soviet aid to Cuba be an issue discussed at the superpower summit, but it must be a precondition to any kind of United States assistance to the Soviet Union.

Taxpayers would be shocked if they knew that their hard earned dollars might go to Cuba to help finance neighborhood spies which report on community activities or be used to torture and murder many political prisoners.

If Mr. Gorbachev wishes to continue perestroika and glasnost, as he claims, then he should save his Government anywhere from $4.5 to $7 billion annually by terminating all aid to Cuba. We must not even consider any assistance to the Soviets while they continue to finance the subjugation of millions of Cubans.

Then maybe Cuba can feel the same winds of change which have liberated many other Communist countries. Then, finally, the 31-year nightmare in Cuba will end.

PICK CHERRIES WHERE CHERRIES GROW

(Mr. SKAGGS asked and was given permission to address the House for 1 minute.)

Mr. SKAGGS. Mr. Speaker, this country fought a revolution 200 years ago over the principle of no taxation without representation. The Bush administration evidently wants to turn that on its head and offer the wealthy a policy of representation without taxation. At least that's the way I read its effort earlier this spring to push IRS to audit more middle-income taxpayers and take it easy on those making over $100,000. Can you believe it?

A noted political adviser said it best about 15 years ago: "You go pick cherries where cherries grow." Fortunately, IRS Commissioner Fred Goldberg understands that axiom as it applies to underreported taxes. He told the White House to back off while he concentrated IRS' efforts where they're likely to be most effective—"going after the big guys who aren't paying their fair share."

Today, we'll have a welcome chance to reinforce Commissioner Goldberg's good instincts about tax fairness and sound tax enforcement policy. The tax fairness amendment being offered to the Treasury, Postal Appropriations bill by messrs. GEPHARDT, OBEY, PICKLE, and DORGAN will properly direct IRS to apply its resources where they'll do the most good: Examining the returns of high-income people—the folks who've enjoyed such preferential tax treatment during the eighties and who, historically, have been the ones most susceptible to major audit discrepancies.

In the process, we'll have taken the objective of basic tax fairness—which we tried so hard last year to put back into tax law and policy—and put it to work as well in the administration of our tax system. Now that makes sense.

TRIBUTE TO "HAPPY" CHANDLER

(Mr. BUNNING asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BUNNING. Mr. Speaker, I rise to pay tribute to a great American—a great Kentuckian and a great man—Albert Benjamin Chandler—who we knew as "Happy" Chandler.

Among other things Happy Chandler was twice Governor of Kentucky, a U.S. Senator from Kentucky, and the commissioner of professional baseball, making him one of the best known Kentuckians of our time.

What made Happy Chandler great? His greatness was illustrated best for me by his decision, as baseball commissioner, to break the color barrier and allow Jackie Robinson to play. It was 1947.

Fifteen of the sixteen owners were not thrilled with the idea.

But Happy Chandler did what he thought was right and said, "He would just have to answer to his Maker" for the decision. That is the way he made decisions throughout his life—by doing what he thought was right. And now that he has passed on and is answering to his Maker, I am confident that he is finding that his Maker was indeed very proud of the way Happy Chandler lived his life and made his decisions.

□ 1250

ANOTHER BOXING INJURY

(Mr. RICHARDSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RICHARDSON. Mr. Speaker, boxing enthusiasts witnessed yet another injury in the ring this past weekend—an injury that could have been avoided had tougher safety standards been in place.

Kid Akeem Anifowoshe collapsed just after the referee announced he lost to International Boxing Federation junior bantamweight champion Robert Quiroga. Anifowoshe required surgery to relieve pressure on his brain—he's now in critical condition. Quiroga received a gash over his left eye. Trainers said the two boxers' use of small six-ounce gloves contributed to the injuries.

I am pleased to learn that IBF president Robert Lee has begun an investigation into the title bout to determine if these lighter gloves should be banned.

In my view a major overhaul of professional boxing is needed including the establishment of minimum health and safety standards. Boxing thus far has been unable and unwilling to regulate itself. This lack of self-policing is threatening the sport and endangering the lives of the athletes.

If sport officials will not act to protect boxing, Congress ought to. I am preparing legislation that would require States to comply with minimum health and safety standards and sport participants would be required to abide by strict conflict of interest provisions so that a manager would not also be promoting the fight.

Had my safety standards been in place this past weekend, these two boxers might not have been so seriously injured.

INTRODUCTION OF ABUNDANT WATER ACT

(Mr. DANNEMEYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DANNEMEYER. Mr. Speaker, although the current drought may have precipitated an immediate crisis, California and the Western States face a long-term water allocation problem caused by the absence of secure property rights and a functioning market in water.

Essentially, the United States has employed a Soviet-style centralized bureaucracy to distribute water resources. Bureaucratic hurdles inhibit farmers from selling or leasing their

water to other users. Since water does not have an off-the-farm value to farmers, western farmers use irrigated water extravagantly and do not invest in water-saving technology. Eighty percent of all California farms use primitive flood irrigation techniques.

Creating secure, enforceable, and freely transferable water rights would allow water markets to evolve. Farmers could then employ proven water conservation techniques and sell their surplus to other users. Dr. Glen Hoffman, chairman of the agricultural engineering department at the University of Nebraska, thinks a water market would produce farm water savings to between 20 and 25 percent.

Water markets would produce a number of environmental benefits as well. Nature and sports groups could acquire water rights to maintain instream flow to environmentally sensitive areas. Water markets would reduce soil leaching and salinization problems associated with flood irrigation on agricultural land.

The concept of water markets have been endorsed by a wide variety of experts across the political spectrum including Terry Anderson of the Political Economy Research Center, Dennis Avery of the Hudson Institute, and Thomas Graff of the Environmental Defense Fund.

The time to act is now. I am introducing today the Abundant Water Act to create secure property rights and a functioning market in water. I urge its speedy adoption.

THE SUNUNU TAXPAYER RIDE

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, from the Sununu shuttle to the Sununu taxi, John Sununu will not be denied; but since military jets have brought John so much heat, John simply decided to take his car and his driver to New York to buy postage stamps. That is right, and when asked about it, John said, "Hey, that's no big deal."

And listen to what the White House said. They said that it is OK, because whenever John Sununu is in his car it is like being in his office.

Wow, it is completely evident to me, Mr. Speaker, that even when John Sununu is sleeping, he is sleeping on the job in an assortment of offices all over the country at taxpayers' expense. Think about it.

HEALTH SPAS FOR IRS EMPLOYEES

(Mr. DUNCAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DUNCAN. Mr. Speaker, the arrogance of some within the Federal bureaucracy is amazing. I have said this before, but everyday I find out anew how true this is.

This past Friday it was reported that the IRS had purchased $700 health spa memberships for 125 of its employees. I realize that the IRS is holy and sacrosanct and no one is supposed to criticize them, but this is ridiculous.

The Washington Times in its report on this said these employees could already walk 1,200 yards, or roughly 6 blocks, to a free Government gym, but the IRS was afraid this might have caused their employees to sweat.

Actually, if these employees were working hard, as they would have to in the private sector, they would not have time to exercise on the job anyway.

Barnard Unger with the GAO pointed out that other IRS employees all across this country will want this type of benefit now, too.

Mr. Speaker, I want to commend Congressman SCOTT KLUG of Wisconsin for uncovering this abuse of the taxpayer's money. If Federal employees want private club memberships, they should pay for them themselves. A Government that is over $4 trillion in debt should not be spending money in this way, no matter how elitist and powerful the IRS has become.

BRING THE 438TH MILITARY POLICE UNIT HOME

(Mr. MAZZOLI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MAZZOLI. Mr. Speaker, we are all very proud of the contributions that have been made by the regular military forces in the recently passed gulf crisis, and we have exhibited those feelings of love and affection and we will do so again on July 4. But, we have a very special feeling for the special sacrifices made by the Reserve Forces and by the National Guard.

One of those units is the 438th Military Police Unit, which trains at the Buechel Armory in eastern Louisville. They along with the other Reserves and National Guard left their jobs, left the classrooms, left their families willingly, went to the desert, and did their job.

Mr. Speaker, the estimated time of departure from the gulf has been changed from May for the 438th to September after the July 4 celebrations, and now there is a big question mark when the 438th will return.

Mr. Speaker, it does seem to me that the job in the gulf is now done and the Reserves and the National Guard and the 438th ought to be sent back home to pick up the threads of their life. If there is a military purpose or a security purpose or some geopolitical purpose in keeping our forces in the gulf, let it be done by the regular forces; but Mr. Speaker, we must bring our Reserves and our National Guard back home for those Fourth of July celebrations.

CONGRESS NEEDS TO ACT TO PROTECT THE PATRIOT

(Mrs. BENTLEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BENTLEY. Mr. Speaker, the Patriot missile was critical in the defense of Israel and Saudi Arabia during Operation Desert Storm. Americans cheered every time a Patriot knocked down an Iraqi Scud missile, but the cheering no longer may be for an American missile made on American soil. The next generation Patriot is slated to be built in Germany, or licensed in Japan.

The American people and the 2,000 Raytheon workers stand to be the big losers should this transfer of Patriot technology be carried out. This will mean that the only assembly line of the only ground-to-air missile plant in the United States no longer will be operational.

Why is it that only our friendly allies, Germany and Japan, can produce the American missile? Is this what our treaties and policies have forced us to do? Is this the final outgrowth of the terms of interoperability and interchangeability, that printed on the side of American Patriots will be "Made In Germany" or "Made In Japan"?

I believe this country needs "Made In America" Patriots, and I am preparing a resolution for the Congress to request just that.

I hope my colleagues will join me on this resolution which will outline the steps needed to continue to provide Patriot missiles made in the USA.

PRIORITIES IN THE FOREIGN AID BILL

(Mr. SARPALIUS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SARPALIUS. Mr. Speaker, as we debate the foreign aid bill, we must look at that legislation and see to it that those priorities of where we spend the taxpayers' money overseas is in order. I believe it is not.

There is no question that a country like Israel is deserving of foreign aid, a country that is surrounded by countries who do not even recognize its right to exist, a country that has stood like a rock in the shifting sands in the Middle East. As the Scud missile killed innocent people, they turned to the United States and followed our guidance.

□ 1300

However, Mr. Speaker, are the priorities really in line in this balance? Should we be giving millions of dollars

to countries who never support us in the United Nations, when today, when my colleagues came to work in this Capitol, they saw people sleeping on the streets a block from the Nation's Capital? We see senior citizens being pushed out of nursing homes, we see rural hospitals closing, we see education deteriorating, and we see highways crumbling. Mr. Speaker, I think it is important that, as we debate the foreign aid bill, we see to it that those priorities are indeed in line.

LAY DOWN YOUR GUN AND I'LL GIVE YOU A GLASS OF WATER

(Mr. MCEWEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MCEWEN. Mr. Speaker, if a bank robber entered a bank, and put a pistol to the teller's temple, and said, "Give me your money," and while he or she is attempting to secure the money, he observes that the battered wife and children are behind him, and finally he says, "You know it's awful hot in here, and I haven't had anything to eat for several days, and, while I've got this gun to your temple, why don't you give me a little lunch, and why don't you fix me something to drink," and the family is back there pleading with him, "Don't do this; this fellow is going to collapse under his own weight right here," any bank teller in the world would know what to do in a situation like that: say, "You lay down your gun, son, and I'll get you a glass of water, but until then I'm not cooperating with you."

Only in diplomatic circles would a nation that has 20,000 nuclear warheads aimed at American cities, asking for food and grain, that we would not say first, "Why don't you discontinue targeting American cities, and then we'll think about sending you money and food?"

So, Mr. Speaker, I have an amendment up this afternoon that says very simply that. We do not send aid to the Soviet Union unless they discontinue a $6 billion aid to the Cuban, Fidel Castro, dictator, until they allow freedom for the democracies in Estonia, Latvia, and Lithuania and allow free elections, and, until they discontinue their modernization program of their intercontinental ballistic missiles that have one purpose on Earth, and that is to destroy America. I ask for my colleagues' support.

CONDITIONS FOR LENDING MONEY TO THE SOVIET UNION

(Mr. DORNAN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORNAN of California. Mr. Speaker, I was going to get up this morning and talk about the AIDS conference that is going on in Florence right now telling us that 40 million people will be infected with the HIV virus, and 10 million people will have died by the turn of the century. But I will save those remarks for tomorrow because I want to follow up on what the gentleman from Ohio [Mr. MCEWEN] said a few moments ago and add one name: Raoul Wallenberg.

When the Soviet Union reopens the investigation of this amazing hero, now an honorary American citizen, that honor shared with only one other person in all of our two centuries and 15 years of history, and that is Winston Churchill; when Raoul Wallenberg's fate is identified, then we should consider lending money to the Soviet Union.

Mr. Speaker, most of us do want to help that large transcontinental country come out of the horror of 73 years of Communist rule but we cannot do it as long as their missiles are pointed at us, and not until the mysteries of the gulag camps of Siberia are open to public inspection.

Raoul Wallenberg is known to have been alive from 1947 to 1949 in a Soviet gulag. The minute those secret records were opened up, we found that he was alive 4 years after being taken prisoner in Budapest, Hungary. Then the KGB again slammed the door on the investigation and said, "File closed. There is nothing more to be learned on this case."

When we learn all of what happened to that honorary American citizen then we can consider lending money to the Soviet Union. But not before, and not until the 20,000 missiles targeted at our cities are turned off.

MORE 100-DAY CHALLENGES

(Mr. ANDREWS of New Jersey asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ANDREWS of New Jersey. Mr. Speaker, last week the President of the United States chastised the Members of this body for what we have not done over the last 100 days. Yesterday in my district in New Jersey he heard some things that have happened in the last 100 days.

Mr. Speaker, in the last 100 days 163,000 Americans have lost their jobs. In the last 100 days, for the first time in our history more cars bought in this country remain overseas than in this country, 51 percent. In the last 100 days 1,200 banks failed.

What has not happened in the last 100 days? We have not heard one word from the administration about tax relief for middle-class people. We have not heard one word from this administration in the last 100 days about a program to put people back to work. I do not know if it is going to happen in the next 100 days or the 100 days after that, but it ought to happen, Mr. Speaker.

Mr. Speaker, the leadership of this Congress, the leadership of that administration, should work together to end this recession. If our people are good enough to go over to war, then they are good enough to go back to work, and in the next 100 days let us get down to work in making that happen here.

MOVING TOWARD ELIMINATION OF SANCTIONS ON SOUTH AFRICA

(Mr. DREIER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DREIER of California. Mr. Speaker, I rise simply to extend congratulations to F.W. de Klerk and the Government of South Africa for the bold and decisive action which came to the forefront yesterday. We are witnessing an end to the reprehensible policy of apartheid.

Mr. Speaker, we have watched this struggle over the years. The U.S. Government has imposed sanctions on South Africa, but South Africa clearly has the potential of being a great and trusted and very important ally of the United States, and this step in eliminating apartheid will help us reestablish those ties.

There are a couple of things that do need to take place though as we move toward the elimination of sanctions. First, the release of all political prisoners; and, second, the opportunity for blacks to have the right to vote. I hope very much that we will see success in those areas so that we can renew relations with this very important nation.

THE MOST DANGEROUS CRIMINALS IN AMERICA

(Mr. OWENS of New York asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OWENS of New York. Mr. Speaker, we still need a crime bill which will allow us to more effectively investigate, indict, and convict the most dangerous criminals in America. Criminals in banks and other financial institutions are the most dangerous and damaging criminals in America. We know that the S&L criminals will cost us no less than $500 billion for a bailout.

Now finally even L.W. Seidman, the most notorious, systematic liar in Washington, has finally confessed that the commercial banks will need more than $45 billion this year to just start a new bailout of commercial banks.

The looting of American taxpayers is running rampant and getting worse every day. The insurance companies are coming behind that. The taxpayers will have to bail them out.

Mr. Speaker, these criminals are stealing from Medicare, they are steal-

ing from aid to Medicare, they are stealing from health care. We need a crime bill to stop the looting of the American taxpayers. We need a crime bill to lock up the million-dollar thieves. We need a crime bill to stop the most neglected, but the most dangerous, criminals in America.

TREASURY-POSTAL APPROPRIATION

(Mr. HAYES of Illinois asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HAYES of Illinois. Mr. Speaker, today we take up the Treasury-Postal appropriations bill. I urge my colleagues to support this legislation. It offers full funding for revenue foregone, which is vital to nonprofit organizations, such as the American Federation for the Blind and Boy Scouts of America, rural newspapers and educational materials.

For reasons which defy logic, the President has proposed slashing revenue foregone. Such a proposal flies in the face of his, and his predecessors, avowed goal of promoting volunteerism. It is similar to saying you want to reduce the murder and mayhem of handgun violence while opposing the Brady bill. It is, unfortunately, fully consistent with a philosophy of saying one thing while doing the opposite.

This appropriation also is noticeable by what is missing: language to ensure that Federal employees get an adequate pay raise. Without waking any sleeping dogs that are lying around this city, I wish to congratulate the President and Congress for not engaging in its yearly battle on this subject. Maybe the gulf war, which showcased the loyalty and dedication of Federal employees and their representative organizations, has finally stilled bureaucrat bashing, which had reared its ugly head in recent times.

Finally, I wish to acknowledge the leadership of some of my colleagues who want to spend adequate resources to fight cheating on IRS returns by the rich. It's bad enough that white collar criminals who steal pension funds and sell junk bonds often end up in country club penal facilities, but please, let's not have IRS aid and abet this travesty.

TEN THOUSAND BOAT BUILDERS OUT OF WORK

(Mr. MACHTLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MACHTLEY. Mr. Speaker, I rise today to spend 1 minute on a subject which may have an eternal effect on an industry in my State and, I think, across the country, and that is the luxury tax which this Congress imposed on boat builders in the last session.

Mr. Speaker, we thought we would raise $3 million of additional tax, but in fact we have shot a hole right through the blue-collar workers' pocketbook who are manufacturing these vessels. In my State alone we have lost 1,400 jobs. It is estimated nationally that 10,000 jobs have been lost. We have lost $30 million of additional tax revenue because of these lost jobs.

□ 1310

It is my hope that this Congress will rethink this policy. Instead of hitting the wealthy and raising taxes, we missed, and hit the working person. People who are going to buy these vessels are going overseas. They are going to buy these vessels in foreign countries. We will see an industry, which has made this country competitive, lost forever.

Mr. Speaker, I respectfully request Members to re think this issue, to rethink this tax, and to rethink whether it is important that we have a boating industry in this country.

OUT-OF-STATE GARBAGE DOES NOT BELONG IN UTAH

(Mr. OWENS of Utah asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OWENS of Utah. Mr. Speaker, I am introducing legislation today to address the inequities in the Nation's growing interstate traffic in garbage. Garbage is a universal problem—everybody's got it and nobody wants it.

It would seem obvious that States should be responsible for their own trash. But that does not always happen. Garbage is often sent on long out-of-State journeys, ultimately to be dumped in States where landfill space is more plentiful and disposal fees are cheaper.

In addition to its patent unfairness, the interstate waste trade discourages genuine resource conservation efforts such as waste minimization and recycling. This points up the good that could come of the NIMBY [not-in-my-backyard] reaction. If States lose the option of shipping garbage cheaply to distant disposal sites, they will have stronger incentives to recycle and to reduce their waste streams—end results which the Federal Government should encourage.

My bill would allow individual States to decide for themselves whether out-of-State garbage is economically desirable or environmentally unacceptable. If this legislation is enacted, States would be able to prohibit the disposal or incineration within their borders of out-of-State garbage. States would also be able to charge differential fees based on the origin of waste. Fees would be structured to diminish the economic incentives that often lead to waste exports. This approach parallels similar legislation which I introduced earlier this year specifically to address hazardous wastes.

The fears expressed have, until now, been directed at waste imports from other States. The potential for the waste trade appears limitless—in Utah, economically opportunistic landfill operators are now soliciting trash from Canada. My bill would give States not only the right to prohibit garbage from other States, it also confers the explicit right to prohibit similar waste imports from other countries. This brand of international exploitation, which we associate with Third World countries, must not be allowed to gain a foothold here in the United States.

Recent events in Utah underscore the necessity for these measures. In the face of legal decisions which reach as high as the U.S. Supreme Court, Utah regulators have been forced to conclude that they cannot bar the disposal of out-of-State garbage in our landfills. Unless Congress acts, the people of Utah and numerous other States which share our predicament will have no choice but to live with others' trash.

Defenseless States should not become dumping grounds for those States which have dodged the tough decisions to site their own landfills and incinerators. For the sake of environmental sanity, as well as in the name of fairness, it is time to level the garbage playing field.

TRIBUTE TO PRESIDENT BORIS YELTSIN

(Mr. ROHRABACHER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROHRABACHER. Mr. Speaker, I rise to welcome President Boris Yeltsin, who will be landing at Andrews Air Force Base in less than 2 hours, arriving for the first Russian-American summit in which both heads of state have been freely elected.

Mr. Speaker, now that the Russian people have been able to freely choose their own leadership for the first time in their history, it is time for the Communists in the Kremlin to allow the Russians and the people in the rest of the Soviet empire to do the same thing for the central government. Most people do not understand that Mr. Gorbachev has never been elected by anybody.

Last week, by adopting my amendment, this House of Representatives established a historic policy. We have decided that, whenever feasible, United States aid will not be channeled through the Communist Soviet central government, but through democratically elected republic governments, like the Russian Federation.

Let us give President Yeltsin the recognition that is due the freely elected

leader of a sovereign republic, and let us make sure he knows that we stand with him and the Russian people against the unelected regime of Mikhail, the little clique.

From now on, let us resolve that until the Soviet Communists allow free and fair elections union wide, that no aid, whether it be cash, agricultural credits, technical assistance, or whatever else, will go to the central government.

Mr. Speaker, I ask that we stand together and welcome President Yeltsin to the United States.

LAW ENFORCEMENT RESPONSIBILITIES ACT

(Mr. MORAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MORAN. Mr. Speaker, as this country knows, we are witnessing communities torn apart by the scourges of drug abuse and violent crime. To fight this wave of crime, many law enforcement organizations across the country are moving toward community-based policing and are putting their police officers back on the beat, where they are most effective. In Alexandria, VA, we initiated this type of community-based police program, and saw our crime rate in previously drug-infested neighborhoods decreased by as much as 90 percent.

To achieve these types of results, we must reorganize the structure of our law enforcement organizations. No longer can we rely on a top-down management which depends on paramilitary style orders originating from an unseen management. Cops today must be part social worker and part umpire. They must be given the training necessary to be able to act responsibly and independently.

The Law Enforcement Responsibility Act I introduced last week encourages the development of this new breed of professional, accountable, community-oriented police officer, and encourages law enforcement agencies to seek accreditation. It establishes a standard procedure for citizens filing complaints against a police officer, and it establishes a bill of rights for officers facing grievance procedures.

Mr. Speaker, if we are to win this war on drugs and against crime, then we must ensure that our soldiers on the frontline are given the tools necessary for success.

I urge Members to join me in the effort and cosponsor H.R. 2537, the Law Enforcement Responsibility Act of 1991.

SAVE $2 BILLION TODAY WITH ROTH AMENDMENT

(Mr. STEARNS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STEARNS. Mr. Speaker, the House will vote today on the Roth amendment to cut waste from foreign aid programs.

A new GAO report uncovered nearly $9 billion in foreign aid funds that have been sitting unspent for up to 10 years.

The Roth amendment cuts the pipeline down to 3 years, and provides two important exceptions: for long-term construction and for unforseen project delays.

The bottom line is, the Roth amendment saves $2 billion that GAO says is clearly excess.

Let's prevent this waste—vote for the Roth amendment.

PRESIDENT'S BANKING BILL COULD SUCKER PUNCH TAXPAYERS

(Mr. KENNEDY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KENNEDY. Mr. Speaker, Treasury Secretary Brady is using taxpayer fears to ram a bill through Congress that may actually hurt the taxpayer. He tells us that the only hope of avoiding a taxpayer bailout of the banks is to pass his and the President's banking bill.

What he does not say is that the bill could sucker punch the taxpayer down the road. It would allow corporations to own banks, creating arrogant economic behemoths beyond the reach of taxpayer accountability, and it would allow giant banks to invade small towns and wire local deposits to Wall Street.

Mr. Speaker, Secretary Brady's tactics come straight from the George Bush playbook. It seems these days that the key to any White House strategy is to blame the Congress and exploit taxpayer fears in order to score points for the high and mighty. They did it with the civil rights bill, and now they are doing it with banking. The winners are the rich and powerful, and the losers are everyone else.

Mr. Speaker, no one denies that we have got to squarely face the problems of the banks, and do it now. Ducking them will only make the costs bigger and more costly to taxpayers. Let us face it, the banking system does need reform, but the American people should not be fooled by the latest White House scheme. Reform could well increase, not decrease, taxpayer risk. It is our job to see the truth about the Bush banking bill is flushed out. If the White House will not watch out for the taxpayers, then we should.

FORCE JAPANESE COMPANIES TO PLAY FAIRLY

(Mr. LEVIN of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEVIN of Michigan. Mr. Speaker, there are newspaper reports, a report on a Customs Service investigation, that Honda Motors may be flouting the requirements of the United States-Canada Trade Agreement, the part that relates to 50 percent North American content, to the tune of $20 million.

From these reports, it also appears that Honda may be dumping cars in the United States, and buying just a few cents' or dollars' worth of parts when they build an engine assembly in Ohio.

I want to ask this: How many warning flags must be administration see before they understand there is a storm? The United States auto industry has lost billions in the last quarter, while the Japanese share of the United States market continues to grow.

The administration must not let this opportunity slip. Broaden the investigation. Tell the FTC to start taking their keiretsu investigation seriously, put a stop to Japanese dumping, force the Japanese to open their protected auto markets, and craft a rule of origin for United States-Mexico that ensures the Japanese and others will not skirt United States law.

A recent University of Michigan study predicts the current $10 billion U.S. parts deficit will increase to $22 billion over the next few years.

Mr. Speaker, it is time to reverse this trend, and to force Japanese companies to play fairly.

□ 1320

TAX BURDEN ON MIDDLE CLASS AMERICANS NOT FAIR

(Ms. DELAURO asked and was given permission to address the House for 1 minute and to revise and extend her remarks and include extraneous matter.)

Ms. DELAURO. Mr. Speaker, middle-class Americans have been suffering long enough under the heavy burden of a tax system that asks them to pay more than their fair share.

Now, to add insult to injury, the administration wants the IRS to focus its tax audits on these same hardworking middle-class taxpayers—those who are struggling to pay their heating bills, meet the rising costs of health care and college tuition, and put food on the table.

Something's wrong. Instead of focusing our tax collection efforts on those who have the most to hide, we go after middle-class taxpayers. Instead of looking for major tax fraud, we try to squeeze another $40 from those struggling the most.

It's much easier to send out an audit to Mr. and Mrs. Smith of Main Street than it is to march into the headquarters of a large corporation and ask to see their books. Mr. and Mrs. Smith don't have teams of accountants and

lawyers to protect them. But this policy is not fair to the middle class. It's misguided, and it's not smart.

This is another example of the philosophy that has guided tax policy in this country for too many years. Raise taxes on the middle class, make sure they pay every dime, but turn the other cheek as large corporations and top earners get away with bank-breaking tax fraud, or hire teams of accountants to find loopholes in our tax system.

Mr. Speaker, it's time that the Federal Government stops waging war on middle-income Americans. We are wasting our time and resources. It's time for us to stand up for what is right. It's time for us to say no to the "soak the middle class" policies of the last decade.

Middle-class Americans need tax relief, not tax audits.

BALTIC NATIONS SEEK OBSERVER STATUS AT CSCE

(Mr. HOYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. HOYER. Mr. Speaker, I have just received word of an unfortunate development at the Berlin Foreign Ministers meeting of the Conference on Security and Cooperation on Europe, the CSCE.

As we know, the three Baltic Nations of Estonia, Latvia, and Lithuania are seeking observer status at the Conference on Security and Cooperation in Europe, and representatives of the democratically elected governments of these nations are in Berlin to press their case with the Foreign Ministers of the CSCE States.

However the Soviet Government has brought along it's own representatives of three Baltic, Moscow-platform Communist parties and national salvation committees, who no doubt will be attempting to tell anyone who will listen to them that the official Baltic representatives do not represent the real interests of the Baltic peoples, and that the Baltic peoples do not really want independence from the center, notwithstanding overwhelming approval of referenda to the contrary.

Mr. Speaker, this tactic which has a long history in Soviet strategy must not be allowed to succeed. Backed by bayonets, the Bolsheviks used it after the Revolution, during Stalin's takeover of the Baltics in 1940, and after World War II in Eastern Europe.

It must now work this time. The whole world, including the Soviet people, now knows the truth about the Hitler-Stalin Pact of 1939, and we've seen how Soviet Army and Black Berets have been sent in to repress even through violence, peaceful Baltic demonstrators who want nothing more than to be free.

It is time for President Gorbachev to let the Baltic peoples go.

TREASURY, POSTAL SERVICE AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 1992

Ms. SLAUGHTER of New York. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 176 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 176

Resolved, That during consideration of the bill (H.R. 2622) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1992, and for other purposes, all points of order against the following provisions in the bill for failure to comply with the provisions of clause 2 of rule XXI are hereby waived: beginning on page 8, line 1 through page 10, line 3; beginning on page 11, lines 1 through 10; and beginning on page 27, lines 11 through 16. It shall be in order to consider the amendment printed in the report of the Committee on Rules accompanying this resolution, and all points of order against said amendment for failure to comply with the provisions of clause 2 of rule XXI are hereby waived. Debate on said amendment and all amendments thereto shall not exceed one hour.

The SPEAKER pro tempore (Mr. VISCLOSKY). The gentlewoman from New York [Ms. SLAUGHTER] is recognized for 1 hour.

Ms. SLAUGHTER of New York. Mr. Speaker, I yield the customary 30 minutes of debate time to the gentleman from California [Mr. DREIER], and pending that, I yield myself such time as I may consume.

The SPEAKER. During consideration of this resolution, all time yielded is for the purpose of debate only.

Ms. SLAUGHTER of New York. Mr. Speaker, House Resolution 176 is the rule providing for the consideration of H.R. 2622, making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President and certain independent agencies for the fiscal year 1992.

Since general appropriations bills are privileged, the legislation will be considered under the normal legislative process for consideration of appropriations bills. The time devoted to general debate will be determined by a unanimous-consent request. The bill will be open to amendment under the 5-minute rule. Any amendment which does not violate the rules of the House will be in order.

The rule waives clause 2 of rule XXI, prohibiting unauthorized appropriations or legislative provisions in general appropriations bills, against specified provisions of the bill. These waivers are required because authorization bills have not yet been enacted for the U.S. Customs Service, the U.S. Mint, and the Federal Elections Commission.

In addition, the rule makes it in order to consider the amendment printed in the report accompanying this rule to be offered by Representatives GEPHARDT, OBEY, and DORGAN. Debate on the amendment and all amendments thereto shall not exceed 1 hour. The rule waives all points of order against the amendment for failure to comply with the provisions of clause 2 of rule XXI.

Mr. Speaker, H.R. 2622 authorizes $19.75 billion in fiscal year 1992 for the activities of the Treasury Department, the Executive Office of the United States, and certain independent agencies, as well as payments into the Postal Fund of the United States Postal Service. This rule will allow full and fair debate on the provisions of this important bill. I ask my colleagues to support the rule so that we may proceed with consideration of the merits of this legislation.

Mr. DREIER of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in opposition to House Resolution 176, and will be asking my colleagues to vote down the previous question on this rule so that I might offer an amendment to protect the Roybal-Traficant taxpayers' protection provision contained in section 531 of H.R. 2622.

Mr. Speaker, this rule waives clause 2 of rule XXI against three unauthorized provisions in H.R. 2622, the Treasury, Postal Service appropriations bill for fiscal year 1992. In addition to protecting those provisions, this rule also protects an amendment by the distinguished majority leader, Mr. GEPHARDT, against a point of order since it is a legislative provision in violation of clause 2, rule XXI.

That amendment would direct the IRS to transfer the difference between this year's and last year's funding for the information reporting program to the examination of the tax returns of high-income and high-asset taxpayers.

Mr. Speaker, as a new member this year on the Rules Committee, I must confess that I am still trying to figure out what rules or guidelines the Rules Committee uses to arrive at its procedural decisions.

How does the Rules Committee determine such things as what amendments to make in order and what amendments not to allow; or what legislative provisions in appropriations bills to protect and what provisions not to protect? And I must further confess that after the committee finished its work on this rule, I was just as confused and puzzled as ever as to how the Rules Committee decision process works.

And no matter how much we on the minority side try to use our persuasive powers and superior logic to change their minds, it becomes apparent that they have seen another light and cannot be influenced to deviate 1 inch from the path of that guiding beacon.

Mr. Speaker, in the case of this rule, the Rules Committee specifically rejected two amendments we offered to

the rule—both of which, ironically, were supported by the chairman of the Treasury, Postal Appropriations Subcommittee, Mr. ROYBAL. And both amendments to the rule were designed to protect provisions already in the bill.

One of those provisions was a clause 2, rule XXI waiver for section 531 of the bill which is entitled "Investigation of Internal Revenue Service Alleged Abuse of Taxpayers' Rights." A request for the waiver by Mr. SOLOMON was turned down by a 3 to 5 party-line vote.

This provision was put in the bill by the subcommittee chairman, Mr. ROYBAL, and is nearly identical to a bill which the gentleman from Ohio [Mr. TRAFICANT] has had pending before the Ways and Means Committee for two Congresses now. Both of these gentlemen asked for the necessary waiver. And yet they were turned down after a last-minute letter arrived from the chairman of the Ways and Means Committee objecting to the waiver.

Mr. Speaker, again I am puzzled. We never did have a letter from the chairman of the Ways and Means Committee supporting the waiver for the Gephardt amendment, and yet that received the full blessing and protection of the Rules Committee, even though Mr. GEPHARDT didn't bother to show up in support of his amendment. Instead, he sent a pinch hitter, the gentleman from Wisconsin [Mr. OBEY], who apparently knew the right pitch.

Mr. Speaker, I happen to think that if we are going to make one amendment in order, both deserve to be heard and voted on by this House. The amendment made in order by this rule is couched as an "us versus them" class warfare measure; while the provision in this bill not protected by this rule is couched as a taxpayers' bill of rights to protect all Americans, regardless of income level, from IRS abuse.

I would like to think that the Rules Committee and majority leadership would have a little more sympathy for the taxpayers of every income level who may suffer from abuse or harassment from the IRS. I don't think any of us were sent here to represent just the rich or just the poor constituents.

By the same token, I would hope the Rules Committee would have the same approach to Members of this House rather than just representing selected committee chairmen or majority leadership representatives.

In all fairness, Mr. Speaker, I would like to congratulate Chairman MOAKLEY for his efforts in obtaining a commitment from Chairman ROSTENKOWSKI to hold hearings on the legislation calling for an investigation of alleged IRS abuses.

However, again, if we are going to make one legislative amendment in order relating to the IRS and its enforcement approach, why shouldn't we also protect an even better provision already in the bill. Is the Rules Committee saying by this rule that more efforts should be expended to go after the big guy but that we shouldn't lift a finger to protect the little guy? I hope we haven't come to such an unbalanced view of the world.

That's why I urge my colleagues to vote down the previous question on this rule so that I can offer an amendment to protect the Roybal-Traficant taxpayers' protection provision now in the bill. This is aimed at protecting all Americans—low income, middle income, and high income—against IRS abuse.

STATEMENT OF ADMINISTRATION POLICY

[H.R. 2622—Treasury, Postal Service and General Government Appropriations Bill, FY 1992]

This Statement of Administration Policy expresses the Administration's views on the Treasury, Postal Service and General Government Appropriations Bill, FY 1992, as reported by the Committee.

The Administration strongly supports a bipartisan amendment that is expected to be offered by Representatives Conyers and Horton. This amendment would strike language contained in the Committee-reported bill barring the use of funds appropriated in this act for the implementation of the Chief Financial Officers Act of 1990 (CFOs Act). The CFOs Act addresses long-standing Congressional and Administration concerns about serious financial management deficiencies in the Federal Government.

In passing the CFOs Act (by a voice vote without dissent) the Congress found that "[b]illions of dollars * * * lost each year through fraud, waste, abuse, and mismanagement * * * could be significantly decreased by improved management." As a remedy, the Act (1) strengthens management capacilities; (2) provides for improved accounting systems, financial management, and internal controls to assure reliable information and deterrence of fraud, waste, and abuse; and (3) provides for reliable financial information, useful to Congress and the Executive Branch in financing, managing, and evaluating Federal programs. Implementation of the CFOs Act is essential to good government.

The Administration has serious concerns about a number of funding provisions contained in the bill:

IRS Tax System Modernization. The Administration opposes delaying the obligation of $492 million in funding for Tax System Modernization (TSM) and other projects until September 30, 1992. This is a clear scorekeeping gimmick that would derail key TSM projects and postpone TSM benefits—reduced taxpayer burden, increased revenue, and lower operating costs. The delay would actually result in higher total TSM costs.

Financial Management Service. The Administration strongly opposes Committee action that would require the Social Security Trust Funds to pay directly to FMS the full cost of mailing beneficiary checks. This is a scoring technique that seeks to mask the spending increase that it would enable. It is inconsistent with the Budget Enforcement Act of 1990 and, accordingly, would have to be scored as domestic discretionary spending.

Federal Bureau of Prisons. The Committee would underfund the President's request for the Federal Bureau of Prisons by providing only a $10 million transfer from the Office of National Drug Control Policy (ONDCP) Special Forfeiture Fund rather than the requested $46 million. The National Drug Control Strategy identifies the spending of $46 million on prison construction as one of the Administration's drug control strategy priorities for FY 1992. Currently, 41 states are under court order to release convicted criminals because of either a lack of available prisons space or the need to improve conditions.

Postal Service Revenue Forgone Appropriation. The Administration opposes the Committee's decision to increase the payment of the Postal Service for revenue forgone from the requested $183 million to $649 million. This action would permit current abuses of the postal rate subsidy to continue.

The Administration has no objection to the Gephardt-Obey amendment that may be offered concerning Internal Revenue Service tax law enforcement.

On the basis of OMB's initial scoring, the Administration finds that the bill is within the House 602(b) budget authority allocation but exceeds the outlay allocation by $223 million. In aggregate, the House 602(b) allocations are consistent with the statutory spending limits enacted in the Budget Enforcement Act.

Additional Administration concerns with the bill are discussed in the attachment.

ADDITIONAL CONCERNS—TREASURY, POSTAL SERVICE AND GENERAL GOVERNMENT APPROPRIATIONS BILL, FISCAL YEAR 1992

MAJOR PROVISIONS OPPOSED BY THE ADMINISTRATION

A. Funding Levels

Department of the Treasury

Financial Management Service. The Administration strongly opposes Committee action that would require the Social Security Trust Funds to pay directly to FMS the full cost of mailing beneficiary checks. This is a scoring technique that seeks to mask the spending increase that it would enable. It is inconsistent with the Budget Enforcement Act of 1990, and, accordingly, would have to be scored as domestic discretionary spending. The Administration prefers the current arrangement in which the Social Security Trust Funds pay the General Fund for labor and reconciliation services, because it permits more direct Executive and Congressional oversight of government mail management practices.

Internal Revenue Service—Information Systems. The bill delays obligation of $492 million until September 30, 1992, with at least $432 million of the delay borne by Tax System Modernization (TSM) projects. This action would seriously delay TSM and would postpone procurements that are essential to maintaining current processing systems. Specifically:

The resulting delay in implementing TSM would derail projects and postpone the system's benefits—i.e., reduced taxpayer burden, increased revenue, and lower operating costs. Delays in project schedules would result in higher total TSM costs.

Delays in procurements to maintain and modernize current systems would place those systems at significant risk of failure, with consequent jeopardy to a successful filing season as well as to automated enforcement functions.

Because the delay would affect at least 88 percent of the TSM budget, IRS would likely be forced to furlough some of the almost 1,700 employees engaged in TSM projects.

Delaying the availability of $492 million would not reduce outlays by anything ap-

proaching the $394 million projected by the Committee. The IRS would most likely delay procurement obligations that already have a low outlay rate. Remaining expenditures, primarily salary and benefits, have high outlay rates. Consequently, the outlay rate for the balance of the appropriation not subject to the Committee's proposed delay is estimated to be 90 percent, rather than the 66.5 percent rate associated with the entire account. Thus, FY 1992 outlays would be reduced by only $138 million.

By use of a transfer, the bill increases funds for Tax System Modernization (TSM) from $427 million to $492 million without changing the overall funding level for the Information Systems appropriation. This $65 million transfer to TSM would come at the cost of initiatives to maintain current processing capability. These initiatives are necessary to avoid breakdowns during the filing season.

Tax Law Enforcement. The Committee reduced tax law enforcement by $26 million. This would result in 513 fewer staff years being added to the Collection Program for accounts receivable work, with the consequent loss of about $500 million in collections over five years if the reduction were to be permanent. This reduction would undermine the Administration's efforts to improve IRS accounts receivable, which has been identified as one of the Federal government's High Risk areas.

U.S. Customs Service; Salaries and Expenses. The Committee level for Customs' S&E account incorporates a reduction of $35.3 million below the President's request, partially offset by a $21 million transfer from the ONDCP Special Forfeiture Fund. The potential effects of this reduction include: The elimination of an initiative that is intended to remedy Customs internal controls problems, and the reduction or elimination of a $7 million initiative to provide additional staffing for Customs Commercial Services.

Bureau of Alcohol, Tobacco, and Firearms. The bill directs the ONDCP's Special Forfeiture Fund to transfer $15 million to ATF "for drug-related expenses." The Committee has fully funded the President's request, and additional funding is unnecessary. Furthermore if used to fund staffing increases, the additional funding would have to be incorporated into the funding base to avoid disruptive staffing cuts in future years. This would require correspondingly higher outyear appropriations.

Treasury; Office of Inspector General. The Committee's $5 million reduction would eliminate all Office of Inspector General (OIG) proposed initiatives for FY 1992. The cut would reduce the number of audits and investigations the OIG would perform and preclude the OIG from meeting its three-year review cycle of internal investigations of Treasury law enforcement Bureaus.

Office of National Drug Control Policy (ONDCP). The purpose of the Office of National Drug Control Policy's (ONDCP) Special Forfeiture Fund is to provide resources for priorities identified in the National Drug Control Strategy. For FY 1992, those priorities have been identified as prison construction ($46 million) and drug treatment capacity expansion ($31 million). The Committee has provided the full amount requested for the Special Forfeiture Fund ($77 million) but has identified a different set of priorities. While $31 million is provided for treatment expansion, only $10 million is provided for prison construction. Without the transfer of the additional $36 million, the Federal Bureau of Prisons (BOP) would not be able to expand detention space to address the ever-increasing number of individuals arrested for violating Federal drug control and other laws. The $10 million level for BOP is inconsistent with report language accompanying the Commerce, Justice, State Committee bill. The report notes that the transfer of the entire $46 million is assumed in the mark for the BOP Buildings and facilities account.

Payment to Postal Service Revenue Forgone Fund. The Committee increased the payment for revenue forgone from a request of $183 million to $649 million. This increased funding would allow current abuses of the postal rate subsidy to continue at an increased level.

General Services Administration

Federal Buildings Fund. The President requested $444 million for construction of new headquarters offices of the Department of Transportation (DOT) in Washington, D.C. The Committee would provide only $239 million. This level of funding is inadequate to construct the facilities. While providing inadequate funding for the DOT project, the bill includes funds for a number of new construction projects that are not priority needs at this time. The Administration urges the Committee to delete funding for nine projects not contained in the President's request and to restore the funds for DOT headquarters to enable this project to proceed as scheduled.

Office of Personnel Management (OPM); Office of the Inspector General. The Committee would appropriate $3.1 million in general funds for OPM's Office of the Inspector General, compared to the President's Budget request of $4.1 million. The Committee is urged to provide the level of resources requested in the Budget.

B. Language Provisions

The Administration seriously objects to a number of provisions which purport to condition the President's authority, and the authority of affected Executive branch officials, to use funds otherwise appropriated by this bill on the approval of various committees of the House of Representatives and the Senate. These provisions constitute legislative vetoes of the kind declared unconstitutional by the Supreme Court in *INS* v. *Chadha*, 462 U.S. 919 (1983). If these provisions are not deleted, the U.S. Department of Justice would interpret them as having no force and effect, and make case-by-case determinations to determine whether the grant of authority in question is severable from the unconstitutional condition. See *Alaska Airlines, Inc.* v. *Brock*, 480 U.S. 678, 684–87 (1987).

The affected provisions are:

Title I—p. 14, lines 12–17; p. 15, lines 10–14; and p. 17, lines 7–11.

Title IV—p. 29, lines 8–14; p. 31, lines 20–25; p. 32, lines 7–8; p. 35, lines 11–15; p. 37, lines 3–5; p. 43, lines 8–14; and p. 50, lines 19–20.

Title V—section 501.

Title VI—sections 614 and 618.

Title I of the bill contains several provisions that limit the ability of the Office of Management and Budget to perform certain review functions (e.g., the prohibition on using funds for review of agricultural marketing orders). These provisions raise constitutional concerns because they impair the President's ability to supervise the Executive branch.

Department of the Treasury

Bureau of Alcohol, Tobacco, and Firearms. The Administration objects to the earmarking of funds for activities in support of the Federal Alcohol Administration Act. This would reduce the Bureau's flexibility in carrying out its mission. The bill requires a staffing floor of 4,073 FTEs. Staffing floors reduce needed flexibility; and without the ONDCP transfer mentioned above, to which the Administration objects, reaching this staffing floor in FY 1992 would be impossible.

U.S. Customs Service: Salaries and Expenses. Section 525 of the General Provisions would provide unnecessary protection to the Front Royal Customs port of entry. The language of this section would require Customs to keep this port open even if the benefits of keeping it open would not justify the expense. This language should be deleted.

Section 613 of the General Provisions imposes unnecessary restrictions on Customs ability to plan for or implement any cost-saving consolidation or centralization activities. This kind of micro-management does not promote optimization of services, nor does it facilitate management efficiencies.

Bureau of the Public Debt. Language of the Committee bill would unduly restrict the Executive Branch's ability to manage the Bureau's move to the Parkersburg, West Virginia facility by prohibiting Treasury from separating those employees who will not accept reassignment outside the Washington metropolitan area. The Administration supports the Committee's objective of assisting affected employees through a transition period. However, this can most appropriately be accomplished by deleting the bill language and allowing the Bureau to plan how best to provide the transition services specified in the report accompanying the Committee bill.

National Oceanic and Atmospheric Administration (NOAA). The Administration opposes the Committee's report language directing OMB to transfer review of NOAA programs from the Economics and Government to the Natural Resources, Energy and Science program areas of OMB. The President should have discretion to organize the OMB without Congressional interference. Appropriate scientific and technological review of NOAA is dependent upon the examiners themselves, not the division within which the examiners reside. Separating review of NOAA from the remainder of the Department of Commerce would create serious management complications without any benefit in terms of improved evaluation.

Office of Personnel Management (OPM)

Section 517 would prohibit OPM from closing or consolidating executive seminar centers. The Administration objects to this provision because it would prevent OPM from exercising its managerial discretion in deciding how best to use its training resources.

Section 528 would prohibit the use of funds to reduce the rank or rate of pay of a career appointee in the SES upon reassignment or transfer. The Administration objects to this provision because it would restrict flexibility in managing senior executive personnel effectively and efficiently.

Salaries and Expenses. The bill requires that OPM spend not less than $400,000 for Federal health promotion and disease prevention programs for Federal employees. While this is a worthy program, the mandated funding level is unwarranted. Funding this program beyond the level actually needed could result in funds being diverted from higher-priority functions.

Other

President's Commission on Executive Exchange. Language limiting entertainment expenses of the Commission is no longer necessary. This commission has been abolished, pursuant to Executive Order 12760 (signed May 2, 1991).

Section 619. Section 619 would require any agency to procure any product or service for the FTS2000 project through GSA. This proposed legal requirement is unnecessarily restrictive and could slow down current, continuing agency procurement outside of GSA.

Implementation of the FTS2000 project would certainly be forestalled. Furthermore, the language would give GSA literal control of the FTS2000 project and would restrict any innovative ideas that the agencies have in implementing FTS2000.

Official Residence of the Vice President. As currently drafted, the language for the Official Residence of the Vice President does not reflect the changes proposed in the FY 1992 Budget. Those changes would delete the following four words: "maintenance, repair and alteration," and in their place inserting the word "operation." This editorial change was proposed to reflect the fact that the Navy is resuming its role as landlord for the Residence and the associated grounds, including the responsibility for maintenance and renovation of the structure.

TREASURY, POSTAL SERVICE AND GENERAL GOVERNMENT APPROPRIATIONS BILL, FISCAL YEAR 1992

[In millions of dollars]

Major programs	Fiscal year 1991 enacted		President's request		House Committee		House difference from			
							Enacted		Request	
	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays
DOMESTIC DISCRETIONARY										
Executive Office of the President:										
Office of Management and Budget	48	48	53	53	50	50	2	2	−3	−3
Office of Nat. Drug Control Policy	105	94	69	78	69	78	−36	−16	−0	−0
Other	86	85	87	85	86	83	0	−2	−2	−2
Total, EXOP	239	227	210	216	206	212	−33	−16	−5	−4
Department of the Treasury:										
Financial Management Services [1]	219	231	234	231	229	235	11	4	−4	4
BATF	306	302	317	314	332	327	26	26	15	13
U.S. Customs	1,282	1,264	1,401	1,399	1,375	1,376	93	113	−26	−22
Internal Revenue Service	6,111	5,993	6,733	6,562	6,707	6,400	596	406	−26	−162
U.S. Secret Service	407	406	475	457	475	457	69	52		0
Other	420	429	439	435	432	429	12	−0	−8	−6
Total, Department of the Treasury	8,744	8,626	9,600	9,399	9,550	9,225	806	600	−49	−173
General Services Administration:										
Federal buildings fund	1,870	655	233	626	117	603	−1,752	−52	−116	−23
Other	183	248	192	240	199	239	16	−9	7	−1
Total, GSA	2,053	903	425	866	317	842	−1,736	−61	−109	−24
Legislative Branch	32	32	33	33	33	33	1	1		0
Office of Personnel Management	119	195	123	205	120	203	1	8	−3	−2
Postal Service	473	473	183	183	649	649	177	177	467	467
All other [2]	−11	316	79	344	43	341	54	24	−36	−4
Total domestic discretionary	11,648	10,771	10,653	11,246	10,918	11,505	−730	734	265	259

[1] Includes scoring adjustment for change in sources of FMS funding.
[2] Includes adjustment to be consistent with committee scoring of GSA Federal Buildings Fund.
Note.—Detail may not add to totals due to rounding.

	Budget authority	Outlays
602(b) allocation:		
Domestic discretionary	10,750	11,100
IRS adjustment	172	169
Adjusted 602(b) allocation	10,922	11,269

CBO ESTIMATES COMPARED TO OMB ESTIMATES TREASURY, POSTAL SERVICE AND GENERAL GOVERNMENT APPROPRIATIONS BILL, Fiscal Year 1992

[In millions of dollars]

	House Committee	
	Budget authority	Outlays
CBO Estimate, domestic, discretionary spending [1]	10,922	11,270
Department of the Treasury:		
Working capital fund		−0.500
Office of the Secretary, salaries and expenses		−.946
Office of the Secretary, International affairs		−.074
Office of the Secretary, Office of the Inspector General		−.104
Financial Management Service	−4.400	3.184
Bureau of ATF, salaries and expenses		.015
Bureau of ATF, transfer S&E		.003
U.S. Customs Service, salaries and expenses		.003
U.S. Customs Service, O&M, air interdiction		−32.022
U.S. Customs Service, customs forfeiture fund		.001
U.S. Customs Service, small airports		−.007
U.S. Mint, salaries and expenses		.193
U.S. Mint, expansion and improvements		−.005
Bureau of the Public Debt, Administering the Public Debt		−4.708
IRS, Administration and management		.112
IRS, Processing tax returns and assistance		4.440
IRS, Information system		80.272
U.S. Secret Service, salaries and expenses		−6.294
Total, Department of the Treasury	−4.400	43.533

CBO ESTIMATES COMPARED TO OMB ESTIMATES TREASURY, POSTAL SERVICE AND GENERAL GOVERNMENT APPROPRIATIONS BILL, Fiscal Year 1992—Continued

[In millions of dollars]

	House Committee	
	Budget authority	Outlays
Executive Office of President:		
Office of Administration, salaries and expenses		−3.981
White House Office, salaries and expenses		−.002
Executive Residence at the White House, operating expense		.651
Official Residence of the Vice President, operating expenses		−.039
Special Assistance to the President, salaries and expenses		.007
Office of Policy Development, salaries and expenses		.010
National Critical Materials Council, salaries and expenses		.035
National Security Council, salaries and expenses		.025
Office of Management and Budget, salaries and expenses		−.037
Office of Federal Procurement Policy		.001
Office of National Drug Control Policy, S&E		−4.093
Total, Executive Office of the President		−7.423
Department of Health and Human Service:		
Alcohol, Drug Abuse, and Mental Health		−11.470
Total, Department of Health and Human Service		−11.470
General Services Administration:		
Federal buildings fund		91.059
Information Resources Management Services, operating expenses		2.108
Office of Inspector General		−.235
Allowances and office staff for former Presidents		−.026
Federal supply service		−1.046
Federal Property Resources Activities, operating expenses		−.075

CBO ESTIMATES COMPARED TO OMB ESTIMATES TREASURY, POSTAL SERVICE AND GENERAL GOVERNMENT APPROPRIATIONS BILL, Fiscal Year 1992—Continued

[In millions of dollars]

	House Committee	
	Budget authority	Outlays
Real property relocation		−4.653
General Activities, General management and administration		−5.526
Total, General Services Administration		81.606
Other independent Agencies:		
Administrative Conference of the United States		.014
adivisory Commission on Intergovernmental Relations	0.003	
Advisory Commission on Federal Pay		−.008
Committee for Purchase from the Blind		−.012
Federal Election Commission		−.125
National Archives and Records Administration		−3.365
Office of Government Ethics		.025
Merit Systems Protection Board		−.460
Office of Special Counsel		−.078
Federal Labor Relations Authority		−.166
U.S. Tax Court		−.291
Total, Other Independent Agencies		−3.881
Office of Personnel Management:		
Salaries and expenses		−.101
Office of Inspector General		−.046
Total, Office of Personnel Management		−.147
Adjustment for CBO scoring of supplemental		3.240
Budget resolution adjustment		129.000
Total adjustments	−4.400	234,478
OMB estimate, domestic discretionary spending	10,918	11,505

	Budget authority	Outlays
602(b) allocation:		
Domestic discretionary	10,750	11,100
IRS adjustment	172	169
Adjusted 602(b) allocation	10,922	11,269

[1] Based on CBO bill run dated June 12, 1991. For comparability purposes, the IRS adjustment was removed from CBO scoring of the bill.

Note.—Detail may not add to totals due to rounding.

□ 1330

Mr. Speaker, I reserve the balance of my time.

Ms. SLAUGHTER of New York. Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois [Mr. ROSTENKOWSKI].

Mr. ROSTENKOWSKI. Mr. Speaker, I rise in support of the rule providing for consideration of H.R. 2622, the Treasury-Postal appropriations bill.

I understand the concerns about points of order which have been preserved against certain provisions in the bill but I believe that the Committee on Ways and Means has been responsive to the proponent of the provisions relating to taxpayer rights. In fact, the Subcommittee on Oversight of the Committee on Ways and means has scheduled a hearing on taxpayer rights and has already invited the gentleman to appear at the hearing.

I believe the Oversight Subcommittee of the Committee on Ways and Means is the appropriate forum for considering issues related to IRS treatment of taxpayers. This rule preserves regular order, properly protecting the ability of committees to consider matters within their jurisdiction.

I urge my colleagues to support the rule.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. ROSTENKOWSKI. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, did the gentleman request the waiver for the other IRS provision which is going to be offered in amendment form during the consideration of this bill?

Mr. ROSTENKOWSKI. The gentleman who has objected to the Traficant proposal, it was in the bill, and, therefore, I was aware of the fact that this was objectionable to the Committee on Ways and Means member. I had no idea that the Gephardt amendment was going to be agreed to in the Committee on Rules.

Mr. WALKER. If the gentleman will yield further, is the gentleman willing to support the waiver for the Gephardt amendment in this bill?

Mr. ROSTENKOWSKI. That is a judgment that the House will make.

Mr. WALKER. But that is the issue that the gentleman from California has raised is that we have granted a waiver in this rule so when the gentleman supports the rule it seems to me he is supporting the waiver granted to the Gephardt amendment that also goes to an issue that probably ought to be heard in the Committee on Ways and Means before we vote on it in this form.

Mr. ROSTENKOWSKI. After having had the Gephardt amendment made in order, it is the intention of the chairman of the Committee on Ways and Means to support the rule.

Mr. WALKER. I thank the chairman.

Mr. DREIER of California. Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. SOLOMON], the distinguished ranking member of the Committee on Rules.

Mr. SOLOMON. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in strong support of the effort of the distinguished member of the Committee on Rules, the gentleman from California [Mr. DREIER], to defeat the previous question on this rule so that we can amend the rule to protect the American taxpayers against possible harassment and possible abuse by the IRS.

Mr. Speaker, I am just as puzzled as the gentleman from California was as to why the Committee on Rules would protect an amendment to increase auditing of the rich but would not protect the provision already in the bill which would protect all taxpayers from abuse, rich and poor alike.

You know, when the Declaration of Independence was written some 215 years ago next month, as a matter of fact, one of the repeated injuries and usurpations its author complained about was that the King had, "erected a multitude of new offices and sent hither swarms of officers to harass our people and eat out their substance."

Mr. Speaker, I would not for a moment want to compare our present Government, its bureaucracy, and its many fine civil servants to the administration of King George III. But the fact is there are cases that we frequently hear about, especially if we play the ombudsman role as I do when I go home every single weekend, cases of bureaucratic abuse and harassment of American taxpayers. Unfortunately the IRS seems to be mentioned the most in this regard, probably because it is charged will collecting something very near and dear to our hearts, our hard-earned tax dollars.

Even if you are in the 28-percent tax bracket, and you pay a 15-percent Social Security tax, and in New York State another 7 percent, pretty soon you have more than 50 percent of your income and wages going to one level of government or another.

We have all heard our share of real-life horror stories of constituents hounded, pressured, and pursued, often when they have committed no wrong at all. I understand that the agency has undertaken a really concerted effort to correct and eliminate such practices and such abuses, and for that I think the IRS is to be commended. In fact, section 531, which we are trying to protect by an amendment to this rule right now, recognizes that ongoing effort and calls on the IRS to report back to this Congress in 6 months after enactment on the progress being made in this program to prevent abuses of taxpayers' rights.

In addition, the section would establish a monitoring group in the IRS to evaluate the effectiveness of this program and, finally, it would require the General Accounting Office to also evaluate the effectiveness of the program and report back to this Congress.

Mr. Speaker, I commend the gentleman from Ohio [Mr. TRAFICANT], poised over there, who is the author of the bill on which this section is based.

□ 1340

I especially want to commend the chairman and the ranking Republican on the subcommittee, the gentleman from California [Mr. ROYBAL] on the other side of the aisle and the gentleman from Virginia [Mr. WOLF] on our side of the aisle for including this provision in the bill.

Mr. Speaker, we in this House have a very special responsibility when it comes to tax matters, since we of the House originate tax legislation. We also have a corresponding responsibility to conduct continuing oversight of the agency charged with collecting tax revenues to ensure that the system is both efficient and fair to the American people. To deny this taxpayers' bill of rights, this section in this bill, would be a crime against every taxpayer in this country.

Therefore, Mr. Speaker, let Members give our constituents the protection and fair shake this provision would help ensure. Let Members vote down the previous question that is going to be moved in a minute, and for the Dreier amendment to the rule which will afford that protection. All we want to do is the same thing this rule is doing for the gentleman from Missouri [Mr. GEPHARDT], and that is waive the rule so that we could have this language stay in the bill. I do not think there is one person in this House that would vote against it if it were a bill on the floor right now, not one. But it will be knocked down on a point of order unless we defeat the previous question.

Members, please come on this floor and vote down the previous question.

Mr. DREIER of California. Mr. Speaker, when I joined the Committee on Rules I did not think that I would be fighting on behalf of the rights of Members of the majority party; however, I am happy and proud to yield such time as he may consume to the author of this measure, which was incorporated in the bill, and unfortunately has been knocked out, the gentleman from Ohio [Mr. TRAFICANT].

Mr. TRAFICANT. Mr. Speaker, I appreciate the gentleman yielding. I also appreciate the comments of the gentleman from New York [Mr. SOLOMON], and I appreciate the efforts of the gentleman from Pennsylvania [Mr. WALKER]. I have been here many times voting against your initiatives, and these gentlemen have voted against mine. However, I feel very good today that the minority has a look at the situation that I think the House should be addressing today.

I am a firm believer that all persons should be treated alike, even if it is like dogs, all persons should be treated alike.

Let me give Members a little background, because I am not sure we will prevail in defeating the previous question. Last year I was able to get the committee to accept language that would produce a program within the IRS that would call for a program that the IRS would have to institute to make sure that they go over the taxpayer bill of rights and ensure that every effort is taken, every measure is taken so that the taxpayers are not abused, intimidated, or scared to death.

The Committee on Rules graciously allowed my amendment and protected it from a point of order. The Committee on Ways and Means did not challenge it, and it was passed. It went to conference, and the truth is, the IRS did not want that language, and the IRS in conference was able to get the shakers and bakers behind the scenes and strike it out. What I have done, I have gone back to the committee and I have spent a good year trying to do it the right way, and the committee, regardless of the internal squabbles of staff who really do not want this, the leadership of that committee put it in the bill and asked the Committee on Rules to protect it from a point of order.

Now comes the Committee on Ways and Means, and I do not knock any person for it. I am certainly not going to take off on any other amendments, but let me say this. The Gephardt-Obey amendment is fine with me except for one thing. That chairman and that committee knew nothing about that amendment. It was brought cold turkey before that committee. It was a blatant use of power, and asked the Committee on Rules to protect it from a point of order and they did. Meanwhile, they overlooked someone who has about had it. Now, I do not know what the final outcome will be. I think the gentleman from New York [Mr. SOLOMON] explained my humble language which says that if the IRS said last year they did not need Traficant language in the law because they already have that program, then all my language says is that there be a report, and a monitoring group set in place to ensure that that service is being delivered.

Finally, let the General Accounting Office go in and look at it and report to the Congress and say, "Every measure is being taken to try and protect the American taxpayers from overzealous abuse by some IRS agents." That is good law. That is good language. I appreciate the fact that the minority has tried to give me a helping hand with that. To all of the Members of the leadership who are saying, what are we going to do on this bill, there is not a great chairman in the House and no one on the minority side who I have more respect for than the gentleman from Virginia [Mr. WOLF], the gentleman from New Mexico [Mr. SKEEN], and the Members on the floor here today, but I am going to protect my rights within the rule on the Treasury bill. I am going to protect my rights under the rules on the Treasury bill, and I want section 531 made into law.

I am very honored by the fact that the gentleman has given me this opportunity to speak, first of all, the gentleman from California [Mr. DREIER], and I thank the gentleman very much for his support.

Mr. DREIER of California. Mr. Speaker, I would like to thank my friend for his fine statement and say that we are here to protect the rights of every single Member of this House. Usually we have to simply protect the rights of the minority; clearly in this measure, it was incorporated in the bill. To have it knocked out is very unfair, and for the Congress to have an "us versus them" kind of package come here and be considered by this House, and not allow the gentleman's provision which clearly would ensure that taxpayers at all income levels would have the right to be protected is, I think, a real tragedy.

Mr. SPEAKER. I yield such time as he may consume to the gentleman from New York [Mr. SOLOMON].

Mr. SOLOMON. Mr. Speaker, let me say so that those Members not on the floor right now will understand, that there is going to be a vote on the previous question. If the previous question is voted down, if Members come into this Chamber and vote no, a majority of the Members vote no, it simply means that a waiver will then be allowed to permit the taxpayers' bill of rights to stay in the bill. This is not an amendment that is going to be offered. This is simply to allow the language that is in the bill now to stay there and not be knocked out on a point of order. It is as simple as that.

I certainly expect every Member to come over to the House and have a unanimous vote to let the gentleman's language stay in the bill on behalf of the taxpayers of this Nation.

Mr. DRIER of California. Mr. Speaker, that is a very good point. We are constantly saying let the committee process work. The committee process worked here and the subcommittee under the jurisdiction of the Committee on Appropriations had this measure in here. All we are attempting to do is ensure that it has the right to stay in that measure.

Mr. Speaker, I yield 3 minutes to my friend, the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Speaker, I take a couple of minutes here, hopefully that the gentleman from California would respond to a couple of questions. Some Members who are not in the Committee on Rules, when all of a sudden this amendment from the majority leadership appeared almost miraculously, are a little puzzled by the language.

If I read the language, it is pretty ill-defined as to what is meant there. Can the gentleman tell me, before the Committee on Rules, who are the "rich" that we are now going to have the IRS harass?

Mr. DREIER of California. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from California.

Mr. DREIER of California. Mr. Speaker, that is something that is very perplexing to all Members because this proposal is very vague. We do not know, exactly, what the determination is.

Mr. WALKER. Could it be the upper 25 percent of the population?

Mr. DREIER of California. If the gentleman will yield, it could be almost anything.

Mr. WALKER. The upper 25 percent of the population means nearly anybody making over $25,000 a year is going to be now specifically harassed by the IRS.

Let me ask the gentleman, are Members of Congress included in this provision?

Mr. DREIER of California. Would they fall in the upper 25 percent?

Mr. WALKER. They certainly would, sure; sure they would.

Mr. DREIER of California. If they would fall in the upper 25 percent, I suspect they would be included.

Mr. WALKER. Let me ask the gentleman this, if someone won the lottery in Pennsylvania, was a lucky guy, and he had never made a dime in his life. He went out and won the lottery, would the majority leader's provision have him harassed by the IRS?

Mr. DREIER of California. Certainly in the first year he would fall as a high-income individual, and certainly thereafter if he invested wisely he would be in high assets.

Mr. WALKER. What about if he played a few games in taxes in years past when he made only $3,000 or $4,000 a year, could they go back and harass him for back taxes and all kinds of things, based on the fact that he has just won the lottery?

Mr. DREIER of California. Based on the performance we have seen from the

IRS, I would be surprised if they did not.

Mr. WALKER. None of this is defined in the amendment.

So, it is an open-ended harassment of taxpayers by the IRS that the gentleman from Missouri gave no definition for.

Mr. DREIER of California. The gentleman is correct.

Mr. WALKER. That is right, the gentleman from Missouri did not show up at the committee, did he, the author of the amendment was not there, so we do not know what he meant by the language. The language is so badly defined, the "rich" could be the upper 50 percent of the taxpayers.

Mr. DREIER of California. No guidance whatsoever. The IRS, from what I have seen in the past, runs roughshod over the taxpayer, and I expect this would expand the opportunity more.

Mr. WALKER. We remember the gentleman from Missouri [Mr. GEPHARDT] bringing to the floor in the last session of Congress his so-called luxury tax amendment that was always supposed to go after the rich. It had the unintended consequence of throwing, literally, thousands of blue collar workers out of jobs. I hope that the gentleman has thought through this amendment a little more carefully, and it will not have the unintended consequence of sicking the IRS on about 25 percent of the American working people.

It appears to me as though the language says almost nothing. I am very worried about what we are about to do, and the Committee on Rules granted a waiver.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. HOYER. Mr. Speaker, will the gentleman yield?

Mr. DREIER of California. I yield to my friend, the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. Mr. Speaker, when I hear the gentleman from Pennsylvania [Mr. WALKER], I get confused sometimes. Who is running the IRS? Who is in charge of the IRS? I get confused as to which party it is.

Mr. DREIER of California. If the gentleman will yield, I suspect that there are many people in the gentleman's district who work for and probably run the Internal Revenue Service.

Mr. HOYER. Is the President in charge? Is the President responsible for running this Government?

Mr. DREIER of California. If the gentleman will continue to yield, yes, the President is responsible for those items which fall under the rubric of the executive branch.

Mr. HOYER. Is the IRS not in the executive branch? Is that the contention?

Mr. DREIER of California. I agree with my friend.

Mr. WALKER. Mr. Speaker, if the gentleman will yield, the gentleman from Maryland is raising an interesting point. We are mandating the IRS to do something, something that does not make sense, because it is ill-defined, and we in Congress are telling the IRS to do this whether the IRS thinks it is a good idea or not.

□ 1350

So it does not matter who runs the IRS in an administrative sense. We are putting a mandate on them, and it seems to me it is an open-ended enough of a mandate that the IRS could end up with 25 percent of the American people being harassed because of action we took here in the House. It is stupid.

Mr. DREIER of California. Mr. Speaker, to clarify a number of these items, I yield 3 minutes to the gentleman from Virginia [Mr. WOLF], the very distinguished ranking member of the subcommittee.

Mr. WOLF. Mr. Chairman, I thank the gentleman from California for yielding me this time.

Mr. Chairman, if you are going to allow the Gephardt language to be offered, then you clearly ought to allow the Traficant language, because it is a protection. It reinforces taxpayers' rights.

The second point I want to make, and I do not know what the body will do on the Gephardt language, but Members really ought to ask themselves, is this an echo of ages past when other administrations improperly directed the IRS to go after people?

Now, I had my staff check, and since the amendment loosely defines it, who are the high-income and high-asset people? I think, frankly anyone who owes taxes ought to pay and the IRS ought to treat everyone fairly.

Who are the high-asset people? Publishers of newspapers, athletes. The average salary for a basketball player is $1 million, for baseball players $850,000, for football players $355,000. Michael Jordan of the Chicago Bulls and Patrick Ewing of Georgetown earn over $3 million a year, so clearly this amendment would go after them.

Also you have the situation of baseball pitchers Roger Clemens of the Boston Red Sox, who makes $5 million per season, and Los Angeles Dodgers outfielder Darryl Strawberry recently signed a 5-year $20.25 million pact.

Also you have high-income labor leaders, movie stars; you have the situation of Barbra Streisand, Robert Redford.

If you want to go after any one group, and I think everyone ought to pay their fair taxes, I think what the gentleman from Ohio [Mr. TRAFICANT] is trying to do is protect the taxpayer at every level, and I think it is a fair and appropriate thing to do. It does give some balance to the process.

Ms. SLAUGHTER of New York. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. MOAKLEY], the chairman of the Rules Committee.

Mr. MOAKLEY. Mr. Speaker, I was upstairs conducting a hearing and that is why I was not here when the matter of the Traficant amendment came up.

The question is, why was not the Traficant language in the bill not made in order? The Traficant language which is included in the bill is subject to a point of order because it violates clause 2 of rule XXI, which does not allow legislative authorizing provisions in an appropriations bill.

Now, Mr. Speaker, it has been a longstanding tradition for the Rules Committee to defer to the committee of jurisdiction when there is a problem with the provisions in a particular piece of legislation that is not within the jurisdiction of the committee making the request before the Rules Committee. The Rules Committee encourages the authorizing and appropriating committees to work very closely in the areas of common interest in making the request of the Rules Committee.

In this particular instance, Mr. Speaker, the chairman of the Ways and Means Committee expressed his opposition to waiving points of order against the section of the bill because it is an issue that is directly within the jurisdiction of the Committee on Ways and Means. Nearly identical legislation introduced by the gentleman from Ohio [Mr. TRAFICANT] is currently pending in the Ways and Means Committee.

Chairman ROSTENKOWSKI, after I adjourned the committee, I called the chairman on the phone and asked if he had any plans to hear the Traficant bill. He assured me that the bill will be heard in July and he guaranteed that the gentleman from Ohio [Mr. TRAFICANT] would be invited there to testify.

So I feel that would take care of the gentleman from Ohio [Mr. TRAFICANT].

I think in all fairness that the language in the Traficant bill is not bad language, but the problem is that if we are going to take requests that trot all over committee jurisdiction, the committee would be in shambles around here.

I know that we have very difficult times on these turf decisions, but in fairness to the gentleman from Ohio [Mr. TRAFICANT], I adjourned the committee, called the chairman of the Committee on Ways and Means and said that there are many Members who like the language that the gentleman from Ohio [Mr. TRAFICANT] is talking about. He assured me that the pending legislation before his committee will be heard in July and the gentleman from Ohio [Mr. TRAFICANT] will be heard, and I felt that was fair enough.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. MOAKLEY. I am glad to yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Speaker, how does that all fit with the Gephardt amend-

ment, now that the waiver has been granted?

Mr. MOAKLEY. The chairman had no objection to the Gephardt provision.

Mr. WALKER. The chairman said on the floor just a few minutes ago that he did not know anything about Gephardt.

Mr. MOAKLEY. Well, as the gentleman well knows, I say to the gentleman from Pennsylvania [Mr. WALKER] that whenever any chairman has any objection to any part of any rule, we either get a call or we get a letter from him. We got a letter against the Traficant language. We got no language against Gephardt, and when we checked we found there was no objection.

Mr. WALKER. Well, Mr. Speaker, if the gentleman will yield further, the point is that the gentleman from Illinois told me just a few minutes ago on the floor that he knew nothing about the Gephardt amendment, and yet the committee seems to have gone ahead and taken action without checking with the gentleman from Illinois on that item within his jurisdiction.

Mr. MOAKLEY. Well, the actuality is that the call I made to Chairman ROSTENKOWSKI was a long distance call. He was not in town that day. We did check with his committee and the committee said there was no objection to the Gephardt language.

Mr. WALKER. So the staff made the decision for the House on this?

Mr. MOAKLEY. Well, I do not say the staff. We have to believe that the chief staffer represents the chairman's position. If he cannot be physically before us, we have to rely on somebody. We rely on the chief staff person.

Mr. WALKER. Mr. Speaker, I thank the gentleman.

Ms. SLAUGHTER of New York. Mr. Speaker, let me make one point; the administration has no objection to the Gephardt-Obey-Dorgan amendment.

Mr. Speaker, I yield 4 minutes to the gentleman from Missouri [Mr. GEPHARDT], the majority leader.

Mr. GEPHARDT. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I think this is an amendment that most Members would want to be for, because the General Accounting Office has found that the Internal Revenue Service in the past has had a policy of only auditing, primarily focusing their audits on middle-income and lower-income taxpayers.

When this policy was brought forward and brought to the public's attention through the GAO report, the IRS testified before the Congress through Commissioner Goldberg that they wanted to change that policy and were going to audit higher income taxpayers as well as middle-income taxpayers.

The reason I bring the amendment is that there were expressions from other Members of the executive branch, including the Office of Management and Budget, saying that they did not want the policy of the IRS to change, that they wanted to concentrate the audits on middle-income taxpayers because the idea was that is where most of the money comes from.

I think all of us want the same thing. We want to make sure that the GAO report is carried out. We want to make sure that the IRS carries through on its own expressed desire. We want to make sure there is no backsliding on this issue, that we stay with the program as announced, and we want to make sure that any additional funds, which is precisely what the amendment says on the information reporting program, are not used in ways that will be contrary to that GAO report.

There has been some debate here about the so-called taxpayer rights' legislation, which I support and I think most of our Members also support. I would hope that the Ways and Means Committee will bring those recommendations forward at the earliest possible moment, that we will debate them both in the committee and on the floor.

□ 1400

I think we need to address those issues. I will certainly work with any Member who wants to try to get those provisions into the law. We certainly need them, have needed them, and will need them in the future, and we ought to make sure that they are in the law as quickly as possible.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. GEPHARDT. I yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding.

Mr. Speaker, there is a little bit of confusion about the gentleman's amendment, at least on my part, because the language is so imprecise. Who do we mean when we say high-income or high-asset taxpayers? Whom does the gentleman intend to cover by that?

Mr. GEPHARDT. The GAO said people $100,000 of income and above.

Mr. WALKER. So for the purposes of legislative history, the gentleman means people of income of $100,000 of income and above.

Mr. GEPHARDT. I would be happy with that, but I really believe that you would want to leave this to the IRS to make that determination. They seem comfortable and the GAO seems comfortable with that definition, and I am confortable with that definition. But it may be they want to go a little higher or a little lower than that.

Mr. WALKER. Mr. Speaker, that leaves us pretty imprecise. The gentleman has said it may be $100,000 but they might go higher and they might go lower. I mean how much lower is a little lower? Can they go down to $30,000, as an example? What is the real nature of this amendment?

I am not certain if we are clear, even after the author of the amendment has brought it before us, that this may not be used as a technique for harassing a broad base of taxpayers in this country. And I would hope—I would be glad to yield to the gentleman.

Mr. GEPHARDT. Please understand no one is trying to encourage the harassment of anybody. What we are trying to do is to see that the audit procedure of the IRS is done on some fair basis. The understanding of the GAO report was that people, by their definition, of higher income levels were simply not being audited, that the policy of the IRS was to only audit people below that amount.

Mr. WALKER. I thank the gentleman for his point. Some of us today are a little suspicious of GAO reports too, because we found that they tend to be loaded for political purposes. But that is another issue for another time.

Mr. GEPHARDT. If the gentleman will yield, the IRS accepted the GAO report, admitted that that is what they were doing, and said they wanted to adopt a new policy. I simply want to make sure that that policy is adopted.

Mr. WALKER. What the gentleman is doing then is suggesting that IRS is not going to do that and so he comes with an amendment that essentially mandates a certain procedure upon them. This gentleman simply has concerns because the gentleman well knows we mandated the luxury tax here a couple of months or several months ago in an effort to try to go after the rich, and found out that what it did was hit blue-collar workers all over the country. I would suggest we do not want to make that same kind of mistake again.

Mr. GEPHARDT. I know you voted for that luxury tax, and I think it was the right policy, and perhaps the recession——

Mr. WALKER. This gentleman did not vote for it. I am sorry the gentleman did.

Mr. GEPHARDT. If the gentleman will yield, we may give you another chance to vote for that luxury tax.

Mr. DREIER of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to comment on the information that the gentleman from Missouri provided. It concerns me greatly to hear this $100,000 level. I wonder, does this mean a couple who earns $100,000, lives in New York City, has four children in college, meeting those expenses there is categorized with a single person who earns $100,000 lives in Iowa?

I would like to say, in all fairness to Chairman MOAKLEY, as I said in my opening statement, he clearly has bent over backwards in an attempt to accommodate, and he did leave the room

to make this call to try to bring about some kind of agreement with Chairman ROSTENKOWSKI. I congratulate him for that. I simply think we need to do everything we can to ensure that the rights of another member of the majority are protected here, Mr. TRAFICANT. That is the reason I am going to urge a "no" vote on the previous question.

Mr. Speaker, I reserve the balance of my time.

Ms. SLAUGHTER of New York. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I simply want to reiterate that the administration understands and support the Gephardt amendment, and has no objection to it in any case.

Mr. Speaker, I yield 3 minutes to the gentleman from Wisconsin [Mr. OBEY].

Mr. OBEY. I thank the gentlewoman for the time.

Mr. Speaker, I simply take this time to say that I am somewhat amused by the perplexed attitude on the part of the two previous speakers. They suggest that they do not know if they believe the GAO. I wonder if they would believe the Wall Street Journal's account of what happened.

The Gephardt amendment is very simple. In contrast to what the White House OMB instructions are, which said to the IRS, "Whatever additional funds you get, audit middle-class people," this language simply says, "Forget those instructions, and no matter what future pressure you might get, make sure that whatever additional funds the IRS gets will be used to audit high-income taxpayers."

I think the question is clear. The question is simply whose side are you on? I think what we are saying is, "For a change let us be on the side of middle-class taxpayers."

Mr. DREIER of California. Mr. Speaker, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from California.

Mr. DREIER of California. I thank the gentleman for yielding.

Mr. Speaker, I think it is very clear what we are trying to say, we believe that the measure which has been offered by the gentleman from Ohio [Mr. TRAFICANT] clearly addresses the concern of taxpayers at all levels. He has had this provision pending before the past two Congresses, and it seems to me that this is an opportunity to bring it forward as this committee proceeds.

Mr. OBEY. Reclaiming my time, I am not referring to the gentleman from Ohio [Mr. TRAFICANT]. I am referring to the comments made by the gentleman from Pennsylvania [Mr. WALKER] who indicated that he was confused about what high-income taxpayers were going to be and the other speaker who indicated that he did not know whether this was going to apply to somebody who made $100,000 in New York or in the Midwest.

My attitude would simply be that, any time, it is better to have IRS focus on people who are making $100,000 a year or more and corporations, rather than going after people making $30,000 a year. That is the spirit of the amendment.

Mr. HOYER. Mr. Speaker, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from Maryland.

Mr. HOYER. I thank the gentleman for yielding.

Mr. Speaker, consistent with what the gentleman from Wisconsin just said, let me quote, in response to a question that I put to him, the Commissioner Goldberg, an appointee of the administration, President Bush's executive department: "In 1981 we examined about 7 percent of the taxpayers who had more than $100,000 in Schedule C. This year we will audit 3 percent," 10 years later. In other words, what has happened with the wealthiest Americans, talking about harassment, 3 percent is certainly not harassment of auditing if they are paying their fair share. While the focus, as the gentleman from Wisconsin has said, at White House direction has been on middle-income taxpayers, we have cut more than 100 percent, cut in half, the audits on the richest Americans.

Mr. DREIER of California. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. I thank the gentleman for yielding.

Mr. Speaker, we just got treated to a totally phony number that comes out of the administration, and it is still a phony number. That is that you have literally thousands more taxpayers making over $100,000 a year in 1991 than you did in 1981. So 3 percent of that number is probably a lot more taxpayers than you had in 1981; comparing the percentage of people making over $100,000 ignores the fact that $100,000 is being made by a lot more people than it was 10 years ago.

So I mean what a phony figure to throw forward to support language that is ill-defined to begin with.

I would hope that we are going to examine this a lot more closely and maybe have a hearing on it before we go ahead with that kind of nonsense.

Mr. DREIER of California. Mr. Speaker, how much time is remaining?

The SPEAKER pro tempore (Mr. VISCLOSKY). The gentleman from California [Mr. DREIER] has 5 minutes remaining, and the gentlewoman from New York [Ms. SLAUGHTER] has 15 minutes remaining.

Mr. DREIER of California. Mr. Speaker, I reserve the balance of my time.

Ms. SLAUGHTER of New York. Mr. Speaker, I have no further requests for time, and if the gentleman from California has more, I would like for him to take it on his time.

Mr. DREIER of California. Mr. Speaker, I yield myself such time as I may consume. I do so to simply explain that this entire debate that we have been having centering around the Gephardt proposal really is not the issue here in our call to vote down the previous question. I argued that if we are going to make one legislative amendment in order relating to the Internal Revenue Service and its enforcement approach, it seems to me we should simply protect a measure which is already in the bill. That is all we are trying to say here.

We want to protect a measure that the gentleman from Ohio, Mr. TRAFICANT, has included with Chairman ROYBAL and Mr. WOLF, the ranking member, and we see that as a measure which protects taxpayers at all levels.

All I plan to do, when we defeat the previous question here, is to offer that as an amendment so that we can assure that the measure is protected.

So I urge my colleagues to vote down the previous question so that we can move ahead with this amendment and maintain this provision which was kept in the bill.

Mr. MCEWEN. Mr. Speaker, will the gentleman yield?

Mr. DREIER of California. I yield to the gentleman from Ohio.

Mr. MCEWEN. I thank the gentleman for yielding.

Mr. Speaker, in order to better understand the clarification of the vote here: A "no" vote is an expression of support for the taxpayers bill of rights. The taxpayers bill of rights will not be on the floor unless we vote "no" here. A "yes" vote is a vote to deny the taxpayers bill of rights being presented to the House.

Mr. DREIER of California. The gentleman is absolutely right, and I hope my colleagues will recognize that when we cast the vote on the previous question.

□ 1410

Mr. Speaker, I reserve the balance of my time.

Ms. SLAUGHTER of New York. Mr. Speaker, for purposes of debate only, I yield 1½ minutes to the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. Mr. Speaker, I thank the gentlewoman from New York [Ms. SLAUGHTER] for yielding.

In response to the comment of my friend from Pennsylvania, let me quote him another figure: Audits. Numbers of audits that have been conducted have gone down 22 percent. Actual numbers, not percentages, all those people the gentleman talks about. Actual audits are down, and we are conducting only 80 percent of the audits, and I am sure the gentleman likes that, perhaps. But Cal Tech says, a study by Cal Tech, not GAO, said that that may be costing us as much as $45 billion for people who owe taxes who are not paying them.

Now let me tell my colleagues who gets it in the neck. Not the wealthiest who have the accountants, not the wealthiest who have tax shelters, not the wealthiest Americans who can avoid taxation. The average middle American has got to pick up that bill for $45 billion, or, as has been happening, we have borrowed the money to fund Government, and it is the average grandchild, an average child who is having put on his back incredible debt because so many very wealthy people are not paying their fair share. That is what the amendment of the gentleman from Missouri [Mr. GEPHARDT] is about.

Now I am a member of the committee and supported the inclusion of the amendment of the gentleman from Ohio [Mr. TRAFICANT], so we understand I am not talking about apples, nor oranges.

Mr. DREIER of California. Mr. Speaker, will the gentleman yield?

Mr. HOYER. Mr. Speaker, I yield to the gentleman from California unlike my friend who did not yield to me.

Mr. DREIER of California. Mr. Speaker, we were just running out of time on our side, and, Mr. Speaker, I yield 1 minute to the gentleman from Maryland [Mr. HOYER], my friend.

Mr. HOYER. Mr. Speaker, I appreciate that and yield to the gentleman from California.

Mr. DREIER of California. Mr. Speaker, I thank the gentleman from Maryland [Mr. HOYER] for yielding.

If the gentleman is a proponent of the amendment of the gentleman from Ohio [Mr. TRAFICANT], then he clearly would be one of those who would join in defeating the previous question on the measure so we can incorporate that into the bill.

Mr. HOYER. Mr. Speaker, is that a question or rhetorical observation?

Mr. DREIER of California. Mr. Speaker, if the gentleman would like to respond to either, he is certainly welcome.

Mr. HOYER. Mr. Speaker, I would be glad to respond.

I am going to support the rule, as I am sure the gentleman was convinced clearly here, so the American public understands. What we have is a jurisdictional problem. We all know that. The Committee on Ways and Means has jurisdiction over this particular issue. They do not like the Committee on Appropriations transgressing on their jurisdiction. They are not unlike almost every other committee, whether it is the Committee on Appropriations, the Committee on Ways and Means or other authorizing committees.

Mr. DREIER of California. Mr. Speaker, if the gentleman will yield on that point, it seems to me the jurisdiction for the amendment of the gentleman from Missouri [Mr. GEPHARDT] would also be a question here as it relates to this bill.

Mr. HOYER. I think the gentleman from California [Mr. DREIER] is correct and, had the chairman objected, I think the amendment of the gentleman from Missouri [Mr. GEPHARDT] would not be around. But the chairman did not.

Now we can question that judgment, but it is a jurisdictional question.

Let me say——

Mr. DREIER of California [continuing]. Based on what he said here on the floor——

The SPEAKER pro tempore (Mr. VISCLOSKY). The time of the gentleman from Maryland [Mr. HOYER] has expired.

Ms. SLAUGHTER of New York. Mr. Speaker, I yield to the gentleman from Maryland an additional minute.

Mr. HOYER. Mr. Speaker, let me say to the gentleman from California [Mr. DREIER] and all the Members that I do not think there is a Member in this House that does not want to see hopefully a fair tax process. As a member of the committee, the efforts of the gentleman from Ohio [Mr. TRAFICANT] I have supported. We did some last year. I want my colleagues to know that I intend to continue to support this. I think Mr. Goldberg, I am convinced, who I think is doing a good job by the way; I want to make it clear from a partisan standpoint. I think Commissioner Goldberg is doing an outstanding job. We have less complaints about IRS this year than we had 2 years ago, but the fact of the matter is it is not in order. We are going to deal with that, but that is not to say we are going to forget about the amendment of the gentleman from Ohio [Mr. TRAFICANT]. We are going to push for Commissioner Goldberg to perform on it. I think he is going to do it. It is good policy.

Mr. DREIER of California. Mr. Speaker, I yield 2½ minutes to the gentleman from Illinois [Mr. HYDE].

Mr. HYDE. Mr. Speaker, with reference to the amendment of the gentleman from Missouri [Mr. GEPHARDT] I hasten to say that this is no ordinary amendment. The distinguished majority leader is not one to pass up an opportunity to bash the bloated bondholders, the economic royalists, or what that great icon of the Democratic Party, F.D.R., used to call them—from his estate in Hyde Park—malefactors of great wealth.

Now some, more cynical than myself, might assume this amendment classifies wealthy people by definition as more dishonest than the rest of us, and those unacquainted with the niceties of political nuance might conclude an estrangement exists between the party of the people and the rich and famous, but that would be totally wrong. The Democrats now hold their conclaves with the landed gentry in Middleburg, VA, the hunt country. Greenbrier no longer measures up, and, far from being alienated from the well-to-do, they flutter to Hollywood like moths around a flame to cluster around Barbra Streisand's pool at $5,000-a-plate dinners and where they have the rare opportunity to clear their foreign policy with Whoopi Goldberg.

Now some large Democratic donors might view the gentleman's amendment as rank ingratitude. I prefer to assign this amendment as just another volley in the perpetual class struggle, sort of a shot across the bow of those luxury yachts they have targeted for extinction. But if the authors want to bite the hand that feeds their party so sumptuously, I say, "More power to them."

Mr. DREIER of California. Mr. Speaker, I yield myself the balance of our time.

Mr. Speaker, let me just say with the closing minute that the gentleman from Illinois [Mr. HYDE] raises some very fascinating points, but that really is not the issue we are considering right now. We are considering whether or not we will incorporate the amendment of the gentleman from Ohio [Mr. TRAFICANT] here, or allow it to remain in the bill itself. So that we can do that, I urge a no vote on the previous question.

Mr. Speaker, I yield back the balance of my time.

Ms. SLAUGHTER of New York. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Ms. SLAUGHTER of New York. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 252, nays 162, not voting 18, as follows:

[Roll No. 157]

YEAS—252

Abercrombie	Browder	Darden
Ackerman	Brown	de la Garza
Alexander	Bruce	DeFazio
Anderson	Bryant	DeLauro
Andrews (ME)	Bustamante	Dellums
Andrews (NJ)	Byron	Derrick
Andrews (TX)	Campbell (CO)	Dicks
Annunzio	Cardin	Dingell
Anthony	Carper	Dixon
Aspin	Carr	Donnelly
Atkins	Clay	Dooley
Bacchus	Clement	Dorgan (ND)
Beilenson	Coleman (TX)	Downey
Bennett	Collins (IL)	Durbin
Berman	Collins (MI)	Dwyer
Bevill	Condit	Dymally
Bonior	Conyers	Early
Borski	Cooper	Eckart
Boucher	Costello	Edwards (CA)
Boxer	Cox (IL)	Edwards (TX)
Brewster	Coyne	Engel
Brooks	Cramer	English

Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Frost
Gaydos
Gejdenson
Gephardt
Geren
Gibbons
Glickman
Gonzalez
Gordon
Gray
Guarini
Hall (OH)
Hall (TX)
Hamilton
Harris
Hatcher
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hoagland
Hochbrueckner
Horn
Hoyer
Huckaby
Hughes
Hutto
Jefferson
Jenkins
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kopetski
Kostmayer
LaFalce
Lancaster
Lantos
LaRocco
Laughlin
Lehman (CA)
Lehman (FL)
Levin (MI)
Lewis (GA)
Lipinski
Long
Lowey (NY)
Luken
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDermott
McHugh
McMillen (MD)
McNulty
Mfume
Miller (CA)
Mineta
Mink
Moakley
Montgomery
Moody
Moran
Murphy
Murtha
Nagle
Natcher
Neal (MA)
Neal (NC)
Nowak
Oakar
Oberstar
Obey
Olin
Olver
Ortiz
Orton
Owens (NY)
Owens (UT)
Pallone
Panetta
Parker
Patterson
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Pickett
Pickle
Poshard
Price
Rahall
Rangel
Reed
Richardson
Roe
Roemer
Rose
Rostenkowski
Rowland
Roybal
Russo
Sabo
Sanders
Sangmeister
Sarpalius
Savage
Sawyer
Scheuer
Schroeder
Schumer
Sharp
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Solarz
Spratt
Staggers
Stallings
Stark
Stenholm
Stokes
Studds
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Taylor (MS)
Thomas (GA)
Thornton
Torres
Torricelli
Towns
Traxler
Unsoeld
Valentine
Vento
Visclosky
Volkmer
Washington
Waters
Waxman
Weiss
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron

NAYS—162

Allard
Applegate
Archer
Armey
Baker
Ballenger
Barnard
Barrett
Barton
Bateman
Bentley
Bereuter
Bilirakis
Bliley
Boehlert
Boehner
Broomfield
Bunning
Burton
Callahan
Camp
Campbell (CA)
Coble
Coleman (MO)
Combest
Coughlin
Cox (CA)
Crane
Cunningham
Dannemeyer
Davis
DeLay
Dickinson
Doolittle
Dornan (CA)
Dreier
Duncan
Edwards (OK)
Emerson
Fawell
Fields
Fish
Franks (CT)
Gallegly
Gallo
Gekas
Gilchrest
Gillmor
Gilman
Gingrich
Goodling
Goss
Gradison
Grandy
Green
Gunderson
Hammerschmidt
Hancock
Hansen
Hastert
Hefley
Henry
Herger
Hobson
Holloway
Horton
Houghton
Hunter
Hyde
Inhofe
Ireland
Jacobs
James
Johnson (CT)
Kasich
Klug
Kolbe
Kyl
Lagomarsino
Leach
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lowery (CA)
Machtley
Marlenee
Martin
McCandless
McCollum
McCrery
McEwen
McGrath
McMillan (NC)
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Moorhead
Morella
Morrison
Myers
Nichols
Nussle
Oxley
Packard
Paxon
Petri
Porter
Pursell
Quillen
Ramstad
Ravenel
Ray
Regula
Rhodes
Ridge
Riggs
Rinaldo
Ritter
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Santorum
Saxton
Schaefer
Schiff
Schulze
Sensenbrenner
Shaw
Shays
Shuster
Skeen
Slaughter (VA)
Smith (NJ)
Smith (OR)
Snowe
Solomon
Stearns
Stump
Sundquist
Taylor (NC)
Thomas (CA)
Thomas (WY)
Traficant
Upton
Vander Jagt
Vucanovich
Walker
Walsh
Weber
Weldon
Wolf
Wylie
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—18

AuCoin
Bilbray
Chandler
Chapman
Clinger
Hopkins
Hubbard
Johnson (TX)
Levine (CA)
Lloyd
Martinez
McDade
Mollohan
Mrazek
Roukema
Serrano
Smith (TX)
Spence

□ 1440

Mr. SMITH of Iowa changed his vote from "nay" to "yea."

So the previous question was ordered.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. VISCLOSKY). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. DREIER of California. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 253, nays 163, not voting 16, as follows:

[Roll No. 158]

YEAS—253

Abercrombie
Ackerman
Alexander
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Aspin
Atkins
Bacchus
Barnard
Beilenson
Bennett
Berman
Bevill
Bonior
Borski
Boucher
Boxer
Brewster
Brooks
Browder
Brown
Bruce
Bryant
Bustamante
Byron
Campbell (CO)
Cardin
Carper
Carr
Chapman
Clay
Clement
Coleman (TX)
Collins (IL)
Collins (MI)
Condit
Conyers
Cooper
Costello
Cox (IL)
Coyne
Cramer
Darden
de la Garza
DeFazio
DeLauro
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dooley
Dorgan (ND)
Downey
Durbin
Dwyer
Early
Eckart
Edwards (CA)
Edwards (TX)
Engel
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Frost
Gaydos
Gejdenson
Gephardt
Geren
Gibbons
Glickman
Gonzalez
Gordon
Gray
Guarini
Hall (OH)
Hall (TX)
Hamilton
Harris
Hatcher
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hoagland
Hochbrueckner
Horn
Hoyer
Huckaby
Hughes
Hutto
Jefferson
Jenkins
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kopetski
Kostmayer
LaFalce
Lancaster
Lantos
LaRocco
Laughlin
Lehman (CA)
Lehman (FL)
Levin (MI)
Lewis (GA)
Lipinski
Long
Lowey (NY)
Luken
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDermott
McHugh
McMillen (MD)
McNulty
Mfume
Miller (CA)
Mineta
Mink
Moakley
Montgomery
Moody
Moran
Murphy
Murtha
Nagle
Natcher
Neal (MA)
Neal (NC)
Nowak
Oakar
Oberstar
Obey
Olin
Olver
Ortiz
Orton
Owens (NY)
Owens (UT)
Pallone
Panetta
Parker
Patterson
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Pickett
Pickle
Poshard
Price
Rahall
Rangel
Reed
Richardson
Roe
Roemer
Rose
Rostenkowski
Rowland
Roybal
Russo
Sabo
Sanders
Sangmeister
Sarpalius
Savage
Sawyer
Scheuer
Schroeder
Schumer
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Solarz
Spratt
Staggers
Stallings
Stark
Stenholm
Stokes
Studds
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Taylor (MS)
Thomas (GA)
Thornton
Torres
Torricelli
Towns
Traxler
Unsoeld
Valentine
Vento
Visclosky
Volkmer
Washington
Waters
Waxman
Weiss
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron

NAYS—163

Allard
Applegate
Archer
Armey
Baker
Ballenger
Barrett
Barton
Bateman
Bentley
Bereuter
Bilirakis
Bliley
Boehlert
Boehner
Broomfield
Bunning
Burton
Callahan
Camp
Campbell (CA)
Coble
Coleman (MO)
Combest
Coughlin
Cox (CA)
Crane
Cunningham
Dannemeyer
Davis
DeLay
Dickinson
Doolittle
Dornan (CA)
Dreier
Duncan
Edwards (OK)
Emerson
Fawell
Fields
Fish
Franks (CT)
Gallegly
Gallo
Gekas
Gilchrest
Gillmor
Gilman
Gingrich
Goodling
Goss
Gradison
Grandy
Green
Gunderson
Hammerschmidt
Hancock
Hansen
Hastert
Hefley
Henry
Herger
Hobson
Holloway
Horton
Houghton
Hunter
Hyde
Inhofe
Ireland
Jacobs
James
Johnson (CT)
Johnson (TX)
Kasich
Klug
Kolbe
Kyl
Lagomarsino
Leach
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lowery (CA)
Machtley
Marlenee
Martin
McCandless
McCollum
McCrery
McEwen
McGrath
McMillan (NC)
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Moorhead
Morella
Morrison
Myers
Nichols
Nussle
Oxley
Packard
Paxon
Petri
Porter
Pursell
Quillen
Ramstad
Ravenel
Ray
Regula
Rhodes
Ridge
Riggs
Rinaldo
Ritter
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Santorum
Saxton
Schaefer
Schiff
Schulze

Sensenbrenner
Sharp
Shaw
Shays
Shuster
Skeen
Slaughter (VA)
Smith (NJ)
Smith (OR)
Snowe
Solomon
Stearns
Stump
Sundquist
Taylor (NC)
Thomas (CA)
Thomas (WY)
Traficant
Upton
Vander Jagt
Vucanovich
Walker
Walsh
Weber
Weldon
Wolf
Wylie
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—16

AuCoin
Bilbray
Chandler
Clinger
Dymally
Hopkins
Hubbard
Levine (CA)
Lloyd
McDade
Mollohan
Mrazek
Roukema
Serrano
Smith (TX)
Spence

□ 1457

Mr. NEAL of Massachusetts changed his vote from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. ROYBAL. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2622) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending September 30, 1992, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to not to exceed 1 hour, the time to be equally divided and controlled by the gentleman from Virginia [Mr. WOLF] and myself.

The SPEAKER pro tempore (Mr. VISCLOSKY). Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. ROYBAL].

The motion was agreed to.

□ 1459

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 2622, with Mr. STUDDS in the chair.

The Clerk read the title of the bill.

By unanimous consent, the bill was considered as having been read the first time.

The CHAIRMAN. Under the unanimous-consent agreement, the gentleman from California [Mr. ROYBAL] will be recognized for 30 minutes, and the gentleman from Virginia [Mr. WOLF] will be recognized for 30 minutes.

The Chair recognizes the gentleman from California [Mr. ROYBAL].

□ 1500

Mr. ROYBAL. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the Appropriations Committee presents a bill for your consideration today that provides $19.7 billion in recommended appropriations for 1992 for both mandatory and discretionary items. The bill before you is $241 million under the budget estimates; and $1.2 billion under 1991; the bill is exactly at the level provided in the 602(b) allocation for discretionary budget authority; and $5 million under the 602(b) allocation for budget outlays.

The departmental amounts for new budget authority are:

For the Treasury Department, $9.5 billion, a reduction of $126 million below the estimates and $746 million over 1991;

For the Postal Service, $649 million for revenue forgone, the exact amount of the Budget request from the Postal Service necessary to maintain current rates for nonprofit mailers—known as revenue forgone—and an increase of $177 million above 1991. The committee also funded the mandatory payment to the employees compensation fund at the $141 million level requested by the administration;

For the Executive Office of the President, $284 million, a reduction of $5 million below the budget request and an increase of $4 million above 1991;

For independent agencies covered by this bill—such as GSA, the Office of Personnel Management, the Tax Court, and others—$9.3 billion, a reduction of $111 million below the estimates, and a reduction of $2.1 billion below 1991.

The bill before you recommends funding for most of the agencies at the levels requested in the President's Budget, as set forth in the report accompanying this bill. Because of the very low 602(b) allocation that our subcommittee received, we were not able to fund any of the many requests for grants that we received. We were also forced to make other reductions in accounts that we would have liked to fund at a much higher level.

I commend the ranking minority member, Mr. WOLF, for the great job that he has done, and I appreciate the conscientious and faithful service of all the members of the subcommittee. Mr. WHITTEN, Mr. HOYER, Mr. SKAGGS, Ms. PELOSI, Mr. YATES, Mr. EARLY, Mr. MCDADE, Mr. WOLF, Mr. LIGHTFOOT, and Mr. ROGERS have all been highly supportive of the bill now before you.

Mr. Chairman, this is a good bill and a fair bill. I urge the support of all Members.

Mr. WOLF. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I want to commend the chairman of this subcommittee, Mr. ROYBAL, who led the subcommittee through comprehensive hearings, a well-run subcommittee markup, and one of the fastest full committee markups that I can recall. As the new ranking member of the subcommittee, I want to thank the gentleman from California [Mr. ROYBAL] for his leadership, and especially for the spirit of bipartisanship that he promotes on the subcommittee. I also want to thank the other members of the committee, who have each added to the crafting of this measure.

The end result of the work of the subcommittee is that we bring to the floor today a good bill. The measure before the House, H.R. 2622, appropriates new budget authority of $19,747,595,000, a reduction of $240,965,000 below the President's budget request. The measure stays within the limits of the Budget Enforcement Act of last year, and is below the House 602(b) allocation for budget authority. This amount is also approximately $1.17 billion below the amount appropriated last year in the fiscal year 1991 act. Because of stringent budget constraints, the committee was not able to address all of the items that should be funded. But the measure does strike a chord for spending restraint, while directing limited resources to critical needs.

This measure funds Federal agencies that are very important to the American public. There is something in the bill that every Member of this body can support. Within the Treasury Department, several of the agencies—such as the Customs Service, the Internal Revenue Service, and the Bureau of Alcohol, Tobacco, and Firearms—produce revenue to fund the operation of the Federal Government. This measure would allow those agencies to continue to carry out important law enforcement and revenue collection activities. One problem that I hope we can work out as we move toward conference is the delayed funding for the IRS' tax system modernizatin efforts. I am hopeful that we will be able to come up with funds for this program, which will provide benefits in terms of assistance to taxpayers and increased revenue collection.

The funds included would allow the Customs Service to maintain its role in facilitating trade, which is critical to the competitiveness of U.S. industry. The report that accompanies the bill also sends a very strong message to the People's Republic of China that the Customs Service will aggressively enforce the law and prohibit the importation of products made with forced prison and slave labor.

We know, Mr. Chairman, for a fact that slave labor is used in China to make products that are exported to the West, and this bill sends a very strong message to the People's Republic of China and the Customs Service that this must end.

The bill does not include any funds in GSA's budget for private grants, which have been included in the past. This year there were requests for appropriations for private grants in excess of $170 million. Many of these requests

came from universities and hospitals that are involved in very beneficial work. And many of these projects had the support of valued Members of this body. But budget constraints required that the subcommittee not fund any of these projects.

The bill also includes language that would allow the Internal Revenue Service to conduct a pilot program that would provide incentives for employees to develop ways to save the Federal Government money. Employees would be eligible for bonuses under the program, and the bulk of the savings would reduce the Federal deficit. The measure also fully funds the critical mission of the Secret Service.

The measure includes full funding for the revenue foregone appropriation to the U.S. Postal Service, which will provide for the continued support of preferred-rate mailers. This level of funding will prevent nonprofit religious, educational, and philanthropic organizations from having to fully absorb recent postal rate increases in their limited budgets.

The measure generally grants, except for some reductions made at full committee, the President's request for the agencies that comprise the Executive Office of the President, so that these agencies can continue their support roles to the President. It also provides funds to the General Services Administration to support that agency's efforts to constuct, maintain, and modernize Federal facilitates. In addition, the bill contains a provision that encourages the General Services Administration to promote energy efficiency and recycling efforts in Federal facilities.

Mr. Chairman, I want to publicly commend the gentleman from California [Mr. ROYBAL], the committee chairman, again for the wisdom and for the "profiles in courage" stance he took, holding forth and saying, "Good projects, wish we could, but we don't have the money, and so we can't."

This is an historic action that has taken place with the bill.

In short, the committee had to make some tough choices, but this is a good bill. It funds important Federal efforts in law enforcement and managing Federal funds, facilitates trade and constructing and maintaining Federal facilities as well as many other important government operations.

Again, I want to thank Chairman ROYBAL for his leadership when he turned down all his grants. That is leadership. The easy thing is to say yes, and the gentleman from California [Mr. ROYBAL] was able to say no.

Mr. ROGERS. Mr. Chairman, will the gentleman yield?

Mr. WOLF. I am happy to yield to the gentleman from Kentucky.

Mr. ROGERS. Let me say, Mr. Chairman, as a new member of the subcommittee how much I respect the ranking member, the gentleman from Virginia [Mr. WOLF] and Chairman ROYBAL, especially during this markup when as the ranking member has said, a very difficult choice had to be made. The gentleman from Virginia and the chairman of the subcommittee stood right up there and made the decision, and we all joined in. A tough decision, but it had to be done in the name of fiscal integrity, and I appreciate it very much.

Mr. WOLF. Mr. Chairman, I thank the gentleman very much.

If I could add a little addendum to the "profiles in courage," I think the gentleman from California [Mr. ROYBAL] ought to get a couple pages, because I have not really seen this done around here for a very, very long while.

I also want to thank the other subcommittee members and the staff who made this process run smoothly.

□ 1510

Special recognition should go to Tex Gunnels, Bill Smith, who are as fine a professional staff as any who are in the House. Also, Evan Corcoran from my staff who worked very, very hard on this issue.

Finally, Mr. Chairman, I want to thank Tim Shea, who has been a friend and a valuable resource to the minority members and all the members of the subcommittee and was a highly faithful employee for our beloved former colleague Silvio Conte for many, many years.

I understand Tim will be moving on to bigger and better things, and we are going to miss him in every sense of the word. Tim, you have done an outstanding job, and perhaps you may want to come back as a Member, because you know as much as any Member of the House.

We are going to miss you.

Mr. Chairman, in closing I urge all Members to support H.R. 2622.

Mr. Chairman, I reserve the balance of my time.

Mr. ROYBAL. Mr. Chairman, it gives me great pleasure to yield 2 minutes to one of the most important members of the subcommittee. It so happens he is also chairman of the full Committee on Appropriations.

Mr. Chairman, I yield 2 minutes to the gentleman from Mississippi [Mr. WHITTEN].

Mr. WHITTEN. I thank the chairman for yielding.

Mr. Chairman, I am a member of this subcommittee.

May I say at this time to my good friends, the gentleman from California [Mr. ROYBAL], and the gentleman from Virginia [Mr. WOLF], and to my other colleagues on the subcommittee, that they have done a good job. I would like to point out that this bill includes important funding for the U.S. Customs Service's work on drug interdiction, the Internal Revenue Service, the U.S. Secret Service, the Postal Service fund to continue support for charitable education and benevolent organization mailings, and the Federal buildings fund.

Mr. Chairman, the Committee on Appropriations has held the total of appropriation bills $180,800,000,000 below the recommendations of the Presidents since 1945. The money in this bill is important. This is a fine bill, and I compliment the chairman and the ranking member and the other members of this subcommittee.

Mr. Chairman, I urge adoption of the bill.

Mr. WOLF. Mr. Chairman, I yield 3 minutes to the gentleman from Iowa [Mr. LIGHTFOOT].

Mr. LIGHTFOOT. I thank the gentleman for yielding.

Mr. Chairman, being new to the Committee on Appropriations and to the Treasury, Postal Subcommittee, I would like to voice my support for this bill and the outstanding efforts of our chairman and ranking member. As Chairman ROYBAL expressed early on, the bill is well within all of the guidelines as far as budgetary constraints are concerned. Both he and Mr. WOLF talked about the constraints that came into place.

Mr. Chairman, as a member of this House who has always prided himself on being a fiscal conservative, it is a pleasure for me to support this package so enthusiastically when the first thing we do is not spend money. That certainly fits in with my philosophy. But it was done in a very fair and a very evenhanded way.

It was, quite frankly, a business decision that was made. There were a lot of good grant proposals, including one that I had in, but when they looked at them, the money was not there and the decision was made that we should not pay for things we do not have money for.

I think that is a step, a very fine step, in the right direction, and I hope that the rest of the House follows this subcommittee's lead on all the appropriation packages and it would not be too long before we get this deficit thing under control.

It was a difficult decision, as has been stated before. But again, due to the strong leadership of Chairman ROYBAL and the gentleman from Virginia [Mr. WOLF], we were able to make those cuts where they needed to be made.

In addition, I would like to call to everyone's attention there is also some excellent language in the bill inserted by our friend, the gentleman from Virginia [Mr. WOLF], that may be called a family-friendly legislation program for Federal employees.

I share my colleague from Virginia's view that the Federal Government should be a model for private employers in encouraging the development of family-friendly employees policies and

programs. Programs such as flexitime, flexiplace, leave-sharing, child care, and adoption leave. I think they all help to improve the quality of life for families of Federal employees as well as help boost the productivity of Federal employees.

I commend my ranking member for his efforts in this particular area and look forward to working with him in the future to see that all Federal agencies hopefully are on the bandwagon, so to speak, with respect to profamily policies.

I think it is just good business, good for the Government, good for the country, and it is certainly good for all of our hard-working Federal employees.

I am also pleased to note that in the bill we have the full funding request of $649 million for postal revenue forgone. This funding is critical to many charitable and nonprofit organizations and also of key importance to rural newspapers because without this funds foregone program they would be facing an increase in subscription rates. Right now that is something that although it may seem to be a small part of a person's budget, if you add that on to the people of rural America, it is more than they can stand.

Finally, I want my other colleagues on the subcommittee to know that I enjoyed working with them, and I urge my colleagues to support this whistle-clean appropriations bill.

Mr. ROYBAL. Mr. Chairman, it is indeed a pleasure for me to yield 2 minutes to another very important Member of the House of Representatives, the gentleman from Missouri [Mr. CLAY].

Mr. CLAY. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I rise in support of H.R. 2622, the Treasury, Postal Service, and General Government appropriations bill.

This is my first time through the appropriations process as the full committee chairman of an authorizing committee although there often can be tension between the authorizers and the appropriators, I want my colleagues to know that has not been the case with the Post Office and Civil Service Committee and the Subcommittee on Treasury, Postal Service, and General Government.

It has been a pleasure to work with Chairman ROYBAL and the subcommittee, and I am truly appreciative of the Chairman's efforts to protect this committee's jurisdictional interests with respect to various legislative matters.

I am particularly pleased the committee has been able to accommodate full funding for revenue forgone. Full funding will enable charities, churches, rural newspapers, and others who benefit from the subsidy to avoid the devastating postal rate increases which would have been required under the President's budget.

The bill does contain two legislative provisions which, for jurisdictional reasons, the Committee on Post Office and Civil Service must object to. Points of order will be offered to those at the appropriate time. Of course, I will support Chairman ROYBAL should it become necessary to ward off additional postal service or civil service legislative proposals. Those proposals should be considered by the authorizing committee.

This, however, is a good bill. It deserves our support. I urge my colleagues to vote for it.

Mr. WOLF. Mr. Chairman, I yield 7 minutes to the gentlewoman from Connecticut [Mrs. JOHNSON].

Mrs. JOHNSON of Connecticut. Mr. Chairman, I rise in support of the bill and would like to make a short statement and then to engage in a colloquy with the gentleman from California [Mr. ROYBAL] and the gentleman from Virginia [Mr. WOLF].

Mr. Chairman, I speak today to reflect the widespread congressional concern over the Internal Revenue Service program that is forcing millions of small businesses to abandon pensions plans and thereby compromising people's opportunity to assure their own retirement security, and wasting valuable resources in the process. I had intended to offer an amendment today to strike funding for the program, but in view of very recent changes at the IRS, I will proceed with this statement.

Mr. Chairman, the small plan audit program now underway at the IRS is a systematic review of over 12,000 small pension plans put in place by people for themselves and their workers. These audits started in 1989 and, as outrageous as it may seem, retroactively applied new arbitrary actuarial assumptions, with virtually no discretion for field agents, to thousands of small business pension plans. It is worth noting that if these same assumptions had been applied to America's large plans, similar problems could have been created.

During the 1980's, pension plan administrators relied on a 1984 IRS guidance document when making assumptions about retirement ages and expected interest earnings in pension accounts. In other words, when businesses put pension plans in place, they were obliged to make two key assumptions so that their actuaries could determine the level of investment necessary to provide retirement security.

First, they had to choose the interest rate they expected to earn in their accounts. A reasonable range was widely considered to be somewhere between 5 and 7 percent. The 1984 guidance suggested a 5 to 6 percent range so, consequently, when IRS retroactively applied 8 percent when Government itself was assuming 6.6 percent growth in the military retirement fund and 6.5 percent in the civil service fund—small business people were outraged.

□ 1520

Second, business owners had to assume a specific retirement age. Many chose age 55, which was consistent with IRS guidance, actuarially sound, and—most important of all—was reasonable. But, alas, under the audit program, the IRS now retroactively says, "sorry, you were supposed to choose age 65 for retirement."

Mr. Chairman, this small business audit program is an abomination. By applying standards that quite dramatically differed from their own guidances it shatters confidence in government and makes a mockery of fairness in the Tax Code. By squandering valuable resources, it limits those available to examine plans that may become liabilities of the Pension Benefit Guaranty Corporation. Should IRS pursue cases where deductions were taken that clearly violated published guidance? Of course, and I hope they do go after those who were clearly unreasonable in their assumptions for their own gain.

In correspondence I have exchanged with the IRS on this subject since March 1990—and which I will offer for inclusion in the RECORD when the committee rises—I have repeatedly been told that, "IRS will be reasonable." Mr. Chairman, retroactively applying 1989 standards to tax returns from 1986, 1987, and 1988 is inherently unreasonable and a gross miscarriage of justice.

If I may engage in a colloquy with the chairman and ranking member of the Treasury-Postal Appropriations Subcommittee, I would like to ascertain their view of the small plan audit program and the committee's intent on this matter.

Mr. ROYBAL. Mr. Chairman, will the gentlewoman yield?

Mrs. JOHNSON of Connecticut. I yield to the gentleman from California.

Mr. ROYBAL. Mr. Chairman, I thank the gentlewoman from Connecticut [Mrs. JOHNSON] for her contribution and appreciate her focusing our attention on this situation, as sunshine in government is surely a powerful disinfectant.

I share the gentlelady's concern about the retroactive nature of the assumptions imputed in these audits and agree that the IRS should reassess its position. It is my understanding that the Service currently is considering the impact the small plan audit program has had and intends to relax its harsh stand at 8 percent and age 65 retirement for the remainder of its audits. I encourage them to do so before additional taxpayers are hurt.

Mrs. JOHNSON. Mr. Chairman, early in this program, IRS officials promised to look at the facts and circumstances of each and every pension plan audited, yet they have mindlessly insisted on the assumption of 8 percent interest rates and age 65 retirement despite overwhelming evidence that other assumptions are reasonable and actuarily

sound. In view of the IRS position and the fact that over 25 of the audits have now been consolidated in a lawsuit before the Tax Court, might it be appropriate for the Service to suspend the audit program until the court has ruled?

Mr. ROYBAL. The gentlelady makes a compelling point and I hope the Service will suspend the small plan audit program until the judicial process has run its course.

Mrs. JOHNSON of Connecticut. I thank the chairman for his support and now yield to the gentleman from Virginia [Mr. WOLF] the ranking member of the subcommittee.

Mr. WOLF. I commend the gentlelady on her efforts on behalf of small business and wish to associate myself with her remarks. The IRS has a difficult task in collecting taxes and hardly enhances its standing with the taxpaying public by retroactively applying standards promulgated years after pension plans were put in place. I congratulate the gentlelady and appreciate her perseverance.

Mrs. JOHNSON of Connecticut. I thank the gentleman from California [Mr. ROYBAL]. I offer my correspondence with the IRS for inclusion in the RECORD.

HOUSE OF REPRESENTATIVES,
Washington, DC, May 21, 1991.

Mr. JOHN E. BURKE,
Assistant Commissioner Employee Plans and Exempt Organizations, Department of the Treasury, Internal Revenue Service, Room 3408, Washington, DC.

DEAR MR. BURKE: I appreciated your response to my February 6, 1991, letter to Commissioner Goldberg concerning the manner in which the Service is conducting the small plan actuarial audit program and was particularly interested in what appears to be your eagerness to receive the findings of the Tax Court in pending cases and that "[you] are exploring ways to reach an appropriate administrative conclusion in a majority of the cases."

As you undoubtedly are aware, the first Tax Court cases concerning the audit issues will not commence until January 1992. It is therefore unlikely that any Tax Court decisions will be forthcoming before 1993 or that appeals will be resolved before 1994 or later. In view of the prolonged period before these judicial determinations, I am deeply concerned about reports that the Service has not made any substantive changes to the audit program and has failed to notify IRS field personnel of its intent to do so.

The intense congressional interest in this matter should indicate to you the breadth of public concern over administration of the audit program and the poor reflection current IRS audit procedures are casting on the reasonableness and fairness of what should be a respected arm of government. I hope you will apprise me of forthcoming positive changes in the small plan actuarial audit program and look forward to hearing from you by June 15, 1991.

Very truly yours,

NANCY L. JOHNSON,
Member of Congress.

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE,
Washington, DC, April 3, 1991.

Hon. NANCY JOHNSON,
House of Representatives
Washington, DC.

DEAR MS. JOHNSON: Thank you for your letter of February 6, 1991, to Commissioner Goldberg concerning our defined benefit plan examination program. Commissioner Goldberg asked that I reply to your inquiries because of my responsibilities in the pension area. Your inquiry raised some important actuarial issues as well as concerns with the overall balance of our audit programs.

After assuming the position of Assistant Commissioner in mid-January 1991, I reviewed many aspects of our actuarial examinations. That review included consultations with representatives from organizations such as the American Society of Pension Actuaries (ASPA).

While there are convincing indications of the need for the IRS to have initiated the actuarial examination program, I also believe it can now be brought to a conclusion. In fact, during my meeting with the ASPA representatives, I mentioned the number of examinations in this area has been scaled back from 18,000 to less than 12,000. This was done after we found fewer cases of abuse than originally anticipated. Over 80% of the sponsors of these plans have been contacted. By the end of this year, we hope to have completed the program.

Your letter raised a question on the reasons for our actuarial audits. Specifically, you suggested that based on our revenue projections, you thought the Service was primarily motivated by the dollars. Simply stated, I am certain that is not the case. Our primary purpose was to identify and close down a significant tax abuse area.

Some of the differences that you cite between the Service and some members of the practitioner community will be resolved through pending litigation. Ten test cases have been selected by a Tax Court judge who has taken responsibility for deciding these issues and we expect the cases to come to trial later this year. We are confident that the positions we have taken are sound and we are eager to receive the court's findings. However, we are also eager to come to closure with plan sponsors and taxpayers who choose to do so. Therefore, we are exploring ways to reach an appropriate administrative conclusion in a majority of cases.

I share your concern that the Service allocate its limited employee plan resources effectively. I believe the steps we are taking will adequately address your concerns in this regard. Once again, thank you for your interest and suggestions. I will keep you apprised of our efforts to complete this program in an appropriate manner.

Sincerely,

JOHN E. BURKE.

HOUSE OF REPRESENTATIVES,
Washington, DC, February 6, 1991.

Hon. FRED T. GOLDBERG,
Commissioner, Internal Revenue Service, Washington, DC.

DEAR COMMISSIONER GOLDBERG: I have received a number of complaints from my constituents about the arbitrary approach of the Internal Revenue Service regarding the determination of the reasonableness of actuarial assumptions under the current actuarial audit program for small defined benefit plans. As a result of these complaints, I wrote a letter on March 12, 1990, to Assistant Commissioner, Employee Plans and Exempt Organizations, Robert I. Brauer asking several questions about this program.

Ultimately, I sent Mr. Brauer three letters soliciting information. Copies of these letters and Mr. Brauer's responses are enclosed for your reference. After closely examining Mr. Brauer's responses and other information available, I have concluded that the IRS has indeed adopted an arbitrary approach to the determination of the reasonableness of actuarial assumptions under the small plan audit program, and that this approach is a revenue driven effort which is inconsistent with prior guidance from the IRS. I also find that this program is directed solely against small pension plans despite the fact that the actuarial assumptions in many large plans would be challenged if the same standards were applied.

The small plan audit program is fostering the impression that any small employer who maintains a pension plan exposes himself to a significant risk of retroactive attack from the IRS. This is certainly not conducive to expanding coverage in the small plan area, where the need for expansion is most acute.

SMALL PLAN/LARGE PLAN DICHOTOMY

The oft repeated justification given by the IRS that they are directing their audit efforts against the small plans because they have, on average, much higher per participant contributions than large plans, is disingenuous. By their nature, small plans have higher per participant contributions than large plans because there is a larger percentage of management and professional employees. Also, small employers frequently establish a pension plan long after the company is established and have a shorter period to fund the benefits. The total tax deduction for a large plan would typically greatly exceed the total tax deduction for a small plan.

MIRZA CASE—INTEREST RATE ASSUMPTION

In our correspondence, Mr. Brauer cites the Mirza case as a basis for the current IRS position with respect to the interest rate and retirement age assumptions in small defined benefit plans. The Mirza case did not address the retirement age issue at all. In fact, the IRS accepted the retirement age assumption of 55 in that case. The primary issue in the Mirza case was the use of an accelerated unit credit funding method to bunch deductions in the first year of the plan.

This case also incidentally involved the issue of the interest rate assumption in a plan lacking experience. The IRS imposed, and the Court approved, an eight percent interest rate assumption in Mirza, at a time when the long term Treasury rates were yielding twelve percent or more. Thus, the IRS accepted as reasonable an interest assumption at least four percent lower than the prevaling long term Treasury rate.

While the Mirza case provides precedent for challenges by the IRS to funding methods which bunch deductions in the first year of the plan, it does not provide any basis for the current position of the IRS with respect to the interest rate and retirement age assumptions.

IMPOSITION OF ASSUMPTIONS

Mr. Brauer has always stressed that the current program is merely an expansion of prior audit activity. I do not believe this position accurately reflects the situation. The memorandum of November 29, 1989, dramatically altered the approach of the IRS to the audit of actuarial assumptions and contradicted prior published guidelines. As you are aware, this document directed IRS field agents auditing small plans to challenge interest rate assumptions below eight percent

and retirement age assumptions below age 65. I am sure that you will agree that the terminology of that memo left the field agents virtually no discretion to accept any assumptions not in accord with the prescribed standards.

I have been provided with a copy of CPE Technical Topics for 1990, an Employee Plans training manual. In the chapter entitled Lesson 5—Actuarial Audit Update, the Retirement Age section on page 5-5 states in part that:

"For purposes of the actuarial examination program, a (somewhat arbitrary) definition of reasonableness has been adopted: retirement ages of 65 or more are reasonable."

This terminology certainly provides additional evidence as to the arbitrary approach of the IRS regarding the imposition of assumptions under the current small plan audit program.

After the existence and basic nature of the November 29, 1989, memo became known to the public, the IRS wrote another memorandum to field agents (dated January 19, 1990) ostensibly providing some flexibility in the audit program by allowing deviations from the prescribed assumptions, if approval is obtained from one of four National Office actuaries. It is unrealistic to believe that field agents, who are under pressure to close cases, and who clearly understand the position of the National Office actuaries with respect to acceptable assumptions from the terminology of the November 29th memo, are going to make the effort to seek National Office approval for exceptions from prescribed assumptions in any significant number of cases. Nor is it realistic to believe that deviations from the prescribed standards will be approved in any significant percentage of cases in which the agents seek such approval in view of the fact that the November 29 memorandum to field agents was created on the basis of input from the Pension Actuarial Division of the National Office in which these four actuaries are employed.

The American Society of Pension Actuaries (ASPA) has made available several documents obtained from the IRS through Freedom of Information Act requests, one of which is a letter from the FOI/Privacy Section dated March 2, 1990. This letter states in part: "In response to your request, we have located no documents originating in the Employee Plans Technical and Actuarial Division, the Employee Plans and Exempt Organizations Operations Division or the Employee Benefits and Exempt Organizations Division of the Chief Counsel's Office relating to the purpose, legality or appropriateness of the positions adopted in the memorandum dated November 29, 1989 . . ."

The above statement certainly presents additional evidence of the arbitrariness of the IRS's approach in this matter.

In a letter to me dated May 1, 1990, Mr. Brauer stated that of the first 600 cases closed, IRS agents allowed interest rates of less than eight percent in thirty percent of cases and retirement ages of less than 65 in twenty percent of cases. This statement was made in an attempt to show that the eight percent interest rate and age 65 retirement age assumptions are not being arbitrarily imposed. However, even if these statistics were accepted at face value, they would still demonstrate that the IRS has imposed the minimum age 65 retirement assumption in eighty percent of the cases, and the minimum eight percent interest assumption in seventy percent of the cases.

Mr. Dan Rosa, Special Assistant to Mr. Brauer, stated in a letter dated May 4, 1990, in response to an inquiry from ASPA, that: "We do not have information available in our files that separates closings of examinations by date of closing nor do we know when the decision on the appropriate assumptions was made."

This means that the IRS does not know which of these cases were processed pursuant to the instructions in the November 29th memo and which were processed before that memorandum became effective. Furthermore, Mr. Rosa stated that the IRS does not know which of these cases involve funding method challenges, akin to the Mirza case, where the interest and retirement age assumptions are likely to be of little or no consequence.

I also have been provided with a copy of a letter from another actuarial organization, the American Academy of Actuaries, dated May 11, 1990, and addressed to Thomas Terry, Benefits Tax Counsel with the Office of Tax Legislative Counsel, U.S. Department of the Treasury. This letter outlines their concerns regarding the imposition of retirement age and interest rate assumptions under the small plan audit program. A copy of this letter is attached for your reference.

INTEREST RATE ASSUMPTION

The IRS currently is trying to retroactively disavow its own Actuarial Audit Guidelines, which have been in effect since 1984. I find this a very disturbing and highly questionable administrative practice. I understand that the Guidelines were discussed at numerous public meetings from 1984 through 1989 and practitioners correctly believed that they had a right to rely on them. I have been provided with a copy of a letter to the Honorable J.J. Pickle dated October 21, 1985, in which Mr. Brauer (then Acting Assistant Commissioner) clearly stated that the Actuarial Audit Guidelines would be applied not only prospectively, but also retroactively, since these Guidelines were consistent with prior IRS positions.

The Actuarial Audit Guidelines relate to plans having a minimum of three years' experience, and provide that an interest rate assumption shall be deemed reasonable if the actual experience of the plan is within four percent of the assumption. The similarity between the four percent corridor under the Guidelines with respect to plans having experience and the four percent corridor under the Mirza case with respect to plans lacking experience appears obvious. I have been provided with a transcript of the taped comments made by Mr. Ira Cohen, then the head of the Division of Technical and Actuarial Services, at a presentation at the Enrolled Actuaries Meeting in 1986, in which the similarity is explicitly recognized. In discussing the interest rate assumption deemed reasonable by the IRS in plans lacking experience, when long term Treasuries were yielding at least twelve percent, he stated the following: "One approach would be to go twelve percent. On the other hand, I indicated before that we do not want to be just totally superimposing judgement. We want to leave a range and on the Guidelines we came up with a four percent range and I've explained how we came about that range. Therefore, if we allowed when there is experience a four percent variation, we subtracted the four percent from the twelve percent which is what the expectation [is] and came up with eight. And that is basically the approach we used dealing with the interest rate."

Given the fact that the Actuarial Audit Guidelines have been outstanding since 1984, and that practitioners certainly had every reason to believe that assumptions conforming to the standards described therein would be deemed reasonable, I believe the IRS must accept interest rate assumptions that fall within the corridor established in the Guidelines. Furthermore, the precedent clearly has been established to accept interest assumptions within four percent of the long term Treasury rate during the relevant plan year for plans lacking the experience to fall within the Guidelines. The IRS should confine its challenges to interest rate assumptions to those cases falling outside the four percent corridor.

RETIREMENT AGE ASSUMPTION

It appears to me that the central issue in determining the reasonableness of a retirement age assumption is the probability that an individual will commence receiving benefits when available. "Retirement" in the sense of total withdrawal from the workforce has never been a pre-condition to receiving a pension benefit. The strong tendency to take a retirement benefit within a short period of time after it first becomes available is evidenced by the fact that under the Civil Service Retirement System well over eighty percent of the individuals who at age 55 have 30 years of federal service, have retired by age 60. Only about three percent remain at age 65. It should also be noted that this tendency for government employees to retire rapidly once a pension benefit becomes available has intensified in recent years. I am reasonably confident that a significant number of these "retired" Federal workers continue gainful employment in some capacity.

I have also been made aware that the Pension Benefit Guaranty Corporation (PBGC) regulations on expected retirement age (which are contained in the valuation of plan benefits in single employer plans regulations), approved by the Secretrary of the Treasury, recognize the strong tendency for plan participants to elect to receive promptly a retirement benefit once available.

In determining the reasonableness of a retirement age assumption, the strong tendency to elect to receive a retirement benefit once available certainly should be considered. A July 1985 report to Congress from the General Accounting Office (GAO) indiated that age 62 was the median retirement age for individuals receiving a pension benefit. Of course, 62 is the age of eligibility for Social Security benefits, and it is apparent that the availability of a pension benefit is a primary factor in determining when people retire.

The following factors should also be considered in determining the reasonableness of a retirement age assumption:

1. Age 55 has been accepted legislatively in a number of contexts as an appropriate retirement age. For example until 1987, the IRC Section 415 limit was not reduced below $75,000 for retirement at age 55 or greater. Amounts accrued through 1986 were grandfathered. It is also noted that retirement annuity benefits commencing at age 55 are exempt from the ten percent early distribution excise tax.

2. In enacting the Employee Retirement Income Security Act of 1974 (ERISA), Congress intended that the Enrolled Actuary should use his or her professional judgment in determining appropriate actuarial assumptions. The House Ways and Means Committee noted at the time of enacting IRC Section 412(c)(3), which relates to the reasonableness of actuarial assumptions, that: "Your Committee recognizes that frequently there is a range of actuarial assumptions which may be appropriate for determining costs of a defined benefit pension plan, and

the choice of the appropriate assumptions is very much a matter of judgment." H.R. Rep. No. 93-779, 93rd Cong., 2nd Sess., 94 (1974).

Furthermore, although Congress expected the IRS to challenge actuarial assumptions on audit, Congress stipulated that: "Unless the assumptions are substantially unreasonable, it is contemplated that generally the Service will not require a change of assumptions to be made effective for years prior to the year in whch the audit is made" (Emphasis added). H.R. Reps. No. 93-779, 93rd Cong. 2nd Sess., 94 (1974).

Given the fact that available evidence indicates that age 62 is the median retirement age, it appears that retirement age assumptions of at least age 62 should not be challenged. Furthermore, given the statutory responsibility of the Enrolled Acturary to assure adequate funding, the well established tendency of plan participants to commence receiving retirement plan benefits promptly after they become available, and the recognition of age 55 as a normal retirement age both statutorily and in practice, I do not believe that any retirement age assumption of 55 or greater should be reversed retroactively. The IRS should be liberal in accepting a broad range of evidence to establish the reasonableness of a retirement age of at least 55 on a prospective basis.

If the IRS believes it is desirable to preclude the receipt of pension benefits before age 65, it should make a legislative proposal to that effect.

CONCLUSION

On June 13, 1990, the GAO testified before the Subcommittee on Oversight of the Ways and Means Committee and stated the following with respect to the small plan actuarial audit program: "Although IRS's special emphasis on small overfunded defined benefit plans is expected to produce significant revenues, using resources for this effort limits those available to examine plans that may become liabilities of the PBGC. This raises a question regarding the inherent conflict between IRS's major missions. While revenue-raising initiatives should not be discouraged, IRS should determine how to better allocate its limited ERISA enforcement resources to also ensure that participants' benefits are protected and thus reduce the risk of plans becoming liabilities to PBGC."

Constraining the small plan audit program in the manner I have suggested is not only necessary from the aspect of fairness, but also would effectuate a more appropriate resource allocation as suggested by the GAO. I feel very strongly about this matter and, unless the small plan actuarial audit program is substantially constrained administratively, I fully expect the Ways and Means Committee, with my strong support, to address the matter legislatively.

Thank you for your prompt attention to my concern and please do not hesitate to contact me or my Legislative Director, Ronald Lefrancois, on 225-4476 if you or your staff need additional information or wish to discuss this matter in person.

With best wishes,

Very truly yours,

NANCY L. JOHNSON,
Member of Congress.

DEPARTMENT OF THE TREASURY,
INTERNAL REVENUE SERVICE,
Washington, DC, October 3, 1990.

Hon. NANCY JOHNSON,
House of Representatives, Washington, DC.

DEAR MS. JOHNSON: Thank you for your letter of August 20, 1990, concerning my earlier responses regarding our defined benefit plan examination program. I regret that I was unable to respond by September 4.

Your first question concerns statements made in my earlier letters regarding the revenue estimates prepared for this program. As I indicated in my letter of August 8, in early November 1989, Mr. Rosa developed a single model to produce budget estimates for this program. That model continued to be used through January 1990 as additional information was requested by internal users and by the Department of the Treasury. The December 8, 1989, revision that you obtained pursuant to an FOIA lawsuit is one of those revisions. As I stated in my last letter, the model is independent of any interest rate or retirement age assumptions, which was the question posed in your first letter dated March 12, 1990.

Regarding your follow-up question on statements made at the 1986 Enrolled Actuaries meeting, I feel that these issues will soon be litigated in the courts and, although statements made at such meetings are often extemporaneous and do not give reliance, I expect such statements will be presented during litigation. I believe the Courts to be the proper forum for further discussion of this issue. I hope this letter is responsive to your concerns.

Sincerely,

ROBERT I. BRAUER.

HOUSE OF REPRESENTATIVES,
Washington, DC, August 20, 1990.

Mr. ROBERT I. BRAUER, *Assistant Commissioner,*
Employee Plans and Exempt Organizations, Internal Revenue Service, Washington, DC.

DEAR MR. BRAUER: Thank you for your August 8 letter in response to mine of July 10. Though I very much appreciate your continued willingness to discuss the many important issues regarding the small plan audit program, I remain concerned over apparent discrepancies between your letters and other documents.

First, you asserted in your May 1, 1990, letter to me [and reiterated in your subsequent letter of August 8] that the revenue estimates for the small plan actuarial audit program were formulated "prior to and independent of" that November 29, 1989, memorandum to field agents. Your August 8 letter refers to a "model" formulated in early November 1989, which remained in use through January 1990. No details are provided with respect to the operation of this model, but it appears the final revenue estimates were derived from this model prior to the November 29 memorandum.

I recently obtained a copy of a document released pursuant to an F.O.I.A. lawsuit concerning the background documents to the estimate that states the audit program would generate additional revenues of $666 million in Fiscal Years 1990 and 1991. Please note on the enclosed copy that this document is marked "Revised 12/8/89." Please explain how the revenue estimates could have been finalized prior to the issuance of the November 29 memorandum to field agents in view of the existence of a document that indicates that revisions were made as of December 8, 1989.

Second, your August 8 letter denies that the IRS utilized a four percent safe harbor corridor for plans lacking experience [i.e., an interest assumption was deemed reasonable if within four percent of the prevailing long-term Treasury rate]. I referred in my letter of July 10 to statements made by Mr. Ira Cohen at the 1986 Enrolled Actuaries meeting, which you indicated you reviewed. In reference to the interest assumption for plans lacking experience when long-term Treasuries were yielding at least 12 percent, Mr. Cohen's precise statement, recorded on audio tape, was as follows:

One approach would be to go to 12 percent. On the other hand, I indicated before that we do not want to be just totally superimposing judgment. We want to leave a range and on the Guidelines we came up with a four percent range and I've explained how we came about that range. Therefore, if we allowed when there is experience a four percent variation, we subtracted the four percent from the 12 percent which is what the expectation [is] and came up with eight. And that is basically the approach we used dealing with the interest rate.

Would you kindly explain specifically how your position is reconcilable with Mr. Cohen's statement?

I appreciate your prompt attention to my concerns and look forward to hearing from you by September 4, 1990.

Very truly yours,

NANCY L. JOHNSON,
Member of Congress.

DEPARTMENT OF THE TREASURY,
INTERNAL REVENUE SERVICE,
Washington, DC, August 8, 1990.

Hon. NANCY JOHNSON,
House of Representatives, Washington, DC.

DEAR MS. JOHNSON: Thank you for your letter of July 10, 1990, concerning my earlier response regarding our defined benefit plan examination program. I regret that I was unable to respond by July 23.

Your first question concerns the statement I made in my earlier letter regarding the revenue estimates prepared for this program. It may help to repeat your original questions on this matter: "What percentage of dollars in the revenue estimates are assumed to be derived from the application of the 8% interest rate and age 65 assumptions? In what percentage of the cases to be audited do the revenue estimates assume that these assumptions will be applied?"

My response to those questions was: "The revenue estimates for this program were not based on assumptions of interest rate and retirement ages. They were developed prior to and independent of the issuance of our guidelines."

As you point out, Mr. Rosa of my staff has indicated that he was involved in preparing budget documents on this program between November 1989 and January 1990. In early November 1989, he developed a single model to produce budget estimates for this program. That model continued to be used through January 1990 as additional information was requested by internal users and by the Department of the Treasury. The model is independent of any interest rate or retirement age assumptions.

Regarding your follow-up questions on the actuarial audit guidelines, this issue has been raised in litigation pending before the Tax Court. We look forward to the Court's consideration of this issue. In response to your questions concerning the statements at the 1986 Enrolled Actuaries Meeting, our review of the meeting's official transcripts shows that the Service's position on plan assumptions was fully understood. Articles published during that time period also show that practitioners were well aware of our position. I am enclosing a copy of one of several newsletters from that time reviewing our position.

In response to your questions on the Technical Advice Memoranda, many, but not all, of the plans had limited investment experi-

ence; eight were in their first year. Four plans had been in place for at least three years. One (a Plan Year 1982 case) even used Worksheet III of the Audit Guidelines to argue that the interest rate was acceptable according to the guidelines; that argument was rejected then as well. The interest rates applied in these cases had nothing to do with the guidelines or a "4% corridor rule". The actual earnings in these cases ranged from 9% to 23% and long-term government bond rates during this period ranged from 9% to 16%; in every case 8% was used by the Service. Clearly, a "4% rule" was not in effect.

Implicit in the "4% rule" argument is that the Service will allow a 4% deviation from an interest rate that it feels is likely to recur. That is, if an 8% rate is reasonable now and is likely to be reasonable in the future, then actuaries may freely use any percentage between 4% and 12%. That has never been the Service's position and clearly it was not the position taken in the Technical Advice Memoranda. As stated in several of the memoranda, the reason for adjusting the interest rate to 8% had nothing to do with a formula:

"It is recognized that the assumed interest rate generally applies to a longer period than the duration of investments (e.g. bonds) made in the early plan years, and the historically long-term yields have not always been as high as they were in the early 1980's. While such consideration might properly lead an actuary to reduce his interest assumption to somewhat less than the 10% yield rates available at the time, the reduction all the way to the 5% that was finally adopted was not reasonable."

Also, "Note that section 1.412(b)–(1)(h)(1) of the (proposed) regulations states that the determination of whether actuarial assumptions are reasonable is generally based on the experience under the plan, unless it is established that past experience is not likely to recur and thus is not a good indication of future experience."

As you can see, the application of an 8% interest rate by the Service was not the result of a "4% rule". The analysis of these cases clearly shows that the Service recognized that the earnings in the late 1970's and early 1980's were not sustainable over a long period and, therefore, used a lower rate. It did not recognize a sustainable rate and then allow a 4% deviation.

I hope this is responsive to your concerns and regret again my inability to get back to you by July 23.

Sincerely,

ROBERT I. BRAUER.

IRS TAKES AIM AT ASSUMPTIONS IN RICH DOCTOR PENSION PLANS

(By Mel J. Massey, Jr. J.D., C.L.U., Advanced Underwriting Consultants)

Last year, at an enrolled actuaries meeting a spokesman from the National IRS office warned those present that the Service was taking a critical look at unwarranted assumptions used by actuaries to increase deductible contributions to defined benefit plans. The spokesman stated that age 55 retirement can be an unreasonable assumption. For example, statistics show that doctors retire at age 65 or even later. The spokesman further stated that plans would be in trouble although previously approved with a normal retirement age of 55.

FACTS OF THE CASE

Apparently, the first taxpayer to feel the fury of the IRS was a Wilshire Boulevard, Los Angeles, doctor whose plan was the subject of a Technical Advance Memorandum (TAM), published as Private Letter Ruling 8552001 on August 13, 1985.

The issue in question was the pension deductions for this corporation's 1981–82 tax year. The doctor was age 34; the plan, in which he was the only participant, was three years old.

In its cost calculations, the enrolled actually assumed the entry age normal cost method with an entry age of 25; and used interest rates of 5½% pre-retirement and 5% post-retirement, and the IAM '71 mortality table with 3% annual increases in cost of living. It also assumed a joint and survivor annuity and the participant would retire at age 55.

To purchase the doctor's pension of $136,425 per year at age 55 (the maximum pension permitted under Code section 415 in that year), the actuary calculated a minimum contribution of $51,230 and a maximum contribution of $89,522. The doctor contributed the maximum for the year and claimed a $100,472 deduction on his tax return; he also had a money-purchase pension plan.

THE RULING

A TAM is an opinion letter written by the IRS National Office in answer to a request from an IRS district agent seeking guidance in examining a taxpayer's return. In PLR 8552001, the IRS held the actuarial assumptions were unreasonable and the deduction not allowable.

The TAM attacked five assumptions. First, the assumption of 5½% interest for the pre-retirement period was unrealistically low. While investing the pension contributions conservatively, the pension trustee earned 11.75% in the first year of investment experience and over 10% in the following years. The code requires actuarial assumptions be reasonable in the aggregate, taking into account the experience of the plan and reasonable expectations. While this pension trust may not always earn more than 10% on its investments, the IRS view was that at least 8% be used. Such rate would provide some degree of conservation without being unrealistically low.

Secondly, the IRS found the 5% interest assumption for the post-retirement benefit to be too low. Such interest assumption is only acceptable for funding purposes if the plan benefit was a single life annuity with optional lump sum equivalent using 5% interest. The plan benefit is a joint and survivor annuity; a more reasonable rate would be 8%.

Thirdly, while the use of the entry age normal cost method is all right, the arbitrary selection of 25 as the entry age is not. The entry age must be the actual or average entry age; here, the doctor, the only participant, was age 31 when the plan was established.

Fourthly, in the absence of any evidence that the majority of individuals, or a majority of practitioners in the taxpayer's profession retire at age 55, it's unreasonable to use this age for funding purposes. In recalculating the pension cost the IRS used age 65. The only support for the actuary's use of age 55 was the statement that the doctor firmly intended to retire at age 55. The IRS found the statement self-serving.

Finally, the law does not permit a pension actually to anticipate in its contribution calculations annual cost-of-living increases in the dollar limitation of Code section 415. Thus, in its recalculation, the IRS used no adjustment for cost of living.

The TAM did not state what the IRS deemed the reasonable pension cost based on the assumptions it would allow. One actuary estimated this cost to be between $18,000 and $20,000.

"WHAT NOW BROWN COW"

It's apparent the doctor's corporation will have an additional $89,522 of income for the 1981–82 tax year. Add to this sum, the additional income taxable in the three years following once those years are reviewed, plus the earnings on the excess contributions. The doctor will have additional taxable income in excess of $400,000.

The frightening aspect of this ruling is that actuaries have for years used assumptions like those in the present case pump up contributions for corporations that could afford them. Fortunately, these "max" plans represent less than 10% of the pension and profit-sharing market.

HOUSE OF REPRESENTATIVES,
Washington, DC, July 10, 1990.

Mr. ROBERT I. BRAUER,
Assistant Commissioner, Employee Plans and Exempt Organizations, Internal Revenue Service, Washington, DC.

DEAR MR. BRAUER: I am concerned about the accuracy or completeness of some of the statements made to me in your letter of May 1, 1990, which responded to my inquiry of March 12, 1990, concerning the small plan actuarial audit program.

Specifically, your letter responds to my questions about the connection between the revenue estimates from the small plan audits [total of $666 million for FY '90 and FY '91] and the interest rate and retirement age assumptions set forth in the IRS memorandum of November 29, 1989, by stating: "The revenue estimates for the program were not based on assumptions of interest rate and retirement ages. They were developed prior to and independent of the issuance of our guidelines."

In an affidavit submitted to the U.S. District Court for the District of Columbia on May 21, 1990, in connection with an FOIA lawsuit brought by the American Society of Pension Actuaries for the budget documents relating to the $666 million revenue estimate, your Special Assistant, Dan Rosa, said: "Between November 1989 and January 1990 I was involved in preparing the 12 budget documents at issue in this case. These documents were prepared for the purpose of recommending to the Department of Treasury and OMB estimates of revenue that would be generated by the actuarial examination initiative. This initiative is aimed at increasing taxpayer compliance by correcting abuses that occur when defined benefit plans claim deductions based on inappropriate actuarial assumptions."

Would you please explain how the revenue estimates could have been formulated prior to November 29, 1989, if Mr. Rosa was still working on them through January 1990?

Further, in response to my question regarding the Actuarial Audit Guidelines, you stated that the "Guidelines are simply management tools designed to assist field personnel in allocating and utilizing resources." Is it true that the Guidelines were publicly discussed at numerous practitioner meetings, and thus led practitioners to believe that the standards contained therein represented the IRS position with respect to the reasonableness of actuarial assumptions?

You also referred to 15 technical advice memoranda relating to issues involved in the small plan actuarial audit program. Is it true that each of these cases lacked sufficient years of experience to fall within the purview of the Guidelines and the interest rate applied by the IRS in each of these cases

was at least 4% less than the long-term Treasury bond rate prevailing during the applicable plan year? It is my understanding that this policy of allowing 4% less than the prevailing long-term Treasury rate with respect to plans lacking experience was explicitly spelled out by Mr. Ira Cohen in 1986 at the Enrolled Actuaries meeting. As I understand the situation, Mr. Cohen, who at that time was the Director, Employee Plans Actuarial and Technical Division, analogized the acceptable 4% deviation from the Treasury rate for plans lacking experience to the 4% variation allowed in the Guidelines between the interest assumption and actual experience.

As you are aware, the small plan actuarial audit program is affecting thousands of defined benefit plan sponsors nationwide. As I am also sure you are aware, Congress is considering legislation concerning this matter so I would appreciate your prompt response to my inquiries, but in no event later than July 23, 1990.

Very truly yours,

NANCY L. JOHNSON,
Member of Congress.

INTERNAL REVENUE SERVICE,
Washington, DC, May 1, 1990.

Hon. NANCY L. JOHNSON,
House of Representatives,
Washington, DC.

DEAR MS. JOHNSON: Thank you for your letter of March 12, 1990, regarding our defined benefit plan examination program. I apologize for the delay in our response. Before addressing your specific questions, I would like to provide you with some details about this program.

The Service does have a program underway that has as its basis a longstanding effort to address what the Service considers to be improper tax practices in the case of a relatively small number of defined benefit plans. Specifically, the Service is questioning the use of unreasonable actuarial assumptions to fund defined benefit plans. As you know, contributions to these plans are tax deductible. By utilizing unreasonable assumptions, such as unreasonably low interest rates or retirement ages, employers can make excessive deductions. Such deductions may come to hundreds of thousands of dollars annually per plan.

Our research shows that over 98 percent of plans reporting over $100,000 in contributions per participant (that segment of plans that tends to employ actuarial assumptions of the sort that are coming into question) are in the 1-5 participant plan sector. In those few situations in past years where we have found a large plan employing questionable actuarial assumptions of this sort, we have taken steps to correct the problem—that is, we disallow deductions where appropriate. We plan to examine approximately 18,000 plans over a three year period. During that timeframe, there were over a half million returns filed by defined benefit plans with 1-5 participants.

The average contribution per participant to a defined benefit plan is less than $5,000. In the approximately 500 cases which our agents have completed examining to date, the average annual pension deduction claimed was $215,000, with eleven individuals claiming over $600,000 in annual pension deductions and forty-eight others claiming over $300,000. In these cases, the average adjustment recommended by the agent was $194,000.

Our experience thus far shows that over two-thirds of our cases involve plans of doctors and lawyers; the rest consists of other such highly paid professionals as advertising and real estate executives. Most of these plans have been designed by the pension consultant or actuary to benefit only the highly paid professional and not his or her employees.

We have been performing examinations of this kind for at least seven years. By 1987, a number of suits were in the courts. In 1988, we identified the small plan actuarial area as a special emphasis examination program in order to deal on a larger scale with these issues. In the summer of 1988, the United States District Court for the Central District of Illinois decided in the Service's favor in a case called Mirza v. IRS. The Seventh Circuit Court of Appeals affirmed this decision unanimously in August 1989. The court held that an employer must base his funding assumptions on "experience and reasonable expectations". Among other things, the plan in Mirza utilized a 5% assumption at a time when safe investments were yielding 12% or more. In Mirza, the appellate court disallowed $510,000 in deductions claimed for the one year in question (1980).

The Service's position with respect to the reasonableness of actuarial assumptions is that they are determined on the facts and circumstances of the particular case. This was the position that the Service took in Mirza and it continues to be our position.

In addition to the Mirza case, we have over 30 cases in litigation on these issues. Every case that has been completed has been resolved on terms highly favorable to the government. Fifteen Tax Court cases that were on the docket for trial last month in California were recently settled for an average of 90% of the claimed deficiency. Of the 20 court cases now resolved, $3.2 million has been disallowed, an average of $160,000 per case. I point this out because there have been claims that the Mirza case was an aberration and that the Service lacks legal authority for its position. Clearly these figures belie those claims.

The Service's program was expanded late in 1989. The expansion was based on the convergence of three events: (1) the appeals court decision in Mirza, (2) our developing the ability to identify with some precision the filers who are claiming the largest deductions for contributions to these plans (thereby indicating the possibility that questionable actuarial assumptions may be used), and (3) our developing computer programs which enhance the skills of our agents to conduct audits of those plans. The program has been identified as one of the Service's Management Initiatives and is included as such as in the President's 1991 budget.

I want to emphasize that the Service would conduct this program even if it were not identified separately in the budget. As indicated by the significance of the disallowed deductions in the Mirza case and in the cases that have been settled to date, we would be remiss if we did not vigorously pursue those issues.

The November 29 memorandum issued to our regional offices (which advises field agents to challenge interest rates below 8% and retirement age assumptions of less than 65) was written as a guidepost to our field agents to help ensure that a consistent approach was being employed in the treatment of a complicated area with a proven need for review, and to provide a mechanism for separating clearly allowable deductions from others. Those instructions were clarified by instructions issued on January 19 setting out procedures to allow deviations from an 8% interest rate and retirement age of 65 if warranted by the facts and circumstances of individual cases. These procedures provide a method for a field agent to consult with a National Office actuary about the adjustment of assumptions in particular cases. Such consultations are frequent. While we firmly believe in the integrity of our overall position, we intend to be judicious and flexible in enforcing it.

In response to your specific questions:

1. Have the November 29 and January 19 memorandums been rescinded?

As I indicated earlier, the November 29 memorandum was clarified by the January 19 memorandum. There continues to be a need for this guidance. Our field agents are not actuaries—the need for a consistent procedure to deal with these complicated issues continues to exist. Making our National Office actuaries a part of the process ensures that the decisions are fair to the taxpayer and meet the Service's responsibility to test the reasonableness of the assumptions used in cases that are examined.

2. How will flexibility be provided?

As indicated earlier, the guidelines were written as a guidepost to our field agents to help ensure that a consistent approach was being employed in the treatment of a complicated area with a proven need for review, and to provide a mechanism for separating clearly allowable deductions from others. If the assumptions in the plan differ from the guidelines, taxpayers and their representatives are given the opportunity to present the facts and circumstances used to derive the assumptions in question. If our agents feel, as they often do, that the information warrants deviations from the guidelines or if our agents are unsure if the information is relevant in supporting the claims for different assumptions, they have been instructed to contact a National Office actuary. These actuaries are not the same officials who formulated the assumptions in our guidelines. They are professional actuaries who have been instructed to base their decisions on the facts and circumstances of each case; they have not been instructed to adhere to the general guidelines provided to our field agents who are not actuaries. In areas of the country where this program has been underway for some time, agents have developed sufficient experience from their referral discussions with our actuaries to allow deviations supported by the facts and circumstances without consulting the National Office.

In addition to the opportunities available to present the facts and circumstances to our agents, taxpayers and their representatives are free to request technical advice from the National Office if they feel their positions have not been fairly or correctly evaluated.

3. In what percentage of audit cases have deviations been permitted from the 8% interest rate and age 65 assumptions since November 29, 1989?

We do not have information available that separates closings of examinations by date of closing nor do we know when the decision on the appropriate assumptions was made. (This date may be much earlier than the closing date of a case.) However, we do know that of the first 600 cases closed to date (many of these closed after the issuance of our guidelines), our agents allowed interest rates of less than 8% in 30% of cases and retirement ages of less than 65 in 20% of cases.

4. What percentage of dollars in the revenue estimates are assumed to be derived from the application of the 8% interest and

age 65 retirement assumptions? In what percentage of the cases to be audited do the revenue estimates assume that these assumptions will be applied?

The revenue estimates for this program were not based on assumptions of interest rate and retirement ages. They were developed prior to and independent of the issuance of our guidelines. We did not use nor do we have an estimate of the number of cases that will be closed with any specific assumptions.

5. Why are the assumptions described in the November 29, 1989, memorandum made applicable only to small plans?

As I described earlier, this program focuses on plans with 1–5 participants because our analysis shows that over 98% of plans reporting over $100,000 in contributions per participant (that segment of plans that tends to employ actuarial assumptions of the sort that are coming into question) are in this group. In those few situations in past years where we found a large plan employing questionable actuarial assumptions of this sort, we have taken steps to correct the problem—that is, we disallow deductions where appropriate. We have programs underway to examine the very small number of plans with more than 5 participants that have been identified using the same criteria used to select plans for this program.

6. Why is Worksheet III of the Actuarial Audit Guidelines inapplicable to small plans? Was it intended that the November 29 memorandum rescind its applicability? Where and when was a public announcement made that the Worksheet is not applicable to small plans?

Audit guidelines serve the purpose of providing our agents general rules for identifying and addressing certain violations and to assist in the development of audit issues where no specific area of concern has previously been identified. They do not preclude a more focussed and complete examination of issues. On the basis of our analysis of the facts and circumstances of these types of cases, it became apparent that many of the actuarial practices were leading to excessive tax deductions. Once we had a better understanding of these practices, specific processes were developed to address them. The Service would be remiss if it allowed general guidelines with no force of law to prevent the development of examination efforts directed at clear areas of abuse.

It may be helpful to put the audit guidelines into their proper perspective. Guidelines are simply management tools designed to assist field personnel in allocating and utilizing resources. They have no force of law. As the guidelines themselves state:

"It is expected that the guidelines and worksheets will *help* the examining specialist decide on what areas to concentrate and when to utilize the various worksheets with respect to particular plans. However, the (guidelines), worksheets and explanations, *do not* cover every problem that could arise under the minimum funding standard or deductible limits, and the specialist is *in no way limited* to raising questions relating to only those problems identified," (emphasis added.)

As an example of the Service's developing procedures to deal with specific areas of concern, shortly after the audit guidelines were put into the Internal Revenue Manual, the Service issued fifteen technical advice memorandums that dealt precisely with the same issues covered in this program. These memorandums provided focused analyses of the practices at issue. They encompassed the same interest rate, retirement age, and section 415 issues as are covered in the current program. We will be happy to provide copies of these documents, which were widely circulated and discussed by Service officials at practitioner meetings.

In closing, I have instructed our agents to judge each case on its own merits, based on its own facts and circumstances. In addition to the opportunities available to taxpayers and practitioners to present the facts and circumstances of their cases, I have offered publicly to review personally any case closed by one of my field offices where the facts and circumstances approach I have outlined was not observed. The program is designed so that only 18,000 plans are examined out of a universe of over a half million. I believe our approach is reasoned, flexible, and of appropriate scope.

Sincerely,

ROBERT I. BRAUER.

HOUSE OF REPRESENTATIVES
Washington, DC, March 12, 1990.

Mr. ROBERT I. BRAUER,
Assistant Commissioner, Employee Plans and Exempt Organizations, Internal Revenue Service, Washington, DC.

DEAR MR. BRAUER: As a member of the House Committee on Ways and Means, I have received a number of inquiries from my Connecticut constituents about the small defined benefit plan actuarial audit program currently being conducted by the Internal Revenue Service. My constituents and I believe that this program singles out small employers for possibly abusive treatment by IRS personnel and would appreciate your prompt response to the following questions:

1. The February 14, 1990, Wall Street Journal referred to your comments about the flexibility of the IRS in this area and the need to evaluate each audit on its merits. Do these comments mean that the November 29, 1989, IRS memorandum, as modified on January 19, 1990, to the Assistant Regional Commissioners [Examination] from the Acting Director of Employee Plans Operations Division has been rescinded?

2. If not, how will flexibility be provided under a program that prescribes the acceptable interest and retirement age assumptions, and allows deviations from these prescribed assumptions by field agents only after receiving approval from the same officials who formulated the assumptions?

3. In what percentage of the audit cases have deviations been permitted from the 8% interest and age 65 assumptions since November 29, 1989?

4. What percentage of dollars in the revenue estimates [$64 million in 1990, $602 million in 1991] are assumed to be derived from the application of the 8% interest and age 65 retirement assumptions? In what percentage of the cases to be audited do the revenue estimates assume that these assumptions will be applied? Please provide all relevant background documents that clarify how these revenue estimates were calculated.

5. Why are the assumptions described in the November 29, 1989, memorandum made applicable only to small plans? Why would not these same prescribed assumptions apply to large single employer plans and multi-employer plans?

6. Professional pension practitioners have informed me that field agents have told them that Worksheet III of the Actuarial Audit Guidelines is inapplicable to small plans. Is this accurate? If so, on what basis has the determination been made that this Worksheet is inapplicable to small plans? Was it intended that the November 29 memorandum rescind its applicability? If not, where and when was a public announcement made that the Worksheet is not applicable to small plans?

As I am sure you are aware, the Ways and Means Oversight Subcommittee has been asked to conduct a hearing on the IRS administration of the pension laws, specifically including an examination of the small audit program. Since I became aware of your recent meeting with Ways and Means staff regarding this matter only recently, I would appreciate having your responses to my questions by April 2, 1990, in order to properly evaluate the complaints I have received about this program and the advisability of such a hearing. Thank you in advance for your attention to my concerns.

Very truly yours,

NANCY L. JOHNSON,
Member of Congress.

Mr. Chairman, I thank the gentleman from Virginia [Mr. WOLF] for his support.

Mr. WOLF. Mr. Chairman, will the gentlewoman yield?

Mrs. JOHNSON of Connecticut. I yield to the gentleman from Virginia.

Mr. WOLF. Mr. Chairman, I want to commend the gentlewoman from Connecticut [Mrs. JOHNSON] on her efforts on behalf of small business, and I appreciate and support her remarks. The IRS has a difficult task in collecting taxes and heartily enhances its standing with the taxpaying public by applying standards promulgated years after pension plans were put in place. I congratulate the gentlewoman, and it is proof again that perseverance pays off, and it has paid off, and she has done it.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I thank the gentleman from Virginia [Mr. WOLF] and the gentleman from California [Mr. ROYBAL].

Mr. KYL. Mr. Chairman, I rise to associate myself with the comments by the gentlewoman from Connecticut [Mrs. JOHNSON]. We have got to bring to a halt one of the more unfair, short-sighted enforcement efforts by the IRS: its "small plan audit program."

For the last year-and-a-half, the IRS has targeted the small pension plans that thousands of small business people around the country have established for themselves and their employees.

The problem is, the IRS is attempting to use arbitrary new criteria for making interest rate and retirement age assumptions, and attempting to apply those criteria retroactively, despite the fact that the plans were in compliance with the guidelines that the IRS itself had established and which had been in effect since 1984.

Mr. Chairman, not only is the IRS' effort egregious because it establishes new standards for these plans retroactively, but its new guidelines have been developed without the benefit of any public comment or congressional involvement.

If left unchecked, the IRS' audit program will penalize people who were in compliance with IRS' own guidelines until the Service changed them without notice. The program will discourage small businesses from establishing new pension plans, or cause them to abandon their existing plans. None of those results is acceptable.

Mr. Chairman, none of us would challenge a legitimate enforcement effort by the IRS. Those who deliberately chose unrealistic interest rate and retirement age assumptions to reduce their tax liability ought to be audited and penalized.

But what the IRS is attempting to do through its small plan audit program is penalize those who not only made a good faith effort to comply but who were in compliance with the guidelines that the IRS had in place. That is unfair. It is wrong. And it must come to an end.

I join with Congresswoman JOHNSON in urging that this program be brought to a halt.

Mr. ROYBAL. Mr. Chairman, I yield such time as he may consume to the gentleman from Texas [Mr. COLEMAN].

Mr. COLEMAN of Texas. Mr. Chairman, I rise to engage in a colloquy with the chairman of the subcommittee.

I also take this opportunity to recognize his leadership in bringing this bill to the floor.

I would like to bring to the chairman's attention a study released last week by the General Accounting Office [GAO]. In light of the proposed North American Free-Trade Agreement [NAFTA], Senator LLOYD BENTSEN requested a study on the adequacy of infrastructure along the United States-Mexico border and its capacity to handle increased commercial activities. The report's results are not surprising to those of us from border districts: They highlighted the slow processing of commercial traffic, inadequate facilities and staffing levels for current traffic, and poor roads and highways in both Mexico and the United States.

Aside from these important issues, what I find most striking is the report's information on the distribution of funds under the Southern Border Capital Improvement Program. Congress authorized the program in fiscal year 1988 and has appropriated $357 million through fiscal year 1991 for the renovation, replacement, and construction of processing and inspection facilities in the four customs districts on the U.S. side of the border.

According to the GAO report, the Laredo district processed 46 percent of all United States-Mexico trade along the southwest border and received $122.4 million, or 34 percent of Capital Improvement Program funds; the Nogales district processed almost 10 percent of our bilateral trade and received 11 percent of the funds; the San Diego district processed only 13 percent of the trade and received 35 percent of the funds; and the El Paso district, which experienced an 88 percent increase in northbound commercial cargo truck traffic—the greatest increase of all the districts—processed 17 percent of bilateral trade and received a mere 14 percent of the funds. I am concerned that the funds did not go to districts in proportion to the level of commercial activities and may not have taken into account the significant increases in cargo truck traffic some border crossings have experienced.

With negotiations underway on NAFTA and the increase in commercial traffic that will result along our southern border, I would appreciate working with the chairman to ensure that future projects and personnel are funded on a more equitable basis and are planned with our long-term interest in mind.

Mr. ROYBAL. Mr. Chairman, will the gentleman yield?

Mr. COLEMAN of Texas. I yield to the gentleman from Califonia.

Mr. ROYBAL. Mr. Chairman, I would like to assure the gentleman from Texas [Mr. COLEMAN] that we will do everything we possibly can on the part of the committee to work with him to do everything that is possible to assure those ends.

Mr. COLEMAN of Texas. Mr. Chairman, I thank the gentleman from California [Mr. ROYBAL] very much and thank him for the time.

Mr. WOLF. Mr. Chairman, I yield 1 minute to the gentleman from Tennessee [Mr. DUNCAN].

Mr. DUNCAN. Mr. Chairman, there is tremendous pressure from the Federal bureaucracy to increase spending all across the board. At the same time that there is so much pressure to increase spending there is little or no incentive for or pressure on Federal bureaucrats to hold spending down. This makes it almost unheard of for an appropriations bill today to increase spending.

As others have pointed out, this bill calls for a $1.2 billion decrease from last year. There are some problems or disappointments. For example, the IRS received a 10-percent increase over last year. That agency is not doing nearly enough or doing its fair share to hold down costs.

However, Mr. Chairman, overall this is a good bill, a tight bill, a conservative bill. As a frequent critic of wasteful Federal spending, I would like to give credit where credit is due. the members of this subcommittee have done a good job on this bill and have indeed accomplished something extremely rare in Washington today: A decrease in spending from last year.

□ 1530

Mr. Chairman, I urge support for this bill. It is one which does what the taxpayers want.

Mr. ROYBAL. Mr. Chairman, it is a pleasure to yield 2 minutes to the gentleman from California [Mr. PANETTA].

Mr. PANETTA. Mr. Chairman, I rise in support of H.R. 2622, the Treasury, Postal Service, and General Government appropriations bill for fiscal year 1992. This is the seventh of the 13 annual appropriations bills to be considered by the House.

Mr. Chairman, I want to commend the chairman of the subcommittee and the ranking member, both of whom did a very good job in adhering to the limits that were established by both the budget agreement and the budget resolution.

The bill provides $10.75 billion in discretionary budget authority, and $11.093 billion in discretionary outlays, which is identical to the level of domestic discretionary budget authority and $7 billion below the domestic discretionary outlays as set by the 602(b) spending subdivision for this subcommittee.

This involved, like other subcommittees, some very tough choices. The committee decided it would focus largely on three areas, one being the IRS, to try to expand their provisions. They did not go as high as the President, and they did not go as low as the budget, but came out somewhere in between, which I think is a responsible position.

They also adhered to the revenue foregone Postal subsidy provision. That obviously then put constrictions on other areas in the budget.

They also managed to provide additional funds for crime and drug enforcement, which was an area that we emphasized in the budget as well.

They also provided, I might remind Members, for a reduction of $1.6 billion in the Federal building funds, which was included in the budget resolution.

Mr. Chairman, all in all, they did a very good job in meeting the limits within the budget resolution, but also tried to focus on the priorities they have within the subcommittee. I want to commend them, and urge Members to support this bill.*ERR08*

I rise in support of H.R. 2622, the Treasury, Postal Service, and General Government appropriations bill for fiscal year 1992. This is the seventh of the 13 annual appropriations bills to be considered by the House.

The bill provides $10.750 billion in discretionary budget authority and $11.093 billion in discretionary outlays, which is identical to the level of domestic discretionary budget authority and $7 million below the domestic discretionary outlays as set by the 602(b) spending subdivision for this subcommittee.

As chairman of the Budget Committee, I will continue to inform the House of the status of all spending legislation, and will be issuing a "Dear Colleague" on how each appropriations measure compares to the 602(b) subdivisions.

I look forward to working with the appropriations committee on its remaining bills.*ERR08*

FACT SHEET—H.R. 2622, TREASURY, POSTAL SERVICE AND GENERAL GOVERNMENT APPROPRIATIONS BILL, FISCAL YEAR 1992 (H. REPT. 102–109)

The House Appropriations Committee reported the Treasury, Postal Service and General Government Appropriations Bill for Fiscal Year 1992 on Wednesday, June 12, 1991. Floor consideration of this bill is scheduled for Tuesday, June 18, 1991, subject to a rule being adopted.

COMPARISON TO THE 602(B) SUBDIVISION

The bill, as reported, provides $10,750 million of discretionary budget authority, the

same as the Appropriations 602(b) subdivision for this subcommittee. The bill is $7 million under the subdivision total for estimated discretionary outlays. A comparison of the bill with the funding subdivisiions follows:

COMPARISON TO DOMESTIC SPENDING ALLOCATION

[In millions of dollars]

	Appropriation Committee 602(b) subdivision				Bill over (+)/ under (−) committee 602(b) subdivision	
	BA	O	BA	O	BA	O
Discretionary	10,750	11,093	10,750	11,100		−7
Mandatory[1]	8,937	9,839	8,937	9,839		
Total	19,687	20,932	19,687	20,939		−7

[1] Conforms to the Budget Resolution estimates for existing law.

BA—New budget authority; O—Estimated outlays.

Following are major program highlights for the Treasury, Postal Service and General Government Appropriations Bill for fiscal year 1992, as reported:

PROGRAM HIGHLIGHTS

[In millions of dollars]

	Budget authority	New outlays
Treasury Department:		
Internal Revenue Service	6,707	5,417
Customs Service	1,354	1,153
U.S. Secret Service	475	399
Financial Management Service	189	159
Bureau of Public Debt	192	163
Bureau of Alcohol, Tobacco, and Firearms	317	279
Payment to the Postal Service Fund	649	649
Other Agencies:		
Executive Office of the President	284	207
Federal Buildings Fund limitation	(4,131)	
GSA management and Administration	31	5
National Archives and Records Administration	152	122
Office of Personnel Management S&E	117	109
Government Payment for Health Benefits (mandatory)	2,504	2,504
Payment to the Civil Service Retirement Fund (mandatory)	6,079	6,079

The House Appropriations Committee reported the Committee's subdivision of budget authority and outlays in House Report 102-81. These subdivisions are consistent with the allocation of spending responsibility to House committee contained in House Report 102-69, the conference report to accompany H. Con. Res. 121, Concurrent Resolution on the Budget for fiscal Year 1992, as adopted by the Congress on May 22, 1991.

Mr. ROYBAL. Mr. Chairman, I yield 5 minutes to the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. Mr. Chairman, I rise today to support the good work of Chairman ROYBAL and the ranking minority member, FRANK WOLF, who have put together a bill which this House can fully support.

This bill is fiscally responsible. It fully meets its 602(b) allocations for both budget authority and budget obligations. It is $1.167 billion below the fiscal year 1991 appropriation and it is $241 million below the President's budget request for fiscal year 1992.

And though the subcommittee had to make some very tough choices to deliver a bill that met these rigorous fiscal standards, the subcommittee protected some critically important programs that were not requested by the President.

For example, the President proposed eliminating 256 positions from the Bureau of Alcohol, Tobacco and Firearms' alcohol compliance function. This would have meant less testing and inspections of alcohol for compliance with safety standards. We all can recall the imported wines tainted with antifreeze that BATF uncovered 2 years ago—a cut of these staff could mean that such wines would slip by into the marketplace.

The President also proposed cutting the firearms compliance unit of BATF and reducing the armed career criminal program by $634,000. This program reduces illegal trafficking of firearms and allows for the speedy identification and arrest of violence prone criminals who use firearms.

The committee rejected these cuts and restored funding necessary to allow these important functions to continue.

The committee was required to make cuts in certain agencies to remain within budget ceilings. For example, a cut of $35 million was required for the Customs Service. But Customs does receive an increase of $88 million over fiscal year 1991, and the drug fighting portion of the Customs budget has been fully protected.

For the Internal Revenue Service, the committee for the most part was able to fully fund the President's request, except that a $26 million reduction had to be made within the tax law enforcement account to stay within budget caps.

An account of concern to every Member in this House is the "revenue foregone account" with the U.S. Postal Service. This account allows for schools, libraries, charitable organizations and rural newspapers to mail at reduced rates in order to conserve their precious dollars for services. Though the President only requested a small portion of this program (182 M), his budget would have meant significant cost increases to all of these services, forcing many into a position where they might not be able to continue their service. The committee rejected these cuts and fully funded this account, providing $649 million to sustain this program at current service levels.

Finally, the bill provides for many other critically important programs. For example, this bill fully provides for the Secret Service, the National Security Council, the White House Office, the Office of Personnel Management, the General Services Administration, the National Archives, and a myriad of other small Government agencies.

As my good friend, Chairman NATCHER often says, "I tell you this frankly, this is a good bill." Support Chairman ROYBAL and the bill the subcommittee brings before you today.*ERR08*

Ms. PELOSI. Mr. Chairman, I rise in strong support of H.R. 2622, the fiscal year 1992 appropriations bill for Treasury, Postal Service, and General Government. I commend the chairman of the subcommittee, Congressman ROYBAL, and the ranking member, Mr. WOLF, for their leadership in bringing this bill to the floor. The subcommittee staff also deserves special recognition for its tireless efforts on behalf of the bill.

Despite the severe budgetary constraints faced by the subcommittee this year, H.R. 2622 provides adequate funding for a number of agencies and programs of vital interest to the American people. Drug interdiction efforts of the Customs Service and the Bureau of Alcohol, Tobacco and Firearms, and the activities of the Office of Drug Control Policy are funded in this bill.

Mr. Chairman, passage of this bill is essential for the collection of Government revenues necessary to reduce the budget deficit. For, although it is an appropriations bill, H.R. 2622 funds revenue-producing agencies of the Government such as Customs and the Internal Revenue Service [IRS].

As chair of the Congressional Working Group on China, I am particularly pleased that, under the leadership of Congressman WOLF, a provision was included in the report that will require Customs to enforce strictly the prohibition against the importation of forced labor goods from China. These goods are allegedly being exported to the United States in direct violation of the 1930 Tariff Act. Some of the products are being produced by imprisoned prodemocracy students. The export of these goods is not illegal and immoral, but it forces American workers to compete against slave labor. I am therefore very pleased that this provision was included.

Again, Mr. Chairman, I want to commend Chairman ROYBAL and the subcommittee for their excellent work on this important legislation. I urge my colleagues to join me in supporting H.R. 2622.

Mr. OLVER. Mr. Chairman, I rise today to urge my colleagues to support two items contained within this appropriations bill which are of deep concern to my district and which received the caring attention of the late Congressman Conte.

Western Massachusetts is blessed with many gifts—bountiful natural resources, the greatest education system in the world, and a rural community spirit surpassed by no district in the Nation.

But unfortunately western Massachusetts is often bypassed by the fruits of Federal support. That is, in part, the reason Silvio Conte worked for several years with his colleagues in the Massachusetts delegation to reorganize two Federal offices within Massachusetts to ensure access to the far corners of the State.

This legislation contains a carefully constructed compromise to move the U.S. Fish and Wildlife Office from urban eastern Massachusetts to the western part of the State and closer to the heart of fish and wildlife concerns of the Northeast.

This legislation also contains another carefully constructed compromise to move a part of the National Archives Office from the Boston area to Pittsfield—a move that will allow researchers across the State opportunities to utilize the full services of this institution.

Following Sil Conte's death, these projects were brought to fruition through the kindness and generosity of the chairman, Mr. ROYBAL, the ranking member, Mr. MCDADE, and the entire Massachusetts delegation; the people of western Massachusetts and I owe them all our heartfelt thanks. Both projects will create many new jobs in my district and will help combat the high unemployment and economic erosion that plagues the area.

Congressman Silvio Conte was a fighter for causes—his first and foremost cause was the people of western Massachusetts. I am humbled by the challenge of carrying on his legacy. I stand before this body today and ask for the support of my colleagues on these two important projects begun by Silvio Conte, which deserve to be completed in his name and in his honor.

Mr. RAHALL. Mr. Chairman, I rise today in strong support of the Treasury, Postal, and General Government appropriations bill for fiscal year 1992. Most Americans have little idea of how important this annual piece of legislation is to their lives.

This bill contains several important provisions that will directly impact nearly all charitable organizations and the lives of those people they seek to assist. I commend the Appropriations Committee for rejecting the repeated calls to slash revenue forgone subsidies. From the moment the President sent his budget up to Capitol Hill my office received numerous requests to oppose the drastic cuts proposed in the funding of revenue forgone. When the budget resolution was passed I was deeply troubled by the inclusion, while less draconian, of cuts in this area. The committee has brought to us a bill which rejects both sets of cuts and actually increases the fiscal year 1992 appropriation by $179 million over last years levels. This brings the total funding up to the U.S. Postal Service full request of $649 million next year.

If the proposed reduction had been allowed to stand, charitable organizations, political advocacy groups, nonprofit organizations, libraries, and colleges, would have found it impossible to continue their important activities due to prohibitive costs. The loss of these important subsidies would mean that more money, otherwise spent on programs and activities, would be used for costly mailings. In today's information society the ability to communicate is everything. We must assure organizations which play such important roles in their communities that they will be able to continue serving those in need. I again commend the committee and thank them for their attention in this matter.

I would like to draw attention to some other important aspects of this years funding bill for the Department of Treasury, Postal Service, and General Government. The committee has continued a general provision that prohibits the use of funds to weaken the enforcement of the 1930 Tariff Act regarding to the authority to bar the importation of goods made with prison labor. The continued reports of the People's Republic of China using prisoners to manufacture products for export is an insult to every American who is out of work. After the bloody crackdown of the prodemocracy movement in 1989 the use of forced labor stands as a blatant insult to the sensibilities of all Americans.

Another aspect of this bill that often goes unnoticed by many people, but is important nonetheless, is the appropriation for the Committee for Purchase From the Blind and Other Severely Handicapped. This organization promotes employment opportunities and adjustments for the blind and others with severe handicaps. The committee's function is extremely important in the integration of America's blind citizens into broader society.

The bill also continues to provide important benefits for all Federal employees. Civil servants will continue to be able to use sick leave for the adoption of a child. Blood marrow donation is encouraged by allowing an employee of the Government to be granted up to 7 days of administrative leave without a reduction in pay. And perhaps the most potentially far reaching aspect of this bill in regard to Federal employees is the directive from OPM to survey Federal agencies to assess the use of profamily employee programs. The ensuing report will help all of us better evaluate important initiatives such as child-eldercare, flextime, and leave sharing, allowing us to make important policy changes to help attract and retain a competent Federal work force.

Finally, I would like to address an issue that received lots of media attention both here in Washington and back in West Virginia, the move of the Bureau of Public Debt to West Virginia. The committee has included language to assure that no individual will be forced to relocate to the new facility in order to retain employment at the same pay grade. For those employees who chose to move, the bill directs OPM to reimburse them for the cost of relocation.

In conclusion I wish to commend the chairman of both the subcommittee and the full committee for bring us a good bill that we should all be able to support.*ERR08*

Mr. WOLF. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. ROYBAL. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

H.R. 2622

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1992, and for other purposes, namely:

TITLE I

DEPARTMENT OF THE TREASURY

DEPARTMENTAL OFFICES

SALARIES AND EXPENSES

For necessary expenses of the Departmental Offices including operation and maintenance of the Treasury Building and Annex; hire of passenger motor vehicles; not to exceed $22,000 for official reception and representation expenses; not to exceed $200,000 for unforeseen emergencies of a confidential nature, to be allocated and expended under the direction of the Secretary of the Treasury and to be accounted for solely on his certificate; not to exceed $2,330,000, to remain available until expended, for systems modernization requirements; not to exceed $490,000, to remain available until expended, for repairs and improvements to the Main Treasury Building and Annex; $67,500,000.

INTERNATIONAL AFFAIRS

For necessary expenses of the international affairs function of the Departmental Offices, including operation and maintenance of the Treasury Building and Annex; hire of passenger motor vehicles; maintenance, repairs, and improvements of, and purchase of commercial insurance policies for, real properties leased or owned overseas, when necessary for the performance of official business; not to exceed $2,000,000 for official travel expenses; not to exceed $73,000 for official reception and representation expenses; not to exceed $2,487,000, to remain available until expended, for systems modernization requirements; $32,794,000.

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, hire of passenger motor vehicles; not to exceed $2,000,000 for official travel expenses; not to exceed $100,000 for unforeseen emergencies of a confidential nature, to be allocated and expended under the direction of the Inspector General of the Treasury; $22,710,000.

FINANCIAL CRIMES ENFORCEMENT NETWORK

SALARIES AND EXPENSES

For necessary expenses of the Financial Crimes Enforcement Network, including hire of passenger motor vehicles; not to exceed $3,000 for official reception and representation expenses; $18,055,000, of which not to exceed $945,000 shall remain available until expended, for development of FinCEN's intelligence information systems.

FEDERAL LAW ENFORCEMENT TRAINING CENTER

SALARIES AND EXPENSES

For necessary expenses of the Federal Law Enforcement Training Center, as a bureau of the Department of the Treasury, including purchase (not to exceed fifty-two for police-type use) and hire of passenger motor vehicles; for expenses for student athletic and related activities; uniforms without regard to the general purchase price limitation for the current fiscal year; the conducting of and participating in firearms matches and presentation of awards; for public awareness and enhancing community support of law enforcement training; not to exceed $7,000 for official reception and representation expenses; room and board for student interns; and services as authorized by 5 U.S.C. 3109: *Provided,* That the Center is authorized to accept gifts: *Provided further,* That notwithstanding any other provision of law, students attending training at any Federal Law Enforcement Training Center site shall reside in on-Center or Center-provided housing, insofar as available and in accordance with Center policy: *Provided further,* That funds appropriated in this account shall be available for State and local government law enforcement training on a space-available basis; training of foreign law enforcement officials on a space-available basis with reimbursement of actual costs to this appropriation; training of private sector security officials on a space available basis with reimbursement of actual costs to this appropria-

tion; travel expenses of non-Federal personnel to attend State and local course development meetings at the Center: *Provided further*, That the Director of the Federal Law Enforcement Training Center shall annually present an award to be accompanied by a gift of intrinsic value to the outstanding student who graduated from a basic training program at the Center during the previous fiscal year, to be funded by donations received through the Center's gift authority; $39,245,000.

ACQUISITION, CONSTRUCTION, IMPROVEMENTS, AND RELATED EXPENSES

For expansion of the Federal Law Enforcement Training Center, for acquisition of necessary additional real property and facilities, and for ongoing maintenance, facility improvements, and related expenses, $5,359,000, to remain available until expended.

FINANCIAL MANAGEMENT SERVICE

SALARIES AND EXPENSES

For necessary expenses of the Financial Management Service, $189,195,000, of which not to exceed $10,794,000, shall remain available until expended for systems modernization initiatives: *Provided*, That notwithstanding any other provision of law, hereafter the Financial Management Service shall be fully and directly reimbursed from the Social Security Trust Funds for the costs it incurs in processing Social Security Trust Funds benefit payments, including but not limited to, payment preparation, postage, and account reconciliation.

BUREAU OF ALCOHOL, TOBACCO, AND FIREARMS

SALARIES AND EXPENSES

For necessary expenses of the Bureau of Alcohol, Tobacco and Firearms, including purchase of not to exceed six hundred and fifty vehicles for police-type use for replacement only and hire of passenger motor vehicles; hire of aircraft; and services of expert witnesses at such rates as may be determined by the Director; not to exceed $10,000 for official reception and representation expenses; for training of State and local law enforcement agencies with or without reimbursement; provision of laboratory assistance to State and local agencies, with or without reimbursement; $316,796,000, of which $15,000,000 shall be available solely for the enforcement of the Federal Alcohol Administration Act during fiscal year 1992, and, of which not to exceed $1,000,000 shall be available for the payment of attorneys' fees as provided by 18 U.S.C. 924(d)(2): *Provided*, That no funds appropriated herein shall be available for administrative expenses in connection with consolidating or centralizing within the Department of the Treasury the records of receipts and disposition of firearms maintained by Federal firearms licensees or for issuing or carrying out any provisions of the proposed rules of the Department of the Treasury, Bureau of Alcohol, Tobacco and Firearms, on Firearms Regulations, as published in the Federal Register, volume 43, number 55, of March 21, 1978: *Provided further*, That none of the funds appropriated herein shall be available for explosive identification or detection tagging research, development, or implementation: *Provided further*, That not to exceed $300,000 shall be available for research and development of an explosive identification and detection device: *Provided further*, That this provision shall not preclude ATF from assisting the International Civil Aviation Organization in the development of a detection agent for explosives or from enforcing any legislation implementing the Convention on the Marking of Plastic and Sheet Explosives for the Purpose of Detection: *Provided further*, That funds made available under this Act shall be used to achieve a minimum level of 4,073 full-time equivalent positions for fiscal year 1992, of which no fewer than 1,037 full-time equivalent positions shall be allocated for the Armed Career Criminal Apprehension Program.

UNITED STATES CUSTOMS SERVICE

SALARIES AND EXPENSES

For necessary expenses of the United States Customs Service, including purchase of up to 1,000 motor vehicles of which 960 are for replacement only, including 990 for police-type use and commercial operations; hire of motor vehicles; not to exceed $20,000 for official reception and representation expenses; funds for additional positions for the San Francisco, California, the Baltimore, Maryland, and Port Huron, Michigan Customs Districts, and awards of compensation to informers, as authorized by any Act enforced by the United States Customs Service; $1,226,514,000, of which such sums as become available in the Customs User Fee Account, except sums subject to section 13031(f)(3) of the Consolidated Omnibus Reconciliation Act of 1985, as amended (19 U.S.C. 58c(f)(3)), shall be derived from that Account; of the total, not to exceed $150,000 shall be available for payment for rental space in connection with preclearance operations, not to exceed $4,000,000, to remain available until expended, for research, and not to exceed $3,500,000, to remain available until expended, for renovation and expansion of the Canine Enforcement Training Center: *Provided*, That uniforms may be purchased without regard to the general purchase price limitation for the current fiscal year: *Provided further*, That none of the funds made available by this Act shall be available for administrative expenses to pay any employee overtime pay in an amount in excess of $25,000: *Provided further*, That the Commissioner or his designee may waive this limitation in individual cases in order to prevent excessive costs or to meet emergency requirements of the Service: *Provided further*, That none of the funds made available by this Act may be used for administrative expenses in connection with the proposed redirection of the Equal Employment Opportunity Program: *Provided further*, That no funds appropriated by this Act may be used to reduce to single eight hour shifts at airports and that all current services as provided by the Customs Service shall continue through September 30, 1992: *Provided further*, That not less than $500,000 shall be expended for additional part-time and temporary positions in the Honolulu Customs District.

OPERATION AND MAINTENANCE, AIR INTERDICTION PROGRAM

For expenses, not otherwise provided for, necessary for the hire, lease, acquisition (transfer or acquisition from any other agency), operation and maintenance of aircraft, and other related equipment of the Air Program; $109,432,000, to remain available until expended: *Provided*, That no aircraft or other related equipment shall be transferred to any other Federal agency, Department, or office outside of the Department of the Treasury during fiscal year 1992.

CUSTOMS FORFEITURE FUND

(LIMITATION ON AVAILABILITY OF DEPOSITS)

For necessary expenses of the Customs Forfeiture Fund, not to exceed $15,000,000, as authorized by Public Law 100-690, as amended by Public Laws 101-382 and 101-508; to be derived from deposits in the Fund.

CUSTOMS SERVICES AT SMALL AIRPORTS

(TO BE DERIVED FROM FEES COLLECTED)

Such sums as may be necessary, not to exceed $2,981,000, for expenses for the provision of Customs services at certain small airports or other facilities when authorized by law and designated by the Secretary of the Treasury, including expenditures for the salary and expenses of individuals employed to provide such services, to be derived from fees collected by the Secretary of the Treasury pursuant to section 236 of Public Law 98-573 for each of these airports or other facilities when authorized by law and designated by the Secretary of the Treasury, and to remain available until expended.

UNITED STATES MINT

SALARIES AND EXPENSES

For necessary expenses of the United States Mint; $53,806,000, including amounts for purchase and maintenance of uniforms not to exceed $285 multiplied by the number of employees of the agency who are required by regulation or statute to wear a prescribed uniform in the performance of official duties; and, of which, $1,335,000 shall remain available until expended for expansion and improvements.

BUREAU OF THE PUBLIC DEBT

ADMINISTERING THE PUBLIC DEBT

For necessary expenses connected with any public-debt issues of the United States; $192,270,000.

INTERNAL REVENUE SERVICE

ADMINISTRATION AND MANAGEMENT

For necessary expenses of the Internal Revenue Service, not otherwise provided for; executive direction, management services, and internal audit and security; including purchase (not to exceed 125 for replacement only, for police-type use) and hire of passenger motor vehicles (31 U.S.C. 1343(b)); and services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner; $144,503,000, of which not to exceed $25,000 for official reception and representation expenses; and of which not to exceed $500,000 shall remain available until expended for research.

PROCESSING TAX RETURNS AND ASSISTANCE

For necessary expenses of the Internal Revenue Service, not otherwise provided for; including processing tax returns; revenue accounting; statistics of income; providing assistance to taxpayers; hire of passenger motor vehicles (31 U.S.C. 1343(b)); and services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner; $1,661,298,000, of which $3,000,000 shall be for the Tax Counseling for the Elderly Program, no amount of which shall be available for IRS administrative costs.

TAX LAW ENFORCEMENT

For necessary expenses of the Internal Revenue Service for determining and establishing tax liabilities; tax and enforcement litigation; technical rulings; examining employee plans and exempt organizations; investigation and enforcement activities; securing unfiled tax returns; collecting unpaid accounts; the purchase (not to exceed 451, for replacement only, for police-type use), and hire of passenger motor vehicles (31 U.S.C. 1343(b)); and services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner; $3,606,124,000: *Provided*, That additional amounts above fiscal year 1991 levels for international tax en-

forcement shall be used for the establishment and operation of a task force comprised of senior Internal Revenue Service Attorneys, accountants, and economists dedicated to enforcement activities related to United States subsidiaries of foreign-controlled corporations that are in noncompliance with the Internal Revenue Code.

AMENDMENT OFFERED BY MR. OBEY

Mr. OBEY. Mr. Chairman, I offer an amendment.

□ 1540

The CHAIRMAN. The Clerk will report the amendment.

PARLIAMENTARY INQUIRIES

Mr. WALKER. Mr. Chairman, the Committee on Rules made an amendment in order to be offered by Representative GEPHARDT of Missouri. The other names are listed here or their designee.

I am sorry. I withdraw my parliamentary inquiry.

Mr. TRAFICANT. Mr. Chairman, further parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. TRAFICANT. To what title is the Gephardt amendment germane?

The CHAIRMAN. The amendment is on page 13, line 7.

Mr. TRAFICANT. Of title I?

The CHAIRMAN. That is correct.

Mr. TRAFICANT. Has the Chair asked if there were any objections to title I? Points of order?

The CHAIRMAN. The Chair will inform the gentleman that the bill is being read by paragraph and points of order are in order when those paragraphs are read.

Mr. TRAFICANT. Then would it not be a fact then that the amendment so being proposed here by the gentleman from Wisconsin [Mr. OBEY] would then be subject to being called at the appropriate time at the reading of that relevant matter on page 13?

The CHAIRMAN. The Clerk is about to report the amendment offered by the gentleman from Wisconsin.

Mr. TRAFICANT. Further parliamentary inquiry; is the Chair saying that all of that up to page 13 then is not eligible to be stricken under a point of order?

The CHAIRMAN. The gentleman is correct.

Mr. TRAFICANT. Then I object and I ask that sections of title I be now reviewed before page 13 and the offering of the Gephardt amendment. And I raise a point of order as such that the amendment not be——

The CHAIRMAN. The Chair will inform the gentleman that points of order must be made as individual paragraphs are read, unless by unanimous consent the bill is reopened for consideration of points of order.

Mr. TRAFICANT. Mr. Chairman, a further parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. TRAFICANT. The Chair is saying the bill has been read up to page 13, up to and including the section dealing with tax law enforcement?

The CHAIRMAN. The gentleman is correct.

Mr. TRAFICANT. So that there would be no points of order now that would be relevant to any of that material prior to that section?

The CHAIRMAN. The gentleman is correct.

Mr. TRAFICANT. But there would be points of order that could be relevant to any of that material subsequent to that section?

The CHAIRMAN. The gentleman is correct.

Mr. TRAFICANT. But there would be points of order eligible for any part subsequent thereto which would include on page 13, line 8, information systems; is that correct?

The CHAIRMAN. The gentleman is correct. As paragraphs are read, points of order would be in order.

The Clerk will report the amendment offered by the gentleman from Wisconsin.

The Clerk read as follows:

Amendment offered by Mr. OBEY: Page 13, line 7, insert before the period the following: : *Provided further*, That additional amounts above fiscal year 1991 levels for the information reporting program shall be used instead for the examination of the tax returns of high-income and high-asset taxpayers

POINT OF ORDER

Mr. WALKER. Mr. Chairman, I make a point of order against the amendment.

The CHAIRMAN. The gentleman will state his point of order.

Mr. WALKER. Mr. Chairman, I make a point of order against the amendment of the gentleman from Wisconsin on grounds that it violates clause 5(b) of House rule XXI and ask to be heard on my point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. WALKER. Mr. Chairman, clause 5(b) of rule XXI states at the relevant part that, and I quote:

No amendment in the House or proposed by the Senate carrying a tax or tariff measure [shall] be in order during the consideration of a bill or joint resolution reported by a committee not having that jurisdiction.

The proposed amendment would transfer the increased funds in the bill over last year's appropriation for the Information Reporting Program to be used instead for the examination of the tax returns of high-income and high-asset taxpayers.

It is my contention, Mr. Chairman, that under the precedents surrounding clause 5(b) of rule XXI, this amendment constitutes a tax measure to a bill not reported by the committee having jurisdiction over tax measures—the House Ways and Means Committee.

In this regard, I cite the footnote at section 846(b) of the House Rules and Manual for the 101st Congress, and I quote:

In determining whether a limitation in a general appropriation bill constitutes a tax or tariff measure proscribed by this clause, the Chair will consider argument as to the certainty of impact on revenue collections and tax status or liability.

That particular reference was to a point of order raised on August 1, 1986, against a provision in a Treasury, Postal Service appropriations bill to prohibit the use of funds in the bill to implement certain specified Treasury regulations. Those regulations required taxpayers to maintain detailed information to substantiate the deductibility of certain expenses on their tax returns.

In that instance, the Chairman of the Committee of the Whole, Mr. BEILENSON, upheld the point of order. The Chair observed that without those regulations, taxpayers as well as the IRS would have no guidance. And while new regulations could be promulgated, there would be a necessary delay in doing so, and this would, and I quote, "necessarily result in a direct loss of revenue to the Federal Treasury."

The Chair concluded that the progression of decisions under clause 5(b), rule XXI, support the proposition that a provision constitutes a tax or tariff measure, and again I quote the Chair:

Where it can be conclusively shown that the imposition of the restriction on IRS funding for the fiscal year will effectively and inevitably either preclude the IRS from collecting revenues otherwise due and owing under provisions of the Internal Revenue Code or require collection of revenue not legally due and owing.

Mr. Chairman, while the pending amendment is not a limitation amendment, and instead shifts funds from one tax law enforcement activity to another, namely, from the Information Reporting Program to the Examination Program, the same standard and test can be applied to determine whether this constitutes a tax measure.

And that test is whether the enactment of the amendment would, to again quote from the 1986 ruling, "change tax status or liability by the inevitable effect on the ability of the IRS to collect revenues." It is my contention that this amendment would have that inevitable effect.

Mr. Chairman, any time you shift some $13 million from one activity of tax law enforcement to another, you are bound to affect the ability of the IRS to collect revenues, and the tax liability of individual taxpayers. In this case the $13 million is being transferred from the Information Reporting Program to the examination of high-income, high-asset taxpayers' returns.

Mr. Chairman, it is my contention that shifting that $13 million from the Information Reporting Program to audits will result a lesser return in revenue collections in the short-term. I base this on the testimony of IRS Commissioner Goldberg before the House Appropriations Subcommittee on

Treasury, Postal Service and General Government on March 5, 1991. Quoting from page 834 of the printed hearings:

So what we have done is we have dramatically cut the audit of individuals and have replaced that audit with computer generated notes which is a much more efficient way of doing business and a lot less intrusive. * * * so, what happens if you are interested in short-term revenue yield, let us put the bucks in the bank this year. It is really easy to do more computer-generated notices to taxpayers who are doing it pretty right to begin with. In the short term, you are going to get more dollars out.

Mr. Chairman, Commissioner Goldberg did go on to testify that "In the long run, if you were willing to make the investment in building back audit coverage of large companies and folks making $100,000 to $200,000 a year, * * * you are going to get more money that way." And he added that would be more healthy and fairer.

But all we are concerned with in this point of order is whether shifting funds from the information matching system to audits will be a revenue gainer or loser in fiscal 1992. And the testimony of the IRS commissioner is that keeping that money in the Information Reporting System is more efficient and will yield a larger revenue return.

Finally, Mr. Chairman, while I think I have provided ample proof that this amendment will deprive the IRS of net revenues it would otherwise receive in the coming fiscal year, under parliamentary practice, the burden of proof is on the proponent of the amendment to show that the amendment does not violate the rule. In other words, it is up to the gentleman from Missouri to prove that his amendment will not "inevitably preclude the IRS from collecting revenues otherwise due and owing under the provision of the Internal Revenue Code."

I therefore urge that my point of order be sustained.

The CHAIRMAN. The proponent of the amendment is entitled to be recognized on the point of order.

Mr. OBEY. Mr. Chairman, it is hard for me to respond to the point of order of the gentleman from Pennsylvania with a straight face, but I will try. The fact is that to suggest that this proposal is a revenue proposal would be, if followed to its logical conclusion, to suggest that any effort whatsoever to provide law enforcement would in fact be a tax measure because it might result in the imposition of fines.

This is not a tax measure. This is an anticrime measure, and I would suggest that under section 5(b), rule XXI, that that portion of the rule book makes it quite clear that the gentleman is stretching it quite a bit to suggest that there is any demonstrated impact on revenues by this amendment.

There is no way to ascertain whether an audit of a taxpayer will or will not result in increased revenue or lowered revenue to the Treasury of the United States. And to suggest otherwise, I think, would be to suggest that this subcommittee could take virtually no action which would impact the rules of the IRS or any other agency that either audits or imposes fines.

□ 1550

The CHAIRMAN. Does the gentleman from California [Mr. ROYBAL] wish to be heard on the point of order?

Mr. ROYBAL. Mr. Chairman, I just wanted to add that the rule protects this amendment. The rule states as follows:

It shall be in order to consider the amendment printed in the report of the Committee on Rules accompanying this resolution, and all points of order against said amendment for failure to comply with the provisions of clause 2 of rule XI are hereby waived.

I ask the Chair to rule on it.

Mr. WALKER. Mr. Chairman, may I be heard further on the point of order?

The CHAIRMAN. The gentleman from Pennsylvania may be heard further.

Mr. WALKER. I thank the Chair.

First of all, my point of order does not relate to clause 2 of rule XI. I am making my point of order based upon clause 5(b) of rule XXI.

Mr. Chairman, in my point of order I quoted directly from the testimony of IRS Commissioner Fred Goldberg this year before the House Subcommittee on Treasury, Postal Service and General Government in which he asserted that "computer generated notes is a much more efficient way of doing business" than the audit, and that "in the short term you are going to get more dollars out."

So, therefore, it does become a measure relating to tax revenue unlike what the gentleman is saying that it is strictly a crime measure.

Lest there be any confusion that what he, Commissioner Goldberg, was talking about was the information reporting system, let me quote directly from page 1062 of those printed hearings from the IRS budget submission to the committee, and I quote:

The information reporting program, also known as the information returns program (IRP), is a computerized correspondence compliance program. Through this program, the Internal Revenue Service matches information returns, such as interest, dividend, and wage statements, with related tax returns. * * * In the case of underreported income or overreported deductions, taxpayers are contacted to verify facts and amounts in question prior to assessing additional tax or refunding excess credits.

That same submission, at page 1040, describes examination as follows:

Examination audits taxpayers' financial records to verify reported income and deductions, to uncover unreported income, and to validate exemptions, deductions and credits.

In short, Mr. Chairman, examination is audits, and the information reporting program in the document matching and computerized taxpayer contact system.

Finally, Mr. Chairman, I would quote from section 835 of the House Rules and Manual relating to points of order on appropriations bills:

If the amendments is susceptible to more than one interpretation, it is incumbent upon the proponent to show that it is not in violation of the rule.

Moreover, it might be advisable here to apply the principle used for germaneness points of order, since clause 5(b) of rule XXI is very similar. To quote from section 594 of the manual:

The burden of proof is on the proponent of the amendment to establish its germaneness, and where an amendment is equally susceptible to more than one interpretation, one of which will render it not germane, the Chair will rule it out of order.

I would submit in conclusion, Mr. Chairman, that even if the proponent were able to claim that his amendment is a revenue gainer rather than a net revenue loser, the existence of clear evidence to the contrary should compel the Chair to rule against the amendment on grounds that it is susceptible to more than one interpretation.

The CHAIRMAN. Does the gentleman from Ohio [Mr. TRAFICANT] wish to be heard on the point of order?

Mr. TRAFICANT. Mr. Chairman, I do.

Mr. Chairman, I believe that the Committee on Rules was appropriate in protecting the amendment from clause 2, rule XI, but I believe, in concert with the gentleman from Pennsylvania, this particular language does violate a separate and different clause as well, that being that which was cited by the gentleman from Pennsylvania, clause 5, rule XXI.

In that regard, it is not protected for that citation violation under 521, and should either be sent back to the committee for a rereading or should be stricken by the Chair.

The CHAIRMAN (Mr. STUDDS). The Chair is prepared to rule.

Whether greater scrutiny of certain tax returns will, by the use of funds contained in this bill will, in fact, lead to a loss or a gain in tax liability and in tax collection is a matter of conjecture as was pointed out by the gentleman from Wisconsin [Mr. OBEY].

The amendment itself goes only to funding in the bill. It does not necessarily result in a loss or gain of revenues, as was shown to be the case in the arguments on the points of order cited by the gentleman from Pennsylvania.

The test here is certainty and inevitability of such a tax gain or loss, and just to complete the record, the gentleman from Pennsylvania cited a ruling by Chairman BEILENSON on August 1, 1986.

Let the Chair read fully from that paragraph:

A limitation on the availability of funds for the Internal Revenue Service otherwise

in order under clause 2(c), rule XXI may still be construed as a tax measure in violation of clause 5(b), rule XXI where it can be shown that the imposition of the restriction on IRS funding for the fiscal year will effectively and inevitably—

And I underline the words "effectively and inevitably,"—

preclude the IRS from collecting revenues otherwise due and owing by law or require collection of revenue not legally due or owing.

Absent a showing of inevitable or absolutely inevitable certain effects, the test is not met with respect to funding restrictions on annual appropriation bills and the point of order is overruled.

PARLIAMENTARY INQUIRY

Mr. WALKER. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. WALKER. The Chair did not refer to the rulings, however, where it is clear that the Chair is prepared to sustain points of order where the amendment is equally susceptible to more than one interpretation which clearly this particular amendment is. I did not hear the Chair rule on the point of order that I raised in that regard.

The CHAIRMAN. The Chair will simply remind and repeat to the gentleman that in this line of precedent on funding restrictions on appropriation bills the test of inevitability of a tax increase or decrease is consistent through all the precedents. For that reason, again, the Chair rules the point of order out of order.

Under the rule, debate on this amendment and all amendments thereto shall not exceed 1 hour.

The Chair recognizes the gentleman from Wisconsin [Mr. OBEY] for 5 minutes.

Mr. OBEY. Mr. Chairman, let me say at the outset that I am offering this amendment on behalf of the majority leader, the gentleman from Missouri [Mr. GEPHARDT], and others.

I have to say that I find it extraordinary the lengths to which Members of the House are apparently willing to go in order to try to keep this amendment from even being considered.

The purpose of this amendment is to simply respond to a newspaper story which first appeared in that most ultimate of all conservative Republican house organs, the Wall Street Journal, on March 21 of this year. The headline reads, "White House Urges IRS To Focus on Audits on Lower Income Taxpayers, Agency Says."

What the story goes on to tell is that the White House Office of Management and Budget told the IRS that they ought to focus their review processes on middle-income taxpayers and low-income taxpayers, shifting their focus from high-income taxpayers and corporations. The IRS properly resisted that suggestion, and the IRS Commissioner, in testimony so avidly quoted by the gentleman from Pennsylvania just a moment ago, the IRS Commissioner said that working men and women are in substantial compliance with the tax laws of the United States. The administration then responded by requesting $20 million less for high-income field audits.

This amendment is to make clear that the increased funds provided will be used to focus additional reviews and audits on corporations and on high-income taxpayers.

The fact is that the examination rate for corporations is down 50 percent from a decade ago. The examination rate for high-income taxpayers is down 52 percent from a decade ago, and yet middle-income people are being audited at about the same rate.

The GAO indicated in its review that 40,000 people with incomes of more than $100,000 did not even file tax returns, and that almost 50 percent of all high-income nonfilers escaped IRS investigations altogether.

It seems to me, therefore, that the logic of this amendment is clear, and it ought to be adopted without controversy.

□ 1600

Especially when we consider that since 1980, the wealthiest 1 percent of people in this society have effectively seen their incomes double from $330,000 to over $500,000 while the average worker, the average male worker at the median level of income in this country, with half earning more and half earning less, that average worker has seen his real income declined by $2,000 over that same period.

Certainly that result is unfair enough without adding an additional burden to the middle class—namely, an unfair emphasis in audits on the part of the IRS, being directed by the White House. I think the IRS was correct to resist that effort on the part of the White House. We want to make certain that we nail into the law protections for the IRS so that the White House will not again ask them to go on a diversionary expedition to basically hit middle class taxpayers rather than going where the dollars are.

It seems to me that this boils down to the very simple question: Whose side are Members on? If Members are on the side of middle-class taxpayers, Members vote for this amendment; if Members are on the side of the high rollers in this society, Members vote against it. It is that simple.

Mr. WOLF. Mr. Chairman, I move to strike the requisite number of words.

Let me begin by saying, one, if OMB did what was said that they did, it was wrong. I want to publicly condemn it on the floor today, certainly on behalf of myself and I know most Members of this body would agree. Second, I want to commend Commissioner Goldberg for resisting and, as the gentleman from Maryland [Mr. HOYER] made the comment, Mr. Goldberg is doing an outstanding job. Third, it would be my intent to tell Members that the administration has no problem with this amendment. If we are looking for a raging debate to keep Members away from their families tonight, and this place frankly does keep Members away from their family, then we can keep going 1 more hour.

Also, I would accept the amendment, but I want to make it clear that I think the body, since we are a lawmaking body, should understand and perhaps the amendment should be changed as to where we go for it and take the amendment, but I accept the amendment. The first thing is programmatic. I think the RECORD should reflect this amendment would take the issue requested by the President this year for the Information Reporting Program, [IRP], and transfer it to the examination program. Specifically, it would take away $13 million from IRP, a proposed increase which is just above the level of inflation, and transfer that $1.6 billion, 31,000 FTE examination program. Information provided me by the Treasury Department indicates that the IRP program which would have a fiscal year 1992 level of 3,956 FTE's under the bill as currently drafted is already being reduced by 148 FTE's due to productivity gains. This amendment as drafted would cause the additional reduction of 250 staff-years for this program.

The authors of this amendment might not think that this a bad thing to transfer funds from the small IRP Program to the larger Examination Program, as a policy choice, because there seems to be an assumption that the IRP goes after low-income taxpayers. However, I think in fairness that the RECORD should reflect that the IRP generates reports on discrepancies on tax returns that involve such tax issues as interests, dividends, capital gains, and mortgage interest deductions. The IRP is an income-blind program. It is an automated blind program that generally focuses on the types of issues that this amendment targets, higher income taxpayers who typically file returns which involve interests, dividends, and capital gains. So I am not sure that this amendment, by taking money away from the IRP, would result in what the authors want.

Having said that, just for the RECORD to clarify, because if we are writing laws we really do not want to do something that all Members are not for, I want to again state that the administration has no opposition to this amendment. On behalf of this side of the aisle, I accept the amendment.

Mr. WALKER. Mr. Chairman, I move to strike the requisite number of words. No person has had any real concern about the nature of the amend-

ment itself. The question around here has always been about the process. That is what I want to go back to.

The gentleman from Wisconsin found it amusing that we would take a look at the process used and in the course of the rules debated earlier, and in the course of my point of order, we looked at the process, because in all honesty there is a certain amount of arrogance that suggests we ought to go out and legislate in this matter within appropriation bills.

The gentleman seems to have no concern whatsoever about doing it on this bill, but then tomorrow is going to bring Members a bill out of his committee in which he will not allow the Members the ability to strike as funding if he has his way in the Committee on Rules.

What I am suggesting is that we ought not allow the ability to control the process here to get in the way of our better judgment. There is nothing wrong with the substance of this amendment. I would suggest it is a very poorly drafted amendment, because it does not define the terms in any way, shape or form.

Earlier today the gentleman from Missouri, the author of the amendment, could not tell me exactly whether the funding level would come down to define high-level taxpayers—somewhere around $100,000. I suggest when we are doing these kinds of things and dealing with IRS policy and telling the IRS to go and target a specific group of taxpayers, we ought to be very, very careful about what it is we are doing.

In this particular case, I think the amendment was drafted more for political purposes than with the careful intention of assuring we have an appropriate policy. That is not a good way to legislate. It is particularly not a good way to legislate when we run roughshod over the processes of the House that are supposed to protect all Members in order to get something like this done.

Then, our side was disturbed about the fact that while this particular set of tax principles was given a particular waiver, the taxpayer's bill of rights was not given the same kind of waiver, and so the real protection that existed for middle-income taxpayers was left unprotected in the bill, and likely will be stricken later on on a point of order. That would be a real shame. That would be the real travesty against middle-income taxpayers. I would hope it would not be done, but in this particular case, this amendment should be approved.

Mr. GEPHARDT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the amendment I offer today—with the cosponsorship of our colleagues Mr. OBEY, Mr. PICKLE and Mr. DORGAN—prohibits the use of additional funding by the IRS to target low- and middle-income taxpayers.

The amendment calls for any increased funding to be used to examine high-income/high-asset taxpayers.

The policy stated by the amendment should be common sense. But, unfortunately, common sense has not been all that common at the executive branch when it comes to tax policy.

In March, the Wall Street Journal reported that the "White House Urged IRS to Focus Audits On Lower-Income Payers."

The article indicated that the Office of Management and Budget wanted to increase its audits of low- and middle-income taxpayers. IRS Commissioner Fred Goldberg, Jr., told the House Ways and Means Oversight Subcommittee that he wasn't going to do it.

In testimony before the Oversight Subcommittee, Commissioner Goldberg reported that working men and women are substantially in compliance with our Nation's tax laws and pay their fair share.

Our amendment supports IRS efforts. It simply says that when the IRS allocates new resources, they should be used to audit high-income/high-asset taxpayers. There is every reason for the Congress of the United States to endorse these efforts.

From 1980–90, the examination rate for corporations dropped 50 percent, partnerships dropped 50 percent, and upper income individuals dropped 52 percent.

Over the same period, the IRS continued to examine working men and women at approximately the same level.

In March, the General Accounting Office investigated the treatment by the IRS of taxpayers with income over $100,000. Their study showed that the IRS does not fully investigate high-income nonfilers. Indeed, almost 50 percent of all high-income nonfilers escape investigation by the IRS.

For some in this Chamber, and elsewhere, this kind of bias against the middle-income taxpayer represents business as usual.

They want to repeal the luxury tax, they want to cut the capital gains tax, they want to eliminate working people from student loans, and they want to penalize the elderly poor who qualify for Medicare but cannot afford their premiums.

I understand that point of view, I don't share it, and I don't think it makes good policy for the United States.

I do not believe that our system of tax compliance should have one set of rules for the working people of the United States, the people who pay their taxes, and a looser set of rules for the people who can afford to pay but who may be shirking their burden.

If you want the middle-class to be audited by the IRS but want the rich to get off easy, you can oppose the amendment. But if you want to support the little guy, and support an even-handed system of tax justice for rich and powerful taxpayers as well as for the middle-class, we would be happy if you would join us in supporting the amendment.

□ 1610

Mr. GINGRICH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, let me just say first of all I intend if this comes to a vote to vote for this. I think that our side will be virtually unanimous.

We certainly agree with the distinguished majority leader that it is useful for the middle class to be recognized and for the middle class to have an IRS which is more interested in protecting their wallets and auditing very large corporations than going after the middle class; however, I just want to say that one of the interests the middle class has is controlling Federal spending, and another interest the middle class has is cutting out waste in government.

If I might, I just want to make clear what is going to happen for the next couple days. I am going to ask my colleagues on this side of the aisle to do every procedural step we can, to insist on every point of order we can, and to communicate that the rule which just came out of the Rules Committee a few minutes ago is an absolute assault on the middle class. It absolutely eliminates every individual Member on either side of this aisle from an opportunity on the foreign aid appropriations bill to cut out waste in spending.

Now, I am convinced that the majority leader and the Democratic leadership which developed this afternoon's amendment on behalf of the middle class is going to want to help us defeat the rule tomorrow to allow any individual Member, Democrat or Republican, liberal or conservative, to offer any cutting amendment they want to on this appropriation bill.

I think as a matter of procedural fairness for the House, it is my understanding from the Rules Committee, from our staff, that it is virtually without precedent to limit the right of Members to offer motions to strike on appropriations bills. I think it strikes at the very heart of the representative nature of the House for the majority to decide artificially to protect this particular bill.

I cannot see how you can go to the middle class and say you want to help them, but by the way, you are absolutely protecting billions of dollars from any right of an individual Member to offer an amendment.

So we are for the next few days, until the majority decides to change its position, we are going to do every single thing we can to insist on the right of individual Members to be protected in cutting spending.

I cannot imagine from a middle-class, balanced budget, cutting waste standpoint anything which would be more vivid and more dramatic than to have the Democratic majority, which says it wants to represent the middle class and is trying in this IRS amendment to represent the middle class, to protect waste in these large bills and block the individual Members.

So if Members are inconvenienced for the next few days, there is a very easy way to stop that. I would urge the Democratic leadership to allow us to avoid the kind of confusion we are going to have by simply agreeing to pull the rule and rewrite it to allow Members to offer motions to strike.

Mr. TRAFICANT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I do not think anybody in this House is going to oppose this amendment, because this amendment is going to sell good around the country. It looks good and in all reality it can be good. I am not questioning the intent or the integrity of the sponsors; but let me tell you what, for every one of those so-called rich people that you are going to be turning the IRS on, they are going to have a battery of attorneys, a battery of accountants, and they are going to fare very well in this process; but what this House is failng to do at this point, in my opinion, by being selective with the rule and being selective in the way we legislate, if you will, on appropriation bills, we still have not addressed the broad range of overall taxpayer abuse problems which basically affects the middle income guy and the smaller income guy and women in this country, and I think that is the hypocrisy.

There is nobody in this House who is against this particular language, but just remember this. Every time that IRS agent calls that guy that has all that money, he calls all his attorneys and his accountants and they work it out, many times for 1 dollar for every 10.

But what we are failing to do as a Congress is we still continue to leave vulnerable and exposed those individuals who do not have the financial wherewithal to protect their own interests under the Tax Code.

This is not knocking any Republican administration. This has occurred with Democrats and Republicans. It has happened with an IRS agency that Congress has not provided enough oversight for, and everybody in this House knows it.

So Mr. Chairman, I am going to support this amendment, but I think it is time that we take a look at the overall needs of the average worker, and by looking at the needs of the average worker, you provide some basic taxpayer protection. They are the ones who need it. They do not have the money for the attorneys. They do not have the accountants.

Mr. PENNY. Mr. Chairman, I move to strike the requisite number of words, and I yield to the gentleman from Wisconsin [Mr. OBEY].

Mr. OBEY. Mr. Chairman, I thank the gentleman for yielding to me.

Mr. Chairman, I simply take this time to respond to the comments of the gentleman from Georgia concerning the rule on the Foreign Operations bill.

The unprecedented rule to which the gentleman refers in fact has three previous precedents in this House. In 4 of the last 5 years, the identical bill has been handled in just the way that the Rules Committee handled this bill, in very large part because we are trying to do a very difficult thing, which is to pass an appropriations bill concurrently with the passage of the authorization bill.

We are trying to confine most of the legislative arguments to the authorization bill, and we are trying to reach accommodation with the administration on very sensitive issues, such as El Salvador.

Very frankly, most of the amendments to the bill about which I was worried would have come from the Democratic side of the aisle tomorrow, because among other things we are arranging, for the convenience of the administration, to delay any further votes on El Salvador until after Labor Day, to give the administration an opportunity to try to work the peace process in that country.

We also in that way prevent any precipitous amendments on other countries, such as Guatemala.

I would further make the point that to my knowledge every single Republican—well, let me back up. The Rules Committee noticed last week their intention to provide just such a rule. They explicitly informed the gentleman from Georgia of that fact on the floor. My understanding is, and I would point out that under that notice given by the Rules Committee, every single Republican who offered an amendment was guaranteed that that amendment would be considered. The only Republican amendment that I know was dropped was that of the gentleman from New York [Mr. GREEN], who specifically told me that he only wanted his amendment considered if in fact another amendment came from the pro-life side of the issue, and since it did not, he did not choose to offer an amendment; so I fail to see how any Member has been injured.

In fact, the majority here is doing the same thing the minority is doing on the foreign operations bill. We are largely providing appropriations for items that the administration wants, and it seems to me that we can hardly be faulted here for doing that.

I dare say that the administration has gotten 99 and 44/100ths percent of what it wanted, and I dare say that there is not a single Republican amendment that was offered that was not allowed to be considered tomorrow.

Mr. GINGRICH. Mr. Chairman, will the gentleman yield to clarify two things?

The CHAIRMAN. The gentleman from Minnesota has the time.

Mr. PENNY. Mr. Chairman, I yield to the gentleman from Georgia.

Mr. GINGRICH. Mr. Chairman, I just want to make two points.

First of all, I believe it is fair to say that the distinguished chairman was not joined by his ranking member in requesting this rule; is that correct?

Mr. OBEY. Mr. Chairman, if the gentleman will yield, I was not joined for the last 5 years by the ranking Republican. That does not belie the fact that we have had this same rule for 4 of the last 5 years.

Mr. GINGRICH. Mr. Chairman, will the gentleman yield further?

Mr. PENNY. I yield to the gentleman from Georgia.

Mr. GINGRICH. I will just point out, Mr. Chairman, that the gentleman from Wisconsin should be on the floor defending the rule. As I understand the rule, it reads, for example, that Mr. VOLKMER has a specific amendment which was in the RECORD, and then reads Obey substitute.

Mr. EDWARDS has three amendments which were in the RECORD. Then it says Obey substitute to each Edwards amendment.

So that the only person who did not have to print their amendments in the RECORD was the distinguished gentleman from Wisconsin. If I could get a deal like that from the Rules Committee, I would favor it too.

□ 1620

Mr. OBEY. Let me simply suggest this is not at all rare to allow subcommittee chairmen to substitute amendments to amendments offered. As you know, it is physically impossible to prepare amendments to amendments that have not been drafted yet. So we have no way of drafting those amendments until after the others have been filed.

Mr. GINGRICH. Mr. Chairman, will the gentleman yield?

Mr. PENNY. I yield to the gentleman from Georgia.

Mr. GINGRICH. I thank the gentleman for yielding.

In the 97th Congress, no restrictive rule; 98th Congress, no restrictive rule on any regular appropriation bill; 99th Congress, 1 restrictive rule; 100th Congress, 1 restrictive rule which permitted 18 amendments; 101st Congress, 1 restrictive rule which permitted 11 amendments.

All I am suggesting is that when every amendment gets to be trumped by one Member whose amendments we have not seen, it is a little one-sided.

The CHAIRMAN. The time of the gentleman from Minnesota [Mr. PENNY] has expired.

(By unanimous consent Mr. PENNY was allowed to proceed for 1 additional minute.)

Mr. PENNY. I yield further to the gentleman from Wisconsin.

Mr. OBEY. I thank the gentleman for yielding.

Mr. Chairman, nothing the gentleman has said denies the fact that in 4 of the last 5 years we have had virtually the same rule. The rule operates principally for the convenience of a Republican administration with which I am trying to cooperate. When the day comes that a Democratic chairman is criticized for working cooperatively with a Republican administration to protect their prerogatives, largely, then I think we have reached a very strange state indeed in this Chamber.

Mr. DORGAN of North Dakota. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I shall not take the full 5 minutes, but I did want to say that as a former tax administrator who has been involved in audit enforcements, this is not a minor, technical, or insignificant issue, as some have suggested.

The question of how we enforce our tax laws—against whom, and with what kind of fairness—is very important. I do not believe that we ought to micromanage on the floor of the House. I support Commissioner Goldberg. I think he is trying to do a very good job under very difficult circumstances. He is trying to use limited resources to cover virtually unlimited needs to enforce our tax laws.

But there are some quirky people in town who apparently feel the best approach to enforcement is to increase our enforcement efforts against low- and middle-income people. They feel that's the best use of our money.

These people are apparently the same people who said to the IRS, when they requested $35 million more for compliance and enforcement plans to try to respond to significant tax avoidance among high-income people, that "We are going to cut those amounts by 80 percent. We do not want you to examine returns in this area of tax enforcement."

So it is perfectly appropriate, in fact I think necessary and important, for us when we send this money to say, "You know, you ought to look for money where money is," as the old saying goes. If you take a look at where the tax avoidance is in this country, it is not with low- and middle-income taxpayers or wage earners. The bulk of the evidence tells us that low- and middle-income workers in this country faithfully pay their taxes and always have.

On the other hand, if you take a look at audit rates on the largest corporations in the country in the past decade, they have decreased dramatically. Yet the tax-gap reports tell us how much is left out there falling through the cracks, and you will find almost $16 billion is not collected from corporations with over $100 million a year or more.

Well, that is where we ought to devote some of our resources. This amendment is very simple and absolutely correct. It says when you have additional resources let's not use them to significantly enhance the audit and enforcement efforts against those middle-income and low-income people who are already complying with the tax laws and faithfully pay their taxes. Let's use it to get those who are slothful and who decide they are not going to participate and who do not want to comply with the tax laws. It's time to get them to become full-fledged American taxpayers and pay us what they owe.

Once we do that, we will have done something significant for all the rest of the taxpayers in this country. That is what this amendment is all about. It is not about politics or anything else. It is not that enforcement of tax laws is insignifcant. But when people suggest we move in the wrong direction and begin significant audits against low- and middle-income people and ignore moving resources to the upper-income people where the tax compliance problems and tax enforcement problems exist, then they are wrong and we have a right to speak to that on the floor of the House. This is what this amendment does.

Mr. HOYER. Mr. Chairman, I move to strike the requisite number of words and rise in strong support of the Gephardt amendment. Much has been said about it. I would reiterate that I think Commissioner Goldberg is trying to respond to a problem that exists, that this amendment speaks to. I would like to quote from pages 775 and 776 of his testimony which I think is exactly on point on this amendment.

Reading parts of it, he is referring to the high-volume program of contact through mail, computer operations, which is generally, as he points out, best suited to relatively perfunctory returns. That is, returns which do not have, necessarily, a lot of special items contained in them. He says this: "If you compare the declines with individuals to the declines for partnerships, large businesses, large corporations, large Schedule C filers, it is dramatic." He goes on to say: "I think the next chart tells the story." He says: "Overall, for individuals, nonbusiness individuals, if you look at what we are doing in 1991, including adding business coverage over all individuals, nonbusiness individuals have the same amount of dealings with us as they had 10 years ago, the same percent." In other words, the average guy still has the same interface with the IRS. Some have referred to it as harassment. In some cases that is perhaps correct. None of us would condone such activity.

However, for the most part, what it is, as the gentleman from North Dakota was saying, in an attempt to make sure that our system operates fairly and that all taxpayers pay their fair share. He goes on to say: "We have, however, a 27-percent decline in audit coverage for businesses with over $100 million in assets." In other words, our largest corporations which have the most money and probably the most tax liability we see a significant, by over a quarter decline in their audit coverage.

Quite obviously, the message that says that, "We are not going to check on you if you are a big-timer. But if you are a little-timer, we are going to stay after you just as we have."

He goes on to say: "A 53-percent decline, over half, in audit coverage for individuals with over $100,000 income," the income level for which the majority leader speaks, and then a 51-percent decline in audit coverage on partnerships. Now, quoting Commissioner Goldberg, he said, "The system is out of whack."

Now, I do not know what the Wall Street Journal article was based upon, per se, but if in fact there was a direction from the White House to the IRS to diminish the audit coverage on the wealthiest Americans who are doing the best in America, in fact that the Government and our system is serving the most, while continuing it on the average on the average American guy trying to struggle and make ends meet, then in fact Commissioner Goldberg is absolutely correct, the system is out of whack.

The majority leader's amendment attempts to put the system a little back on the track.

Mr. PICKLE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, it is clear that over the past decade the administration has sought to rely on working men and women as an easy source for needed revenue. The administration's strategy is: why bother expending valuable IRS resources to dig through the complex books and records of large corporations and high income people, when, for the price of a postage stamp, IRS notices can be mailed out to lower- and middle-income taxpayers asking for $15 or $50 in additional taxes.

The bottom line is that hitting wage earners on discrepancies in salaries and interest that they report on their tax returns is a heck of a lot easier than sorting through aggressive corporate tax positions, complicated partnership accounting issues, and potential litigation. The amendment before us is intended to change this strategy and tell the administration that we don't intend to let the big boys alone anymore.

The Ways and Means Committee's Subcommittee on Oversight, which I chair, held a hearing March 20, 1991 on the Internal Revenue Service's fiscal

year 1992 budget. The facts revealed during that hearing speak for themselves.

The Commissioner of the IRS testified that from 1981 through 1990, the audit rate for corporations dropped by 50 percent, the audit rate for partnerships dropped by 50 percent, and the audit rate for upper income individuals dropped by 52 percent. In contrast, the audit rate for working men and women did not change. They are typically audited by mail under the Information Reporting Program when an IRS computer finds a mismatch.

In 1991, wage earners will be audited at a rate of 5.5 percent under IRS's audit-by-mail program. This is higher than the 3.5 percent audit rate for corporations, much higher than the .9-percent audit rate for partnerships, and the 3.7-percent audit rate for upper income individuals.

The administration requested, during fiscal year 1992, that the IRS increase its reliance on audits of working men and women, and shift away from audits of high-income and high-asset taxpayers. In order to get more revenues in more quickly, IRS could send out additional IRS tax notices to working individual taxpayers. This would bring money in faster and avoid the more time consuming and complex audits of high-income individuals and corporations.

The IRS Commissioner objected to this request believing that it did not represent good tax policy and simply was intended to be an easy short-term revenue source. He noted that working men and women are substantially compliant with our tax laws and pay their fair share. IRS Commissioner Goldberg testified that he felt strongly it is the IRS's job to also go after the big guys who are not paying their fair share.

In the end, the Commissioner was able to rebuff the administration's proposal to shift the examination program further toward individuals audited by mail. However, the administration did not propose the funding for high-income and high-asset examination that the Commissioner and the Treasury requested.

The IRS Commissioner had the gumption to take a strong stand and he should be applauded for that stand. Today, the Congress has an opportunity to show its support for the Commissioner's position and for what is good and fair tax and fiscal policy.

Briefly, this amendment provides that the portion of the increase in tax law enforcement over fiscal year 1991 levels that would be allocated to audits by mail or the Information Returns Program, should instead be used for examination of high-income and high-asset taxpayers. We are not targeting taxpayers, but saying that the IRS should spend money wisely by examining those taxpayers that the Commissioner reported were not paying their fair share.

Mr. Chairman, there are some who would indicate that this is a partisan amendment. I disagree. I suggest that it is good tax policy in its best sense. It represents the opinion of this administration's own tax Commissioner who objected to continued focus on low-income taxpayers. The Commissioner took the position that it was bad tax policy to do this and suggested exactly what we are suggesting here today.

IRS ought to be spending money to audit the big boys as well as the little fellows. This ought to be our tax policy, not Republican policy or Democratic policy, but nonpartisan standard policy. I would like, at this time, to submit for the RECORD a copy of IRS Commissioner Goldberg's statement before the Oversight Subcommittee which I believe provides the background for this amendment and the reasons why the amendment should be supported on a nonpartisan basis.

□ 1630

Mr. Chairman, I insert for the RECORD the following:

SUMMARY STATEMENT OF FRED T. GOLDBERG, JR., COMMISSIONER OF INTERNAL REVENUE

Mr. Chairman and members of the subcommittee: I appreciate the opportunity to appear before this subcommittee today to discuss the 1991 filing season and our fiscal year 1992 budget. Testifying with me are Mike Murphy, Deputy Commissioner; John Johnson, Chief Financial Officer; Dave Blattner, Chief Operations Officer; and Hank Philcox, Chief Information Officer. Also with us today are other IRS executives who will be available to answer any questions you might have.

Mr. Chairman, I have two straightforward and encouraging messages to deliver:

The filing season is going exceptionally well.

The President's FY 1992 budget request:

Fully funds existing levels of activities,

Funds the FY 1992 increment of systems modernization, and,

Provides for a modest growth in our compliance activities.

I. 1991 FILING SEASON HIGHLIGHTS

Mr. Chairman, I believe the statistics in every aspect of our operations tell the story. Here are the facts compared to last year at this time:

A. Service Centers

Taxpayers are filing at about the same rate again this year; we are processing returns and issuing refunds on or ahead of schedule. Particularly noteworthy are the increase in electronically filed returns and the widespread use of the simplified form 1040A by elderly taxpayers for the first time this year (data through March 9, 1990 and March 8, 1991):

CHART 1.—INDIVIDUAL INCOME TAX RETURNS FILED

[In millions]

	1990	1991	Percent change
Electronically filed returns	3.3	5.9	81.3
Form 1040	19.6	17.7	−9.5
Form 1040A	10.4	11.4	9.2
Form 1040EZ	11.6	10.1	−12.7
1040A filed by taxpayers with pension income	.....	1.0	N/A

As we all know, many "little things" go wrong each filing season—equipment failures, software glitches, misdirected computer tapes, telecommunications failures, and the like. While these problems are inevitable, the object is to minimize their impact on taxpayers. So far, our success in this regard has been nothing short of remarkable. These run the gamut from the electronic transmission of returns to recover from computer tapes that a courier misdirected, to the rerouting of taxpayer service traffic when the telephone company's transmission lines went down. We have served the taxpaying public quite well this year.

The only cloud on the horizon is that the challenge of maintaining our antiquated hardware and software grows more daunting and costly each year. We are living on the edge in this regard—thanks to the skills of our workforce, we have averted disaster to date. But we are racing against time, Mr. Chairman, in our efforts to modernize our system.

One of the most striking aspect of our processing efforts has been the continued improvement in quality. The following chart illustrates the point.

CHART 2.—SERVICE CENTER INVENTORIES AND RECEIPTS AS OF MAR. 8, 1991 ADJUSTMENTS, UNPOSTABLES, AND UNIDENTIFIED REMITTANCES

	Percent	Number
Adjustments (IMF/BMF):		
Change in inventory	−16.7	−69,500
Change in receipts	−16.8	−310,600
Unpostables:		
Change in inventory	−28.9	−95,800
Change in receipts	−20.0	−235,700
Unidentified remittances:		
Change in inventory	−12.5	−1,800
Change in receipts	−11.9	−1,300

This translates directly into cost savings for the government. Of greater importance, it represents a dramatic reduction in burden on the taxpaying public.

B. Taxpayer Service

We are seeing continued improvement in taxpayer service once again this year.

CHART 3.—CUMULATIVE RESULTS THROUGH THE FIRST FULL WEEK IN MARCH

	1989	1990	1991
Cumulative accuracy rate (percent)	[1] 62.8	76.2	81.3
Level of service (percent)	83.7	71.0	74.3
Teletax—Refund (millions)	8.2	3.3	8.3
Technical recorded tax information (millions)	1.6	1.7	2.0

[1] End of filing season cumulative rate.

With respect to our accuracy rates, two points are worth noting. First, we are seeing significant improvements throughout the country this year. While a number of specific call sites are having some continued difficulty, six of seven regions are now over 80% on a cumulative basis, and more than 18% of our call sites are over 85% on a cumulative basis.

The second point relates to the expert system that we tested in Boston last year, and are currently testing in Boston, Philadelphia, Dallas and Los Angles. While the results this year are mixed, we remain convinced that expert systems hold great promise for the future. At the same time, however, it is clear that our investments in training and the like are paying off quite handsomely in all of our call sites. We plan to continue testing expert systems next year, and it will be several more years before we know how to make best use of this technology in our taxpayer service efforts.

C. Forms Distribution

As with our other activities, forms distribution is going quite well this year. To

date we have filled 11.2 million requests for forms in addition to the 96.7 million tax packages we mailed to individuals at the beginning of the filing season. Other positive indicators are:*ERR08*

Chart 4.—Forms distribution key indicators (through March 9, 1991)

	1991
Critical returns on back order	0
Average turn around time	[1]1
Average time, door-to-door	[2]11
Accuracy rates, forms distribution, centralized forms distribution sites	95.9

[1]Day.
[2]Days.*ERR08*

Once again, in an operation this size, "little things" are certain to go wrong. We are threfore particularly pleased with the GAO's assessment that employees in our walk-in sites are familiar with procedures for ordering forms and are making an extra effort to be helpful.

Mr. Chairman, our filing seasons succeed because our citizens and preparers make it a success. Beyond that, four other reasons behind our achievements this year are:

(1) No last minute law changes with 1990 effective dates;

(2) Tax systems modernization projects that are now up and running;

(3) Strategic planning and our continued pursuit of quality;

(4) The dedication, abilities and hard work of our employees.

Those within our control will continue to enhance tax administration in the years ahead; I only hope we have learned our lesson with the respect to the first.

I am particularly proud of these accomplishments in light of the many complicated assignments our employees undertook in handling the special tax situations associated with Operation Desert Storm. The procedures extending the time to file, and helping those who wanted to file, as well as the procedures to stop notices and refund offsets reflect our commitment to ease the burden of the brave men and women serving in the gulf, and their families.

II. FY 1992 BUDGET

Mr. Chairman, I will limit my remarks to three aspects of our proposed FY 1992 budget:

A. *Truth in Budgeting*

A most significant aspect of our proposed budget is its candor. We will spend the money we are requesting in the manner we have described. Last year, I devoted much of my testimony before this subcommittee to a candid assessment of the budget problems we faced during 1989 and 1990. In part, the difficulties were attributable to our own shortcomings, unforseen circumstances and abrupt changes in direction. In part, however, the problem also resulted from unfunded mandatory costs, and erratic financing. Tax administration, and the taxpayers we serve, paid the price. We took draconian measures to live within our means—a two-year hiring freeze in most enforcement programs; shortchanging our employees on training and tools to do their jobs; and program cuts in taxpayer service.

Our FY 1991 budget was a step in the right direction—a bridge to a new era. I reported that we hoped to address a shortfall of $100-$150 million through productivity gains and program cuts. With the support of both Treasury and OMB, and the help of this committee and others in Congress, we have addressed these shortfalls.

Mr. Chairman, this data clearly demonstrates the progress we have made and are making. Our concerted efforts over the past two years are paying dividends. The IRS will now spend its money as advertised. We will be able to produce the results the Congress expects for the money it appropriates.

I testified last year that we had faced chronic shortfalls in the areas of training, travel, support and supplies, space renovations, and computer systems. These were shortfalls between what you and your colleagues thought we should spend, and what we in fact spent in these categories. These gaps are being closed with steps taken in 1991 and with the proposed FY 1992 budget.

The FY 1991 budget turned the corner; the FY 1992 budget takes a measurable step forward. The funding problems we experienced in the past have undoubtedly left their mark, but we are now moving in the right direction.

Equally important, the FY 1992 proposed budget:

Fully funds pay increases;

Reflects anticipated increases in support costs;

Brings FY 1992 program objectives and financial resources into balance; and

Reflects projected savings from investments in new information systems.

By fully funding costs associated with our existing level of activities as well as the program increases, we can continue to administer the Nation's tax laws and effectively manage our resources. It will enable us to:

Deliver another successful filing season next year.

Maintain our enforcement efforts and avoid a hiring freeze that wastes tax dollars and forfeits hundreds of millions of dollars in revenue.

Invest in the training and tools necessary for our employees to do their jobs properly.

Invest in our existing information systems to continue current operations, replace obsolete equipment and make necessary enhancements as we move to a modernized system.

The administration and Congress have been supportive of our efforts to incorporate truth in the budgeting process. The FY 1992 proposed budget takes us well down that road.

B. Tax Systems Modernization

Our proposed FY 1992 budget will fund the next installment in our long term effort to modernize our systems. Without question, tax systems modernization (TSM) is the key to the future of tax administration. TSM is the vehicle that will permit us to dramatically reduce the burden on taxpayers, enhance voluntary compliance with our tax laws, and generate quality-driven productivity gains throughout the IRS.

In my written statement, I highlight the progress we are making and the benefits that TSM has generated and will generate in the years ahead. For purposes of my testimony this morning, I will limit myself to the following:

First, the most significant long-term accomplishment during the past year has been completion of our draft design master plan. This plan runs to over a thousand pages and includes:

An overview of future IRS automated systems;

Description of projects and procurements required to accomplish TSM;

A master schedule showing when features will be available;

A timetable for installing new equipment and for removal of old components;

Costs and benefits, including reduced burden on taxpayers.

We are now reviewing the plan with internal IRS users and a variety of outside stakeholders (Treasury, OMB, GAO, National Academy of Sciences). Most of these groups were involved in developing the plan. We plan to complete the reviews and revise the plan, as appropriate, later this spring. I want to emphasize that the design master plan is not static. While the fundamentals of the plan are in place, various aspects of it are certain to evolve as we learn from experience and respond to external factors, such as tax law changes and emerging technologies.

Second, while TSM is a costly, difficult and long-term endeavor, the investment we have made to date is already paying substantial dividends. Following are TSM projects that are now up and running:

Electronic filing;

Electronic transmission of electronically filed returns;

Our so-called on-line entity system, which allows service center employees to directly access certain taxpayer identifying data (name, address and Social Security number);

Automated underreporter inventory and correspondence tracking system.

Without question, these efforts have saved us millions of dollars. They are a primary reason why we are enjoying the filing season we have enjoyed to date. Above all, they have already benefitted millions of our citizens—taxpayers who have received their refunds more rapidly, taxpayers who have avoided the hassles of our adjustments and unpostables inventory, taxpayers who have not received needless notices and correspondence from the IRS.

Mr. Chairman, I remain convinced that we can indeed transform tax administration during the 1990's. TSM, coupled with fundamental changes in the way we do business, holds the key to the future. We are on the right road; the FY 1992 budget funds the next phase of that journey.

C. Modest growth in our compliance activities

The proposed FY 1992 budget reflects sustained growth in our compliance activities. This approach is essential if we are to maintain voluntary compliance; properly plan our programs; and effectively recruit, train, and house new employees. It also increases inspection staffing, restoring levels in this all-important function to those recommended by the General Accounting Office.

1. Criminal investigation; employee plans and exempt organizations. Our special agents are generally recognized as the best in the business in fighting financial crimes. In recent years, they have made a major contribution to the war on drugs and the Government's efforts to combat money laundering and organized crime. Unfortunately, resources devoted to traditional criminal tax enforcement activities declined dramatically during the 1980's. The budget takes a long overdue step in the right direction by calling for a modest increase in special agents for use in this area.

The budget also calls for modest growth in our employee plans and exempt organization function to handle increased determination cases. Additionally, within our current resources, increasing our efforts to assure that pension plans comply with applicable funding requirements is of particular importance—to employees, and to the government as guarantor of pension benefits.

2. Collection: A substantial portion of the proposed increase is devoted to our collection function. If we include accrued interest and penalties and currently not collectible accounts, and before an allowance for doubtful accounts, the accounts receivable inventory is pushing $100 billion. It is clear that we can do a much better job of managing our

receivables. I believe we are not making progress on this front. At the same time, however, it is also clear that we must increase staffing as proposed.

3. Examination: The budget calls for a modest increase in our field examination activities. I would like to spend a moment on this particular item, Mr. Chairman, because I believe it is of great importance. Thanks to wage withholding and the development of our information reporting programs during the past decade, the plain fact is that working men and women of this country are substantially compliant with our Nation's tax laws. To an overwhelming extent, they do indeed pay their fair share. To the extent they do not, our high-volume information matching programs and our correspondence and office audit programs can make appropriate adjustments.

Unfortunately, these high-volume programs cannot be adapted to sophisticated business and corporate taxpayers. The result has been a dramatic decline in audit coverage in these areas over the past decade. The data speaks for itself.

CHART 9.—AUDIT COVERAGE AND UNDERREPORTER CONTACTS 1981–91 (PROJECTED)

[In percent]

	1981	1990	1991
All corporations	5.1	2.6	3.5
Large corporations (over $100M in assets)	80.5	59.1	73.1
Partnerships	1.6	0.8	0.9
Upper income individuals (business gross receipts over $100,000)	7.1	3.4	3.7
Nonbusiness individual	1.7	0.7	0.8
Underreporter notices	2.4	2.3	3.9
Nonbusiness individual audit coverage plus contracts, (including IRP)	4.6	3.6	5.5

CHART 10.—CHANGE IN STAFF YEARS APPLIED AND RETURNS FILED FISCAL YEAR 1981 THROUGH FISCAL YEAR 1991 (PROJECTED)

[In percent]

	Staff years	Returns filed
Total	+2	+22
Individual (non-business)	−20	+21
Large corporations and businesses	+41	+78
Partnerships	−45	+16

The increase in field examination staffing for FY 1991 and the proposed increase for FY 1992 will not restore audit coverage to adequate levels, but they are steps in the right direction.

III. DELIVERING THE PROMISE

Mr. Chairman, last year, we committed to the Congress that IRS would generate $9.4 billion in additional revenue collections over the FY 1991–1995 period through no-cost management improvements in the way we do business and investments in additional compliance staff.

When we made our projections more than 15 months ago, we estimated that the management initiatives would generate $2.5 billion during FY 1991, and $3.6 billion through FY 1995. At this point, two are ahead of schedule, two are more or less on target, and one is running behind. Overall, I believe we will meet our FY 1991 objective and will surpass our goal for the entire five year period. Of equal importance, I am confident that we are achieving our management objectives and are doing a better job of running the agency.

The second part of our commitment was to produce additional revenue from expanding our compliance program staffing, principally in examination and collection. Our ability to deliver on these resource initiatives depends on two factors—the staff we hire, and the yields generated by our enforcement programs.

With respect to staffing, Mr. Chairman, we have made substantial progress and are confident that we will have all additional employees in place during FY 1991. Even more important, our field executives are unanimous in the view that we are hiring top quality employees across the board. While there are a number of reasons for this encouraging development, I believe the pay reform legislation that you and your colleagues enacted last year has played a major role. Tax administration, and the American public, will benefit for years to come.

The results of our enforcement efforts to date are equally encouraging. Our accounts receivable collected per staff year are up 20 percent over 1989 and 10 percent over FY 1990. In the examination program, tax recommended per staff year for individual income tax returns is up 67 percent over FY 1989 and 29 percent over FY 1990. Corporate recommendations per staff year show even more improvement.

Quite simply, Mr. Chairman, we are hiring and retaining the people we need, they are being properly funded in the budget, and they are performing better than expected. The bottom line is quite encouraging—we remain confident that we will deliver the promised revenue, and that others will be able to verify our performance.

Mr. Chairman, I've focused on the management and resource initiatives because they are a matter of particular interest to the subcommittee. While they reflect the progress we are making, they are a modest part of the overall picture. We will provide for the record a document which describes management actions and accomplishments towards achieving our strategic business plan objectives.

CONCLUSION

I know we are making progress and we will continue building a healthy, responsive tax administration system for the country's taxpayers. I appreciate the important role this committee has played in ensuring effective and fair tax administration, as well as the support you have shown over the years.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. OBEY].

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. WALKER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 411, noes 1, not voting 20, as follows:

[Roll No. 159]

AYES—411

Abercrombie
Ackerman
Alexander
Allard
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Archer
Armey
Aspin
Atkins
Bacchus
Baker
Ballenger
Barnard
Barrett
Barton
Bateman
Bellenson
Bennett
Bentley
Bereuter
Berman
Bevill
Bilirakis
Bliley
Boehlert
Boehner
Bonior
Borski
Boucher
Boxer
Brewster
Brooks
Broomfield
Browder
Brown
Bruce
Bryant
Bunning
Burton
Bustamante
Byron
Callahan
Camp
Campbell (CA)
Campbell (CO)
Cardin
Carper
Carr
Chandler
Chapman
Clay
Clement
Coble
Coleman (MO)
Coleman (TX)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooper
Costello
Coughlin
Cox (CA)
Cox (IL)
Coyne
Cramer
Cunningham
Dannemeyer
Darden
Davis
de la Garza
DeFazio
DeLauro
DeLay
Dellums
Dickinson
Dicks
Dingell
Dixon
Donnelly
Dooley
Doolittle
Dorgan (ND)
Dornan (CA)
Downey
Dreier
Duncan
Durbin
Early
Eckart
Edwards (CA)
Edwards (OK)
Edwards (TX)
Emerson
Engel
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Franks (CT)
Frost
Gallegly
Gallo
Gaydos
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Goss
Gradison
Grandy
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hancock
Hansen
Harris
Hastert
Hatcher
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hertel
Hoagland
Hobson
Hochbrueckner
Holloway
Horn
Horton
Houghton
Hoyer
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Ireland
Jacobs
James
Jefferson
Jenkins
Johnson (CT)
Johnson (SD)
Johnson (TX)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kasich
Kennedy
Kennelly
Kildee
Kleczka
Klug
Kolbe
Kolter
Kopetski
Kostmayer
Kyl
Lagomarsino
Lancaster
Lantos
LaRocco
Laughlin
Leach
Lehman (CA)
Lehman (FL)
Lent
Levin (MI)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Long
Lowery (CA)
Lowey (NY)
Luken
Machtley
Manton
Markey
Marlenee
Martin
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McCurdy
McDermott
McEwen
McHugh
McMillan (NC)
McMillen (MD)
McNulty
Meyers
Mfume
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Mink
Moakley
Molinari
Mollohan
Montgomery
Moody
Moorhead
Moran
Morella
Morrison
Murphy
Murtha
Myers
Nagle
Natcher
Neal (MA)
Neal (NC)
Nichols
Nowak
Nussle
Oakar
Obey
Olin
Olver
Ortiz
Orton
Owens (NY)
Owens (UT)
Oxley
Packard
Pallone
Panetta
Parker
Patterson
Paxon
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pickle
Porter
Poshard
Price
Pursell
Quillen
Rahall
Ramstad
Rangel
Ravenel
Ray
Reed
Regula
Rhodes
Richardson
Ridge
Riggs
Rinaldo
Ritter
Roberts
Roe
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Rostenkowski
Roth
Rowland
Roybal
Russo
Sabo
Sanders
Sangmeister
Santorum
Sarpalius
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schiff
Schroeder
Schulze
Schumer

Sensenbrenner	Stokes	Visclosky
Sharp	Studds	Volkmer
Shaw	Stump	Vucanovich
Shays	Sundquist	Walker
Shuster	Swett	Walsh
Sikorski	Swift	Washington
Sisisky	Synar	Waters
Skaggs	Tallon	Waxman
Skeen	Tanner	Weber
Skelton	Tauzin	Weiss
Slattery	Taylor (MS)	Weldon
Slaughter (NY)	Taylor (NC)	Wheat
Slaughter (VA)	Thomas (CA)	Whitten
Smith (FL)	Thomas (GA)	Williams
Smith (IA)	Thomas (WY)	Wilson
Smith (NJ)	Thornton	Wise
Smith (OR)	Torres	Wolf
Snowe	Torricelli	Wolpe
Solarz	Towns	Wyden
Solomon	Traficant	Wylie
Spratt	Traxler	Yates
Staggers	Unsoeld	Yatron
Stallings	Upton	Young (AK)
Stark	Valentine	Young (FL)
Stearns	Vander Jagt	Zeliff
Stenholm	Vento	Zimmer

NOES—1

Crane

NOT VOTING—20

AuCoin	Hopkins	Mrazek
Bilbray	Hubbard	Oberstar
Clinger	LaFalce	Roukema
Derrick	Levine (CA)	Serrano
Dwyer	Lloyd	Smith (TX)
Dymally	McDade	Spence
Gray	McGrath	

□ 1653

Mr. CUNNINGHAM and Mr. CAMPBELL of California changed their vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

INFORMATION SYSTEMS

For necessary expenses for data processing and telecommunications support for Internal Revenue Service activities, including: returns processing and services; compliance and enforcement; program support; and tax systems modernization; and for the hire of passenger motor vehicles (31 U.S.C. 1343(b)); and services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner; $1,294,713,000, of which not less than $492,000,000 shall remain available until expended for tax systems modernization, and of which not to exceed $60,000,000 shall remain available until expended for other systems development projects: *Provided*, That of the amounts authorized to remain available until expended $492,000,000 shall not be obligated prior to September 30, 1992, and pursuant to section 202(b) of the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987, this action is a necessary (but secondary) result of a significant policy change: *Provided further*, That of the $492,000,000 provided for tax systems modernization up to $15,000,000 may be available until expended for the establishment of a federally funded research and development center and may be utilized to conduct and evaluate market surveys, develop and evaluate requests for proposals, and assist with systems engineering, technical evaluations, and independent technical reviews in conjunction with tax systems modernization.

POINT OF ORDER

Mr. TRAFICANT. Mr. Chairman, I raise a point of order.

I raise a point of order under clause 2, rule XXI for that language starting on page 13, line 20, with the word "provided" through page 14, line 1, ending with the word "change," and a further point of order commencing on page 14, line 1, with the words "provided further" and ending with line 9, the word "modernization" for constituting legislation on an appropriations bill.

The CHAIRMAN. Does the gentleman from California desire to be heard?

Mr. ROYBAL. Mr. Chairman, I concede the point of order, and I have an amendment at the desk.

The CHAIRMAN. Let the Chair first inquire of the gentleman from Ohio whether he confines his points of order to those provisions as cited or whether he seeks to strike the entire paragraph in which they stand?

Mr. TRAFICANT. I would leave my language specifically to the language that I had specified.

The CHAIRMAN. Solely to the language to which this point of order referred. The point of order is conceded and sustained and those provisions are stricken.

The Chair will advise the gentleman from California [Mr. ROYBAL] that the only language stricken by the point of order was the language specifically cited in the point of order. The remainder of the paragraph remains. The only language stricken is that beginning with the provision on line 20 of page 13 through the rest of the paragraph.

The Clerk will read.

The Clerk read as follows:

ADMINISTRATIVE PROVISION—INTERNAL REVENUE SERVICE

SECTION 1. Not to exceed 4 per centum of any appropriation made available to the Internal Revenue Service for the current fiscal year by this Act may be transferred to any other Internal Revenue Service appropriation upon advance approval of the House and Senate Committees on Appropriations.

POINT OF ORDER

Mr. TRAFICANT. Mr. Chairman, I have a point of order against the administrative provision—Internal Revenue Service commencing on page 14, line 12, through line 17, concluding with the word "appropriations."

The CHAIRMAN. Does the gentleman from California wish to be heard on the point of order?

Mr. ROYBAL. Mr. Chairman, I concede the point of order.

The CHAIRMAN (Mr. STUDDS). The point of order is conceded and sustained. The section is stricken.

AMENDMENT OFFERED BY MR. ROYBAL

Mr. ROYBAL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ROYBAL: On page 14, line 10 insert:

ADMINISTRATIVE PROVISION—INTERNAL REVENUE SERVICE

SECTION 1. Not to exceed 4 per centum of any appropriation made available to the Internal Revenue Service for the current fiscal year by this Act may be transferred to any other Internal Revenue Service appropriation.

Mr. ROYBAL. Mr. Chairman, what this amendment actually does is exclude the language in the paragraph that was subject to a point of order. All the rest of the language then would remain.

Mr. TRAFICANT. Mr. Chairman, reserving my right to object.

The CHAIRMAN. The Chair will inform the gentleman from Ohio that it is too late to interpose a point of order. The debate has begun.

The question is on the amendment offered by the gentleman from California [Mr. ROYBAL].

The question was taken.

RECORDED VOTE

Mr. WALKER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 411, noes 0, not voting 21, as follows:

[Roll No. 160]

AYES—411

Abercrombie	Coble	Frank (MA)
Ackerman	Coleman (MO)	Franks (CT)
Alexander	Coleman (TX)	Frost
Allard	Collins (IL)	Gallegly
Anderson	Collins (MI)	Gallo
Andrews (ME)	Combest	Gaydos
Andrews (NJ)	Condit	Gejdenson
Andrews (TX)	Conyers	Gekas
Annunzio	Cooper	Gephardt
Anthony	Costello	Geren
Applegate	Coughlin	Gibbons
Archer	Cox (CA)	Gilchrest
Armey	Cox (IL)	Gillmor
Aspin	Coyne	Gilman
Atkins	Cramer	Gingrich
Bacchus	Crane	Glickman
Baker	Cunningham	Gonzalez
Ballenger	Dannemeyer	Goodling
Barnard	Darden	Gordon
Barrett	Davis	Goss
Barton	de la Garza	Gradison
Bateman	DeLauro	Grandy
Beilenson	DeLay	Green
Bennett	Dellums	Guarini
Bentley	Derrick	Gunderson
Bereuter	Dickinson	Hall (OH)
Berman	Dicks	Hall (TX)
Bevill	Dingell	Hamilton
Bilirakis	Dixon	Hammerschmidt
Bliley	Donnelly	Hancock
Boehlert	Dooley	Hansen
Boehner	Doolittle	Harris
Bonior	Dorgan (ND)	Hastert
Borski	Dornan (CA)	Hatcher
Boucher	Downey	Hayes (IL)
Boxer	Dreier	Hayes (LA)
Brewster	Duncan	Hefley
Brooks	Durbin	Hefner
Broomfield	Dymally	Henry
Browder	Early	Herger
Brown	Eckart	Hertel
Bruce	Edwards (CA)	Hoagland
Bryant	Edwards (OK)	Hobson
Bunning	Edwards (TX)	Hochbrueckner
Burton	Emerson	Holloway
Bustamante	English	Horn
Byron	Erdreich	Horton
Callahan	Espy	Houghton
Camp	Evans	Hoyer
Campbell (CA)	Fascell	Huckaby
Campbell (CO)	Fawell	Hughes
Cardin	Fazio	Hunter
Carper	Feighan	Hutto
Carr	Fields	Hyde
Chandler	Fish	Inhofe
Chapman	Flake	Ireland
Clay	Foglietta	Jacobs
Clement	Ford (MI)	James
Clinger	Ford (TN)	Jefferson

Jenkins	Morrison	Sensenbrenner
Johnson (CT)	Murphy	Sharp
Johnson (SD)	Murtha	Shaw
Johnson (TX)	Myers	Shays
Johnston	Natcher	Shuster
Jones (GA)	Neal (MA)	Sikorski
Jones (NC)	Neal (NC)	Sisisky
Jontz	Nichols	Skaggs
Kanjorski	Nowak	Skeen
Kaptur	Nussle	Skelton
Kasich	Oakar	Slattery
Kennedy	Obey	Slaughter (NY)
Kennelly	Olin	Slaughter (VA)
Kildee	Olver	Smith (FL)
Kleczka	Ortiz	Smith (IA)
Klug	Orton	Smith (NJ)
Kolbe	Owens (NY)	Smith (OR)
Kolter	Owens (UT)	Snowe
Kopetski	Oxley	Solarz
Kostmayer	Packard	Solomon
Kyl	Pallone	Spratt
LaFalce	Panetta	Staggers
Lagomarsino	Parker	Stallings
Lancaster	Patterson	Stark
Lantos	Paxon	Stearns
LaRocco	Payne (NJ)	Stenholm
Laughlin	Payne (VA)	Stokes
Leach	Pease	Studds
Lehman (CA)	Pelosi	Stump
Lehman (FL)	Penny	Sundquist
Lent	Perkins	Swett
Levin (MI)	Peterson (FL)	Swift
Lewis (CA)	Peterson (MN)	Synar
Lewis (FL)	Petri	Tallon
Lewis (GA)	Pickett	Tanner
Lightfoot	Pickle	Tauzin
Lipinski	Porter	Taylor (MS)
Livingston	Poshard	Taylor (NC)
Long	Price	Thomas (CA)
Lowery (CA)	Quillen	Thomas (GA)
Lowey (NY)	Rahall	Thomas (WY)
Luken	Ramstad	Thornton
Machtley	Rangel	Torres
Manton	Ravenel	Torricelli
Markey	Ray	Towns
Marlenee	Reed	Traficant
Martin	Regula	Traxler
Martinez	Rhodes	Unsoeld
Mavroules	Richardson	Upton
Mazzoli	Ridge	Valentine
McCandless	Riggs	Vander Jagt
McCloskey	Rinaldo	Vento
McCollum	Ritter	Visclosky
McCrery	Roe	Volkmer
McCurdy	Roemer	Vucanovich
McDermott	Rogers	Walker
McEwen	Rohrabacher	Walsh
McGrath	Ros-Lehtinen	Washington
McHugh	Rose	Waters
McMillan (NC)	Rostenkowski	Waxman
McMillen (MD)	Roth	Weber
McNulty	Rowland	Weiss
Meyers	Roybal	Weldon
Mfume	Russo	Wheat
Michel	Sabo	Whitten
Miller (CA)	Sanders	Williams
Miller (OH)	Sangmeister	Wilson
Miller (WA)	Santorum	Wise
Mineta	Sarpalius	Wolf
Mink	Savage	Wolpe
Moakley	Sawyer	Wyden
Molinari	Saxton	Wylie
Mollohan	Schaefer	Yates
Montgomery	Scheuer	Yatron
Moody	Schiff	Young (AK)
Moorhead	Schroeder	Young (FL)
Moran	Schulze	Zeliff
Morella	Schumer	Zimmer

NOES—0

NOT VOTING—21

AuCoin	Hubbard	Oberstar
Bilbray	Levine (CA)	Pursell
DeFazio	Lloyd	Roberts
Dwyer	Matsui	Roukema
Engel	McDade	Serrano
Gray	Mrazek	Smith (TX)
Hopkins	Nagle	Spence

□ 1726

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

UNITED STATES SECRET SERVICE

SALARIES AND EXPENSES

For necessary expenses of the United States Secret Service, including purchase (not to exceed three hundred and forty-three vehicles for police-type use for replacement only) and hire of passenger motor vehicles; hire of aircraft; training and assistance requested by state and local governments, which may be provided without reimbursement; services of expert witnesses at such rates as may be determined by the Director; rental of buildings in the District of Columbia, and fencing, lighting, guard booths, and other facilities on private or other property not in Government ownership or control, as may be necessary to perform protective functions; the conducting of and participating in firearms matches and presentation of awards; and for travel of Secret Service employees on protective missions without regard to the limitations on such expenditures in this or any other Act: *Provided*, That approval is obtained in advance from the House and Senate Committees on Appropriations; for repairs, alterations, and minor construction at the James J. Rowley Secret Service Training Center; for research and development; for making grants to conduct behavioral research in support of protective research and operations; not to exceed $12,500 for official reception and representation expenses; not to exceed $50,000 to provide technical assistance and equipment to foreign law enforcement organizations, in counterfeit investigations; for payment in advance for commercial accommodations as may be necessary to perform protective functions; and for uniforms without regard to the general purchase price limitation for the current fiscal year; $75,423,000 of which $2,500,000 shall remain available until expended for renovations at the temporary official residence of the Vice President and $1,600,000 to remain available until expended for renovations of the New York Field Office; and of which not to exceed $300,000 shall be made available for the protection at the one nongovernmental property designated by the President of the United States under provisions of section 12 of the Presidential Protection Assistance Act of 1976 (18 U.S.C. 3056 note).

POINT OF ORDER

Mr. TRAFICANT. Mr. Chairman I object and make a point of order against those provisions contained on page 14, line 20, and continuing through on page 15 through line 25 and continuing therefore further on page 16 through line 8, on the grounds that it violates clause 2, rule XXI of the House.

The CHAIRMAN. The Chair will inquire of the gentleman from Ohio what specific provisions in that paragraph the gentleman is objecting to.

Mr. TRAFICANT. Mr. Chairman, I object to every bit of the language as constituting legislation.

Mr. Chairman, I will wait for the ruling, but I would reserve a point of order against the remainder of that section.

The CHAIRMAN. Does the gentleman from California desire to be heard on the point of order?

Mr. ROYBAL. Mr. Chairman, I concede the point of order.

The CHAIRMAN (Mr. STUDDS). The gentleman from California concedes the point of order. The point of order is sustained based upon the evaluation of legislative language in the paragraph and the paragraph is stricken.

AMENDMENT OFFERED BY MR. ROYBAL

Mr. ROYBAL. Mr. Chairman, I offer an amendment.

Mr. TRAFICANT. Mr. Chairman, I reserve a point of order on the amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. ROYBAL: On page 14 line 18 insert:

UNITED STATES SECRET SERVICE

SALARIES AND EXPENSES

For necessary expenses of the United States Secret Service, including purchase (not to exceed three hundred and forty-three vehicles for police-type use for replacement only) and hire of passenger motor vehicles; hire of aircraft; not to exceed $12,500 for official reception and representation expenses; $475,423,000.

The CHAIRMAN. Does the gentleman from Ohio insist on his point of order? The gentleman is protected.

Mr. TRAFICANT. Mr. Chairman, I will wait and hear the statement of the gentleman from California.

Mr. ROYBAL. Mr. Chairman, I will not take the 5 minutes, because all this amendment does is specifically exclude the language in the paragraph that was subject to a point of order. Therefore, we are agreeing to the point of order, but the rest of the paragraph remains that is in proper form.

The CHAIRMAN. Does the gentleman from Ohio insist on his point of order?

PARLIAMENTARY INQUIRY

Mr. TRAFICANT. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. TRAFICANT. Mr. Chairman, is this to assume then that 95 percent of this section is being removed for having constituted legislation on an appropriation bill, or did I hear the words wrong?

Is that the entire substance of the amendment, or did it in fact encompass parts that were not read?

The CHAIRMAN. The entire amendment has just been read, and the Chair would not attempt to characterize it for the gentleman.

POINT OF ORDER

The CHAIRMAN. Does the gentleman from Ohio wish to insist on his point of order against the amendment?

Mr. TRAFICANT. I do, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

□ 1730

Mr. TRAFICANT. Mr. Chairman, I still believe unless that whole section and the elements thereto involving the Secret Service have been authorized by a duly standing authorization committee of the House that no such appro-

priation should be made and it thus still constitutes violation of clause 2 of rule XXI.

The CHAIRMAN. Does the gentleman from California desire to be heard on the point of order just made?

Mr. ROYBAL. Mr. Chairman, on this point of order I would like to begin by citing Deschler-Brown Procedure in the House, chapter 25, section 5.7, which states, in part:

Section 5.7. The failure of Congress to enact into law separate legislation specifically authorizing appropriations for existing programs does not necessarily render appropriations for those programs subject to a point of order, where more generally existing law authorizes appropriations for such programs. Thus a program in a general appropriation bill purportedly containing some funds not yet specifically authorized by separate legislation was held not to violate rule XXI, clause 2 where it was shown that all of the funds in the paragraph were authorized by more general provisions of law currently applicable to the programs in question.

This is specifically authorized by 18 U.S.C. 3056.

The CHAIRMAN. Has the gentleman concluded? The Chair is prepared to rule.

As pointed out by the gentleman from California, the existence of the U.S. Secret Service is authorized by law and consequently the language is valid and the point of order is overruled.

The question is on the amendment offered by the gentleman from California [Mr. ROYBAL].

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. SOLOMON. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 412, noes 0, not voting 20, as follows:

[Roll No. 161]

AYES—412

Abercrombie
Ackerman
Alexander
Allard
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Archer
Armey
Aspin
Atkins
Bacchus
Baker
Ballenger
Barnard
Barrett
Barton
Bateman
Beilenson
Bennett
Bereuter
Berman
Bevill
Bilirakis
Bliley
Boehlert
Boehner
Bonior
Borski
Boucher
Boxer
Brewster
Brooks
Broomfield
Browder
Brown
Bruce
Bryant
Bunning
Burton
Bustamante
Byron
Callahan
Camp
Campbell (CA)
Campbell (CO)
Cardin
Carper
Carr
Chandler
Chapman
Clay
Clement
Clinger
Coble
Coleman (MO)
Coleman (TX)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooper
Costello
Coughlin
Cox (CA)
Cox (IL)
Coyne
Cramer
Crane
Cunningham
Dannemeyer
Darden
Davis
de la Garza
DeFazio
DeLauro
DeLay
Dellums
Derrick
Dickinson
Dicks
Dingell
Dixon
Donnelly
Dooley
Doolittle
Dorgan (ND)
Dornan (CA)
Downey
Dreier
Duncan
Durbin
Dymally
Early
Eckart
Edwards (CA)
Edwards (OK)
Edwards (TX)
Emerson
Engel
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Franks (CT)
Frost
Gallegly
Gallo
Gaydos
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Goss
Gradison
Grandy
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hancock
Hansen
Harris
Hastert
Hatcher
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hoagland
Hobson
Hochbrueckner
Holloway
Horn
Horton
Houghton
Hoyer
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Ireland
Jacobs
James
Jefferson
Jenkins
Johnson (CT)
Johnson (SD)
Johnson (TX)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kasich
Kennedy
Kennelly
Kildee
Kleczka
Klug
Kolbe
Kolter
Kopetski
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
LaRocco
Laughlin
Leach
Lehman (CA)
Lehman (FL)
Lent
Levin (MI)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Long
Lowery (CA)
Lowey (NY)
Luken
Machtley
Manton
Markey
Marlenee
Martin
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McCurdy
McDermott
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
McNulty
Meyers
Mfume
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Mink
Moakley
Molinari
Mollohan
Montgomery
Moody
Moorhead
Moran
Morella
Morrison
Murphy
Murtha
Myers
Nagle
Natcher
Neal (MA)
Nichols
Nowak
Nussle
Oakar
Obey
Olin
Olver
Ortiz
Orton
Owens (NY)
Owens (UT)
Oxley
Packard
Pallone
Panetta
Parker
Patterson
Paxon
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pickle
Porter
Poshard
Price
Pursell
Quillen
Rahall
Ramstad
Rangel
Ravenel
Ray
Reed
Regula
Rhodes
Richardson
Ridge
Riggs
Rinaldo
Ritter
Roberts
Roe
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Rostenkowski
Roth
Roukema
Rowland
Roybal
Russo
Sabo
Sanders
Sangmeister
Santorum
Sarpalius
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schiff
Schroeder
Schulze
Schumer
Sensenbrenner
Sharp
Shaw
Shays
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NJ)
Smith (OR)
Snowe
Solarz
Solomon
Spratt
Staggers
Stallings
Stark
Stearns
Stenholm
Stokes
Studds
Stump
Sundquist
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (GA)
Thomas (WY)
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Washington
Waters
Waxman
Weber
Weldon
Wheat
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Zeliff
Zimmer

NOES—0

NOT VOTING—20

AuCoin
Bentley
Bilbray
Dwyer
Gray
Hertel
Hopkins
Hubbard
Kaptur
Levine (CA)
Lloyd
McDade
Mrazek
Neal (NC)
Oberstar
Serrano
Slattery
Smith (TX)
Spence
Weiss

□ 1752

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

DEPARTMENT OF THE TREASURY—GENERAL PROVISIONS

SECTION 101. Appropriations to the Treasury Department in this Act shall be available for uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901), including maintenance, repairs, and cleaning; purchase of insurance for official motor vehicles operated in foreign countries; entering into contracts with the Department of State for the furnishing of health and medical services to employees and their dependents serving in foreign countries; and services as authorized by 5 U.S.C. 3109.

POINT OF ORDER

Mr. TRAFICANT. Mr. Chairman, I rise to a point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. TRAFICANT. Mr. Chairman, I cite clause 2, rule XXI, for having this section constituting legislation on an appropriation bill.

The CHAIRMAN. Does the gentleman from California [Mr. ROYBAL] wish to be heard on the point of order?

Mr. ROYBAL. Mr. Chairman, I concede the point of order.

The CHAIRMAN. The point of order is conceded, it is sustained, and the paragraph is stricken.

The Clerk will read.

The Clerk read as follows:

SEC. 102. None of the funds appropriated by this title shall be used in connection with the collection of any underpayment of any tax imposed by the Internal Revenue Code of 1954 unless the conduct of officers and employees of the International Revenue Service in connection with such collection complies with subsection (a) of section 805 (relating to communications in connection with debt collection), and section 806 (relating to harassment or abuse), of the Fair Debt Collection Practices Act (15 U.S.C. 1692).

POINT OF ORDER

Mr. TRAFICANT. Mr. Chairman, I rise to a point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. TRAFICANT. Mr. Chairman, section 102 constitutes a violation of

clause 2, rule XXI, for having caused legislation on an appropriation bill.

The CHAIRMAN. Does the gentleman from California [Mr. ROYBAL] wish to be heard?

Mr. ROYBAL. Mr. Chairman, I yield the point of order, but would like to point out to the gentleman from Ohio [Mr. TRAFICANT] that he has just stricken a very important provision that in fact protects taxpayers.

The CHAIRMAN. The point of order is conceded and sustained, and the paragraph is stricken.

The Clerk will read.

The Clerk read as follows:

SEC. 103. Not to exceed 2 per centum of any appropriations in this Act for the Department of the Treasury may be transferred between such appropriations. No such transfer may increase or decrease any appropriation in this Act by more than 2 per centum and any such proposed transfers shall be approved in advance by the Committees on Appropriations of the House and Senate.

POINT OF ORDER

Mr. TRAFICANT. Mr. Chairman, I rise to a point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. TRAFICANT. Mr. Chairman, section 103 constitutes a violation of clause 2, rule XXI, of the House.

The CHAIRMAN. Does the gentleman from California [Mr. ROYBAL] wish to be heard?

Mr. ROYBAL. Mr. Chairman, I concede the point of order.

The CHAIRMAN. The point of order is sustained and the paragraph is stricken.

The Clerk will read.

The Clerk read as follows:

SEC. 104. Of the funds appropriated in this or any other Act to the Internal Revenue Service, amounts attributable to efficiency savings for fiscal year 1992 as estimated by the Commissioner shall be withheld from obligation unless the estimated savings are not achieved: *Provided*, That 50 per centum of the actual efficiency savings shall lapse or be deposited into miscellaneous receipts of the Treasury with the exception of amounts in special or trust funds, which shall remain in such funds and be available in accordance with and to the extent permitted by law: *Provided further*, That notwithstanding any fiscal year limitations on the availability of appropriations, the remainder of the actual efficiency savings shall be made available in fiscal year 1993 for cash awards to IRS employees, as authorized by sections 4501–4505 of title 5, United States Code, and for future efficiency improvements to carry out those purposes authorized by law: *Provided further*, That none of the funds shall be made available for the program without the advance approval of the House and Senate Appropriations Committees.

AMENDMENT OFFERED BY MR. ROGERS

Mr. ROGERS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ROGERS: Page 18, after line 6, insert the following new section:

SEC. 105. No amount provided by this Act may be used to implement or enforce the amendment made by section 7631(a) of Public Law 101–239 (103 Stat. 2378) with respect to remuneration paid to any employee described in section 13(a)(6) of the Fair Labor Standards Act of 1938 (29 U.S.C. 213(a)(6)).

Mr. ROGERS (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. ROGERS. Mr. Chairman, this amendment requires no funds, but instead is designed to clarify that the lowest paid farmworkers, who are not now covered under the minimum wage laws, will not be subject to Federal income tax withholding requirements.

Mr. Chairman, Congress has historically exempted farmworkers from the Federal income tax withholding requirements because of the migratory nature of agriculture labor. But, more importantly, Mr. Chairman, Congress has exempted farm labor from withholding because these workers simply do not make enough to owe any taxes.

But in 1989, when Congress passed the 1,000-page omnibus budget reconciliation bill, it required that farmers begin withholding income tax from farm workers' wages regardless of circumstances. That provision entangles our small family farmers with bureaucratic redtape, when they cannot afford CPA's and lawyers to untangle it.

The greater injustice is to the low-income farmworkers. These Americans do not make enough money to owe any taxes, and, yet, this law requires that 15 percent of their pay be withheld until April 15 of the next year. The Government is unjustly enriched all year by the sweat of those least able to bear any burden, least of all this unjust burden.

Mr. Chairman, even more sadly, most of these people will not fight for a refund of this unjustly withheld pay, meaning the U.S. Government will keep this bounty from the poorest, even though it was never owed.

I do not want to operate our Government of so-called equal justice under the law on those types of moneys, and I do not believe Members of Congress do either.

Mr. Chairman, the purpose of this amendment is to highlight this issue, and provide a measure or relief to those at the bottom of the economic ladder. If a farmer is exempt by law from paying minimum wage because his is a small family farm, he and his part-time workers would be exempt from withholding. Although we have been unable to find anyone so far who can say for sure, my opinion is that there would be no legitimate tax revenues lost to the Government, because these people will not owe taxes anyway.

Mr. Chairman, I will not challenge the chairman of the Committee on Ways and Means' point of order, it is so raised, but it is my hope that the Committee on Ways and Means will examine the impact of the 1989 tax law on farmworkers who are not covered under the minimum wage law requirements.

Mr. DE LA GARZA Mr. Chairman, will the gentleman yield?

Mr. ROGERS. I yield to the gentleman from Texas.

Mr. DE LA GARZA. Mr. Chairman, I thank the gentleman from Kentucky. And, I would like to commend him for bringing this issue before the House. I believe that the farmworker is suffering as a result of the politics of deficit reduction. I would hope that a way can be found to remove this additional burden from the back of the farmworker.

For so long and for good reason the farmworker was exempted from the income tax withholding requirements of the Internal Revenue Code. Wages of farmworkers are generally so low that few of them can be expected to incur a Federal tax liability. For this reason, requiring withholding from their wages imposes an unjustified hardship.

America's farmworkers are a crucial link in the U.S. agricultural production system and I believe that the whole issue of mandatory withholding of their wages is deserving of further consideration by the Ways and Means Committee. I would respectfully urge my colleagues on that committee to consider the effect that the provisions of the 1989 reconciliation legislation requirement has had on farm labor.

□ 1800

I would respectfully urge my colleagues on that committee to consider the effect the provisions of the 1989 reconciliation legislation requirement has had on the farmworkers.

Mr. ROSTENKOWSKI. Mr. Chairman, will the gentleman yield?

Mr. ROGERS. I yield to the gentleman from Illinois, chairman of the full Committee on Ways and Means.

Mr. ROSTENKOWSKI. Mr. Chairman, it is my understanding that the gentleman has offered the amendment but intends to withdraw the amendment, as I understand it, and under that understanding, I am not going to make a point of order against it.

Mr. ROGERS. Mr. Chairman, I am prepared to withdraw the amendment. I know it violates the rule of the House prohibiting legislation on an appropriations bill. However, I would hope, and I offer the amendment for the sole purpose of raising this issue on the radar screen of the Committee on Ways and Means and particularly the chairman.

Mr. ROSTENKOWSKI. Mr. Chairman, let me point out that while it is true that employers must consider income tax withholding when wages paid to an employee exceed $150, under the current law employees may claim an exemption from all income tax

withholdings if they anticipate that they have no tax liability for the year. In addition, withholding from wages begins only at income levels where the employee is likely to actually have a tax liability at the end of the year.

I have instructed the staff of the Committee on Ways and Means to review this situation in order to determine if the law and its implementation are working as intended.

Mr. ROGERS. Mr. Chairman, I think the chairman of the Committee on Ways and Means for his words. I would hope that the committee would be able to perhaps insert this provision in any legislation that might be moving through the committee this year, technical corrections to the tax bill, and if such a bill does make its way through, I would hope the chairman could assure me that it would be considered.

Mr. ROSTENKOWSKI. The committee will certainly review the gentleman's request.

Mr. ROGERS. I thank the chairman of the Committee on Ways and Means very much.

Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The CHAIRMAN. The amendment is withdrawn.

The Clerk will read.

The Clerk read as follows:

This title may be cited as the "Treasury Department Appropriations Act, 1992".

TITLE II

POSTAL SERVICE

PAYMENT TO THE POSTAL SERVICE FUND

For payment to the Postal Service Fund for revenue forgone on free and reduced rate mail, pursuant to subsection (c) of section 2401 of title 39, United States Code; $649,301,000: *Provided*, That mail for overseas voting and mail for the blind shall continue to be free: *Provided further*, That six-day delivery and rural delivery of mail shall continue at not less than the 1983 level: *Provided further*, That none of the funds made available to the Postal Service by this Act shall be used to implement any rule, regulation, or policy of charging any officer or employee of any State or local child support enforcement agency, or any individual participating in a State or local program of child support enforcement, a fee for information requested or provided concerning an address of a postal customer: *Provided further*, That none of the funds provided in this Act shall be used to consolidate or close small rural and other small post offices in the fiscal year ending on September 30, 1992.

PAYMENT TO THE POSTAL SERVICE FUND

FOR NONFUNDED LIABILITIES

For payment to the Postal Service Fund for meeting the liabilities of the former Post Office Department to the Employees' Compensation Fund pursuant to 39 U.S.C. 2004, $40,575,000.

This title may be cited as the "Postal Service Appropriations Act, 1992".

TITLE III

EXECUTIVE OFFICE OF THE PRESIDENT

COMPENSATION OF THE PRESIDENT

For compensation of the President, including an expense allowance at the rate of $50,000 per annum as authorized by 3 U.S.C. 102; $250,000: *Provided*, That none of the funds made available for official expenses shall be expended for any other purpose and any unused amount shall revert to the Treasury pursuant to section 1552 of title 31 of the United States Code: *Provided further*, That none of the funds made available for official expenses shall be considered as taxable to the President.

POINT OF ORDER

Mr. TRAFICANT. Mr. Chairman, I raise a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. TRAFICANT. Page 19, line 8, commencing with "provided" through line 24, for violating clause 2, rule XXI of the House rules.

The CHAIRMAN. I assume the gentleman means to begin on line 18; is that correct,

Mr. TRAFICANT. Line 18 with the word "provided."

The CHAIRMAN. Does the gentleman from California wish to be heard on the point of order?

Mr. ROYBAL. Mr. Chairman, we concede the point of order.

The CHAIRMAN. The point of order is conceded, sustained, and the two provisos are stricken.

The Clerk will read.

The Clerk read as follows:

OFFICE OF ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses of the Office of Administration; $23,010,000 including services as authorized by 5 U.S.C. 3109 and 3 U.S.C. 107, and hire of passenger motor vehicles.

THE WHITE HOUSE OFFICE

SALARIES AND EXPENSES

For necessary expenses for the White House as authorized by law, including not to exceed $3,850,000 for services as authorized by 5 U.S.C. 3109 and 3 U.S.C. 105; including subsistence expenses as authorized by 3 U.S.C. 105, which shall be expended and accounted for as provided in that section; hire of passenger motor vehicles, newspapers, periodicals, teletype news service, and travel (not to exceed $100,000 to be expended and accounted for as provided by 3 U.S.C. 103); not to exceed $20,000 for official entertainment expenses, to be available for allocation within the Executive Office of the President; $34,885,000.

POINT OF ORDER

Mr. TRAFICANT. Mr. Chairman, I raise a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. TRAFICANT. That language on page 20, commencing at line 9 and proceeding through line 19 for violating clause 2, rule XXI of House rules.

The CHAIRMAN. Let me inquire of the gentleman from Ohio, does his point of order go to the entirety of that paragraph?

Mr. TRAFICANT. Yes, it does.

The CHAIRMAN. Does the gentleman from California wish to be heard on the point of order?

Mr. ROYBAL. Mr. Chairman, we have been going over the language that has already been read. That refers to section 5.7, which I offer in defense of our position with regard to the matter before us.

This has to do with Public Law 95-570, 105 (d) and section (g).

The CHAIRMAN. The Chair reads the paragraph as being entirely with reference to as authorized with the possible exceptioin of the "not to exceed" provision beginning on line 17.

Does the gentleman from California wish to comment on those last three lines?

Mr. ROYBAL. Mr. Chairman, I think we have conceded that portion of it. The portion that we have conceded is on line 17, which reads "not to exceed $20,000 for official entertainment expenses to be available for allocation within the Executive Office of the President." That we concede to be in the point of order.

The CHAIRMAN. Does the gentleman from Ohio, in light of what has just been said, insist on his point of order against the entire paragraph?

Mr. TRAFICANT. I will only insist upon that language contained on line 17 through 19 commencing with "not to exceed."

The CHAIRMAN. That point of order is conceded but the Chair is constrained, upon it having been brought to his attention, to point out section 105, paragraph (d) of title III of the United States Code wherein the official entertainment expenses for allocatioin within the Executive Office of the President is authorized. And consequently, the point of order is overruled.

The Clerk will read.

The Clerk read as follows:

EXECUTIVE RESIDENCE AT THE WHITE HOUSE

OPERATING EXPENSES

For the care, maintenance, repair and alteration, refurnishing, improvement, heating and lighting, including electric power and fixtures, of the Executive Residence at the White House and official entertainment expenses of the President; $8,362,000, of which $1,100,000 for the repair of the face of the Executive Residence shall remain available until expended, to be expended and accounted for as provided by 3 U.S.C. 105, 109-110, 112-114.

POINT OF ORDER

Mr. TRAFICANT. Mr. Chairman, I object commencing on page 21, line 1, with the words "of which," proceeding through line 4, page 21, for violation of clause 2, rule XXI.

The CHAIRMAN. Does the gentleman from California wish to be heard on the point of order?

Mr. ROYBAL. Mr. Chairman, we concede the point of order from line 1 on page 21.

Mr. Chairman, we concede the point of order.

The CHAIRMAN. The point of order is conceded and sustained against the language beginning on page 21, line 1,

"of which," through the end of the paragraph.

The language is stricken.

The Clerk will read.

The Clerk read as follows:

OFFICIAL RESIDENCE OF THE VICE PRESIDENT

OPERATING EXPENSES

For the care, maintenance, repair and alteration, refurnishing, improvement, heating and lighting, including electric power and fixtures, of the official residence of the Vice President, the hire of passenger motor vehicles, and not to exceed $90,000 for official entertainment expenses of the Vice President, to be accounted for solely on his certificate; $324,000: *Provided*, That advances or repayments or transfers from this appropriation may be made to any department or agency for expenses of carrying out such activities.

POINT OF ORDER

Mr. TRAFICANT. Mr. Chairman, I raise a point of order to this section commencing on page 21, line 7 and continuing through line 16 for violation of clause 2, rule XXI of the House rules.

□ 1810

Mr. ROYBAL. Mr. Chairman, since the entire paragraph is under consideration at this time, I concede the point of order.

The CHAIRMAN. The Chair sustains the point of order against the paragraph because of the proviso beginning on line 13. The point of order is sustained.

AMENDMENT OFFERED BY MR. ROYBAL

Mr. ROYBAL. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. ROYBAL: On page 21 line 5 insert:

OFFICIAL RESIDENCE OF THE VICE PRESIDENT

OPERATING EXPENSES

For the care, maintenance, repair and alteration, refurnishing, improvement, heating and lighting, including electric power and fixtures, of the official residence of the Vice President, the hire of passenger motor vehicles, and not to exceed $90,000 for official entertainment expenses of the Vice President, $324,000.

Mr. TRAFICANT. Mr. Chairman, I reserve a point of order.

The CHAIRMAN. The gentleman from Ohio reserves a point of order. Does the gentleman wish to insist on it now, or does he wish to reserve it?

Mr. ROYBAL. Mr. Chairman, I concede that point of order on the——

The CHAIRMAN. The Chair will inquire whether or not the gentleman from Ohio will insist on the point of order.

POINT OF ORDER

Mr. TRAFICANT. Mr. Chairman, I will continue to insist on the point of order on the section as reread and redrafted.

The CHAIRMAN. The gentleman will state his point of order.

Mr. TRAFICANT. That it does violate clause 2 of rule XXI in its newly worded form.

The CHAIRMAN. Does the gentleman from California wish to be heard on the point of order?

Mr. ROYBAL. Mr. Chairman, I would like to cite Public Law 93-346, 95-570, and 106(b)(2). We agree, of course, that the matter on line 13, from line 13 to line 16, is what I believe the gentleman wants to have stricken. If that is the case, we will concede that. But definitely we would defend keeping the balance of that paragraph in.

The CHAIRMAN. Does the gentleman from Ohio wish to be heard further on the point of order?

Mr. TRAFICANT. Yes, Mr. Chairman. I would like the Chair to rule as well on that language contained on lines 7 through line 13 including $324,000 as well as the concession of the following. I still insist upon a ruling on the first six lines of that section.

The CHAIRMAN. The Chair is prepared to rule. The Chair would point out to the gentleman from Ohio that the words "to be accounted for solely on a certificate" do not appear in the amendment. The remainder of the amendment goes to funds of the official residence of the Vice President which is authorized by law in title 3 U.S.C. 106(b) and, therefore, the point of order is overruled.

The Chair recognizes the gentleman from California [Mr. ROYBAL] for 5 minutes.

PARLIAMENTARY INQUIRY

Mr. TRAFICANT. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. TRAFICANT. Is the Chair saying then that on line 13 starting with the word "provided" and through line 16 has been stricken and the chairman has agreed to that, and the Chair has ruled on that?

The CHAIRMAN. That was the gentleman's original point of order which was conceded and sustained.

Mr. TRAFICANT. I have no objection and reserve no objection to the amendment of the gentleman.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. ROYBAL] for 5 minutes.

Mr. ROYBAL. Mr. Chairman, if the gentleman has no objection, there is no use to continue to debate it. I think the gentleman knows the amendment specifically excludes the language in the paragraph that was subject to the point of order.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. ROYBAL].

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. KYL. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 397, noes 15, not voting 20, as follows:

[Roll No. 162]

AYES—397

Abercrombie	Duncan	Kennelly
Ackerman	Durbin	Kildee
Alexander	Dymally	Kleczka
Allard	Early	Klug
Anderson	Eckart	Kolbe
Andrews (ME)	Edwards (CA)	Kolter
Andrews (NJ)	Edwards (OK)	Kopetski
Andrews (TX)	Edwards (TX)	Kostmayer
Annunzio	Emerson	Kyl
Anthony	Engel	LaFalce
Archer	English	Lagomarsino
Armey	Erdreich	Lancaster
Aspin	Espy	Lantos
Atkins	Evans	LaRocco
Bacchus	Fascell	Laughlin
Baker	Fawell	Leach
Ballenger	Feighan	Lehman (CA)
Barnard	Fields	Lent
Barrett	Fish	Levin (MI)
Barton	Flake	Lewis (CA)
Bateman	Foglietta	Lewis (FL)
Beilenson	Ford (MI)	Lewis (GA)
Bentley	Ford (TN)	Lightfoot
Bereuter	Frank (MA)	Lipinski
Berman	Franks (CT)	Livingston
Bevill	Frost	Long
Bilirakis	Gallegly	Lowery (CA)
Bliley	Gallo	Lowey (NY)
Boehlert	Gaydos	Luken
Boehner	Gejdenson	Machtley
Bonior	Gekas	Manton
Borski	Gephardt	Markey
Boucher	Geren	Marlenee
Boxer	Gibbons	Martin
Brewster	Gilchrest	Martinez
Brooks	Gillmor	Matsui
Broomfield	Gilman	Mavroules
Browder	Gingrich	Mazzoli
Brown	Glickman	McCandless
Bruce	Gonzalez	McCloskey
Bryant	Goodling	McCollum
Bunning	Gordon	McCrery
Burton	Goss	McCurdy
Bustamante	Gradison	McDermott
Byron	Grandy	McEwen
Callahan	Green	McGrath
Camp	Guarini	McHugh
Campbell (CA)	Gunderson	McMillan (NC)
Campbell (CO)	Hall (OH)	McMillen (MD)
Cardin	Hall (TX)	McNulty
Carper	Hamilton	Meyers
Carr	Hammerschmidt	Mfume
Chandler	Hancock	Michel
Chapman	Hansen	Miller (CA)
Clement	Harris	Miller (OH)
Clinger	Hastert	Miller (WA)
Coble	Hatcher	Mineta
Coleman (MO)	Hayes (IL)	Mink
Coleman (TX)	Hayes (LA)	Moakley
Collins (IL)	Hefley	Molinari
Collins (MI)	Hefner	Mollohan
Combest	Henry	Montgomery
Condit	Herger	Moody
Conyers	Hertel	Moorhead
Cooper	Hoagland	Moran
Costello	Hobson	Morella
Coughlin	Hochbrueckner	Morrison
Cox (CA)	Holloway	Murtha
Cox (IL)	Horn	Myers
Coyne	Horton	Nagle
Cramer	Houghton	Natcher
Crane	Hoyer	Neal (MA)
Cunningham	Huckaby	Neal (NC)
Dannemeyer	Hughes	Nichols
Darden	Hunter	Nowak
Davis	Hutto	Nussle
de la Garza	Hyde	Oakar
DeFazio	Inhofe	Obey
DeLauro	Ireland	Olin
DeLay	James	Olver
Dellums	Jefferson	Ortiz
Derrick	Jenkins	Orton
Dickinson	Johnson (CT)	Owens (NY)
Dicks	Johnson (SD)	Owens (UT)
Dingell	Johnson (TX)	Oxley
Dixon	Johnston	Packard
Donnelly	Jones (GA)	Pallone
Dooley	Jones (NC)	Panetta
Doolittle	Jontz	Parker
Dorgan (ND)	Kanjorski	Patterson
Dornan (CA)	Kaptur	Paxon
Downey	Kasich	Payne (NJ)
Dreier	Kennedy	Payne (VA)

Pease
Pelosi
Perkins
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pickle
Porter
Poshard
Price
Pursell
Quillen
Rahall
Ramstad
Rangel
Ravenel
Ray
Reed
Regula
Rhodes
Richardson
Ridge
Riggs
Rinaldo
Ritter
Roberts
Roe
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Rostenkowski
Roth
Roukema
Rowland
Roybal
Russo
Sabo
Sanders
Sangmeister
Santorum
Sawyer
Saxton
Schaefer
Scheuer
Schiff
Schulze
Sensenbrenner
Sharp
Shaw
Shays
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (NJ)
Smith (OR)
Snowe
Solarz
Solomon
Spratt
Staggers
Stallings
Stark
Stearns
Stokes
Studds
Stump
Sundquist
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Taylor (NC)
Thomas (CA)
Thomas (GA)
Thomas (WY)
Thornton
Torres
Torricelli
Towns
Unsoeld
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Washington
Waxman
Weber
Weiss
Weldon
Wheat
Whitten
Wilson
Wolf
Wolpe
Wyden
Yates
Yatron
Young (AK)
Young (FL)
Zeliff
Zimmer

NOES—15

Applegate
Bennett
Jacobs
Murphy
Penny
Sarpalius
Savage
Schroeder
Smith (IA)
Stenholm
Taylor (MS)
Traficant
Traxler
Waters
Williams

NOT VOTING—20

AuCoin
Bilbray
Clay
Dwyer
Fazio
Gray
Hopkins
Hubbard
Lehman (FL)
Levine (CA)
Lloyd
McDade
Mrazek
Oberstar
Schumer
Serrano
Smith (TX)
Spence
Wise
Wylie

□ 1838

Messrs. SARPALIUS, APPLEGATE, BENNETT, TRAFICANT and SAVAGE changed their vote from "aye" to "no."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. WEISS. Mr. Chairman, for all I was within earshot, one might say a heartbeat away, I inadvertently missed the vote on rollcall No. 161, thereby ruining my perfect voting record for the day.

I ask that the RECORD reflect the fact that had I not inadvertently missed that vote, I would have voted "aye."

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SPECIAL ASSISTANCE TO THE PRESIDENT

SALARIES AND EXPENSES

For necessary expenses to enable the Vice President to provide assistance to the President in connection with specially assigned functions, services as authorized by 5 U.S.C. 3109 and 3 U.S.C. 106, including subsistence expenses as authorized by 3 U.S.C. 106, which shall be expended and accounted for as provided in that section; and hire of passenger motor vehicles; $2,932,000.

AMENDMENT OFFERED BY MR. PENNY

Mr. PENNY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PENNY:

Page 21, line 25, strike "$2,932,000" and insert "$2,905,000".

Mr. PENNY. Mr. Chairman, I rise to offer this amendment that would reduce the special assistance to the President's account contained in the bill, which is the account that funds various activities carried on by the Vice President. The cut would be $27,000.

□ 1840

That is the estimated cost of the Vice President's recent 2-day golfing vacation in Augusta, GA. The $27,000 figure, first computed by the Associated Press and carried in major papers around the country, is an estimate, but probably on the low side. When the costs of detailing 14 Secret Service agents, providing transportation by Air Force planes, and other expenses is added together, the total expense of this golfing weekend is surely to be greater than $27,000.

But the $27,000 figure is the best estimate we have. The Vice President's staff refuses to make public the total cost to the taxpayers of this trip to Georgia. The only official word from the Vice President's office is to deny the Associated Press cost estimate.

Mr. Chairman, you and other Members may not be aware of it, but the Vice President's travel is broken into two categories: "Political," which is reimbursed, and "other" whose costs are not reimbursed to the Treasury. Now, the Vice President does engage in a lot of official travel and it is not my intention to critize Vice President QUAYLES's legitimate travels. My concern is that the Vice President feels the taxpayers should shoulder the expense of paying for his golf vacations. This is wrong. Even poor John Sununu is now reimbursing the Treasury for his trips to the dentist. Why should the Vice President's private travels be any different?

I'm not suggesting the Vice President travel commercial. Nor am I suggesting that the Vice President underwrite Secret Service expenses. What I am suggesting is that the Vice President should be held accountable—as are all other Government officials—for their use of taxpayers funds.

In a time of tight budgets and denied services, with a crumbling physical and social infrastructure, with cities declaring bankruptcy, banks failing, and taxes going up, the Vice President should not be touring the Nation's golf courses. The message is wrong, Mr. Chairman. And as the Branch responsible for ultimately funding these adventures, we must speak. Even with a cut of $27,000 as I am proposing today, the Vice President's budget is going from $2.58 to $2.9 million, an increase of nearly 15 percent.

And while $27,000 may not seem like a lot of money, it is enough to provide 36 children with 1 year of chapter 1 compensatory education services; it is enough to provide 18,000 free school lunches; it is enough to provide preventative health care for 90 children. The funds expended to pay for the Vice President's golfing weekend would be enough to provide 10 college students a maximum Pell Grant Award or to provide 28 students full College Work Study Awards this year.

In a tight budget, golf trips at taxpayers' expense are intolerable. The Vice President should not be golfing for birdies when Congress is struggling to make par with the budget. Let us send the signal to the Vice President today to police his private travel, or to at least reimburse the Treasury for some part of the expense.

I urge adoption of the amendment.

Mr. ROYBAL. Mr. Chairman, the committee accepts the gentleman's amendment.

Mr. WOLF. Mr. Chairman, I move to strike the requisite number of words and to make a statement with respect to this amendment.

Mr. Chairman, this is a small personnel-intensive account, and it is likely that the cut proposed in the amendment will actually come out of equipment.

Second, there has been a lot of interest in the travel of the Executive Branch, and I want to make sure that Members appreciate the context of the travel of the Vice President.

Because of his official duties, the Vice President frequently travels throughout the United States and around the world, and for this travel he is required to use military aircraft for two basic reasons for this travel. One, to insure the Vice President's personal security, he receives 24-hour-a-day, 365-days-per-year protection by the U.S. Secret Service. It would be impossible for the Secret Service to protect the Vice President if he were required to take commercial flights. And in addition, there would be risks to the security of other air travelers if the Vice President took commercial flights because even the Secret Service could not insure his safety or their safety.

The second reason the Vice President must take military aircraft involves national security. The potential that a domestic or international event could escalate to a conflict in minutes requires the Vice President to have secure transportation and communication in the air just as when he travels on the ground. This necessitates military travel.

There are many other points, but let me just make one or two.

I understand what Mr. PENNY is trying to do, and I am sympathetic in some respects. The way to deal with

this issue is not to go after an account like this.

First of all, it is the wrong account.

Let us set up a commission, have former Speakers, former GAO comptrollers, to look at this general question.

A couple of other points: How would the Vice President travel to go to his children's graduation? How would he go if someone in his family died? How would he get there?

Mr. Chairman, I urge Members, as they think about this amendment, to remember that it is very easy to beat up on the Vice President, and it is very easy to beat up on the White House. Mr. Chairman, when people throw stones, generally stones are thrown back.

I would hope that in the spirit of reconciliation, if you will, there could be an opportunity for a commission to look at this, for the Congress to look at it, working in cooperation with the Vice President's office and with the President's office, and that this amendment would be withdrawn.

Mr. PENNY. Mr. Chairman, will the gentleman yield?

Mr. WOLF. I yield to the gentleman from Minnesota.

Mr. PENNY. I thank the gentleman for yielding.

Mr. Chairman, my first question would be for verification: Is it in fact true that this particular account in this bill is increased by 15-percent as compared to last year's funding level?

Mr. WOLF. The gentleman is correct. But the Vice President's use of this aircraft, if you really wanted to strike at it would have to come out of the Department of Defense appropriations.

Mr. PENNY. If the gentleman would yield further, that is part of the problem with the Vice President's travel. It is spread around in several areas. There is Secret Service protection, there is the Air Force providing the plane for those trips, those types of trips. There is really no one place that you can go to amend it.

Since this is a 15-percent increase and this cut is not going to have a dramatic effect on the Vice President's travel arrangements under this provision, I think it would be appropriate to accept it if for no other reason than for symbolic purposes, to send a message that when a trip is strictly for pleasure—and no one has disputed that this trip was only for golf, no business was conducted, no family emergencies occurred, no graduations occurred, no funerals occurred—it is strictly for pleasure, we should send a message to the Vice President that he should not be spending taxpayers' money for that purpose.

Mr. WOLF. Mr. Chairman, we can send a message several ways. One, we can send a letter. I would be willing to sign a letter with the gentleman on the issue. I think sending a letter would really be a better way of sending the message.

Second, none of us would feel very comfortable if this amendment were to pass and we were to drive a person such that they are put in the situation whereby they are assassinated. If the gentleman wants to work with me on a letter to the IRS I would sign the letter with him.

I understand what he is trying to say. But I do not know that this way is the way to go.

Also, in fairness to the situation, perhaps the amendment could be withdrawn. The point has been made.

Mr. McEWEN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I believe that there are levels of pettiness below which the Congress should not sink. And there come times—maybe some disagree, but I believe that there is a level below which we should not go.

One of those is to understand why we protect our national leaders. It is not because of who they are, it is because of the position that they hold. And the reason that they protect them is for our interests because they hold specific secrets that, were they to be kidnaped or were their children to be kidnaped, that it is a disservice to the American public.

Therefore, it is in our best interest that they be protected.

Now, the purpose of discussion is not where they go; they might go home at night, they might go to a ballgame with their children. The question is whether or not we protect them during that time.

To say we will make a person chosen by our 50 States to be our Vice President or President of the United States because certain Members of Congress disapprove of their activities at any particular moment because under their value system they are not significant, thereby they should make themselves vulnerable to attack, is an absurdity.

In fact, it is disrespectful to the office and it is disrespectful to the American people who expect us to behave in a better manner.

Mr. WOLF. Mr. Chairman, will the gentleman yield?

Mr. McEWEN. I yield to the gentleman from Virginia.

Mr. WOLF. I thank the gentleman for yielding.

Mr. Chairman, the increase in this account is not in travel; it is in personnel compensation and benefits. And the people who work for the Vice President have the right to have Blue Cross, Blue Shield, overtime.

□ 1850

Second, the bulk of it also is in rental payments to GSA, and I think the gentleman from Ohio [Mr. McEWEN] makes a very good point. None of us would feel very good if we were to put this individual into a situation whereby he was assassinated.

I think the point has been made, the gentleman from Ohio [Mr. McEWEN] has made an excellent point, and I think the amendment ought to be withdrawn.

Mr. McEWEN. If I may say, the reason that we do this is in our best interest. We do it for the benefit of America.

Now, assuming the Secretary of State were to be kidnaped or diverted, or assuming that the wife of the Vice President, who may be on her way to a shopping trip of all things, is kidnaped, it still costs the American Government and the Secret Service extreme time and money in order to retrieve her. That is the reason that they travel in secure communications. That is the reason they travel, regardless of what the goal was to get there or come back. It may be a vacation, it may be to play golf. Regardless of what the goal is, it is in America's best interest to allow them to be protected, and it is also demeaning to insinuate otherwise.

Mr. WOLF. Mr. Chairman, will the gentleman yield?

Mr. McEWEN. I yield to the gentleman from Virginia.

Mr. WOLF. Mr. Chairman, I also want to tell the Members, and I think the gentleman from California [Mr. ROYBAL] can attest to this, the committee had a classified secret briefing with regard to the situations that are going on. It would be, I think, inappropriate to do this now, and I hope and I agree with the gentleman here that this is not a very good amendment.

The point has been made. I think it could be withdrawn, and we can move on.

Mr. McEWEN. Mr. Chairman, all of us have the capacity to make cute statements at times. Sometimes they are not in our best interest in the long run.

Mr. ROHRABACHER. Mr. Chairman, will the gentleman yield?

Mr. McEWEN. I yield to the gentleman from California.

Mr. ROHRABACHER. Mr. Chairman, having worked in the White House, these people, the Vice President and the President of the United States, work very hard. They work very long hours, and I have seen no evidence that the Vice President has been abusing the fact that he has transportation provided by the public. One golf trip does not mean that he is abusing that.

Obviously we go on trips for recreational purposes, and we are permitted to buy our own ticket, and we do not have to worry about Secret Service agents.

I have not seen the Vice President fly on numerous occasions to numerous golf games. The Vice President, just like anyone else, deserves at least a few recreational trips during the year.

Mr. McEWEN. Mr. Chairman, I would say to the gentleman from California

[Mr. ROHRABACHER] the reason that we protect the families regardless of their destination, it is in our best interest that we do so, and it is our responsibility that we do so.

Mr. PENNY. Mr. Chairman, will the gentleman yield?

Mr. MCEWEN. I yield to the gentleman from Minnesota.

Mr. PENNY. Mr. Chairman, I simply mention to the gentleman from Ohio [Mr. MCEWEN] that I think he has missed the point. I have not objected to Secret Service protection for the President or the Vice President. What I have objected to is a trip to go up to Georgia and play golf instead of staying here in town and playing golf. But I am talking about the propriety.

Mr. MCEWEN. Mr. Chairman, if I may reclaim my time, it is the responsibility of the President and the Vice President to travel when they travel whether to go home at night or whether to get up in the morning. They have to be protected, and when the children, when the children of the first families travel, regardless of where they are going; they could be going to ride on a roller coaster; they have to be protected all of the time, and to single out an opportunity, to say this is a time in which he played golf, therefore how many of us get free travel to go play golf, is a nice cute little statement, but it is unbecoming this body.

Some may ask, "Why do you need 75 policemen protecting you on the floor of the House? Are you at risk?"

The truth of the matter is we are, and it is in our best interest to not have to deal with that risk.

Now back in the days of Richard Nixon, when they had two or three guards as Vice President, he sat over there in the Vice President's office, and he drove home. Those were different back in those days. Today they need to be protected all the time, and it is our responsibility to see that they are.

Mr. ROHRABACHER. Mr. Chairman, I move to strike the requisite number of words.

Mr. WOLF. Mr. Chairman, will the gentleman yield?

Mr. ROHRABACHER. I yield to the gentleman from Virginia.

Mr. WOLF. Two last points.

Mr. Chairman, it is my belief and understanding, and I may be wrong, that the $27,000 includes money used for Secret Service. He really does not have any other choice.

Second, my sense is that, if he were given the opportunity, he would rather be able to fly on another airline and have the privacy and no one recognize him and not be a danger. So, part of the money involved here is also Secret Service protection, which under the law he has to have.

Mr. ROHRABACHER. Mr. Chairman, I would just add that I do not think we have to suggest that the Vice President or President of the United States not be able to take one recreational trip while they are President or Vice President of the United States. If there is evidence that they are abusing this privilege, then let us talk about it. I have seen no evidence that DAN QUAYLE is overly abusing this privilege.

Mr. ROYBAL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I had agreed to accept this amendment in order to avoid long debate. But it appears that the Members of this House are with their best voice eager to debate any little thing that comes up.

I agree with the gentleman from Virginia [Mr. WOLF] that this is an amendment that perhaps was necessary, but the point has been made. I think that the message has already reached the White House, and whatever we do here I think would be superfluous even if the gentleman's amendment is actually voted on by the entire membership of this House.

I would like to address my remarks to the maker of the motion. Since the point has already been made, I, too, believe that it would be proper for that motion to be withdrawn at this time. I can assure the gentleman from Minnesota [Mr. PENNY] that we in the committee will do everything we possibly can to get that message in writing to the Vice President himself. I will sign the letter, the gentleman from Virginia [Mr. WOLF] will sign it, we will sign it with the gentleman, and this will be an official message from the subcommittee of the House of Representatives to the Vice President of the United States. Maybe he has overlooked this entire matter, but we can very well call his attention to it, remind him that it may not look entirely proper and that we hope that it does not happen in the future.

Mr. Chairman, I hope that the gentleman from Minnesota [Mr. PENNY] then withdraws with that condition that we will do everything we possibly can in an official way to deliver this message in writing to the Vice President.

Mr. PENNY. Mr. Chairman, I ask unanimous consent, with the understanding of the gentleman from Virginia [Mr. WOLF] and the gentleman from California [Mr. ROYBAL] that they will cosign that letter, to withdraw the amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The CHAIRMAN. The amendment is withdrawn, and the Clerk will read.

The Clerk read as follows:

COUNCIL OF ECONOMIC ADVISERS

SALARIES AND EXPENSES

For necessary expenses of the Council in carrying out its functions under the Employment Act of 1946 (15 U.S.C. 1021); $3,345,000 of which not to exceed $1,000 may be for official reception and representation expenses.

POINT OF ORDER

Mr. TRAFICANT. Mr. Chairman, I have a point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. TRAFICANT. Mr. Chairman, under clause 2, rule XXI, that language existing in the beginning on line 5 with the words "of which" and continuing through line 6, that is in fact in violation of House rules.

The CHAIRMAN. Does the gentleman from California wish to be heard on the point of order?

Mr. ROYBAL. Mr. Chairman, again I concede the point of order on those specific lines, but the rest of the paragraph is protected by title 15, United States Code, section 1023(f).

The CHAIRMAN. The point of order is conceded and sustained, and the language on page 22, line 5, beginning at "which not" to proceed through the end of the paragraph is stricken.

The Clerk will read.

The Clerk read as follows:

OFFICE OF POLICY DEVELOPMENT

SALARIES AND EXPENSES

For necessary expenses of the Office of Policy Development, including services as authorized by 5 U.S.C. 3109, and 3 U.S.C. 107; $3,701,000.

NATIONAL CRITICAL MATERIALS COUNCIL

SALARIES AND EXPENSES

For necessary expenses of the National Critical Materials Council, including activities as authorized by Public Law 98-373; $235,000.

NATIONAL SECURITY COUNCIL

SALARIES AND EXPENSES

For necessary expenses of the National Security Council, including services as authorized by 5 U.S.C. 3109; $6,145,000.

OFFICE OF MANAGEMENT AND BUDGET

SALARIES AND EXPENSES

For necessary expenses of the Office of Management and Budget, including hire of passenger motor vehicles, services as authorized by 5 U.S.C. 3109; $50,470,000, of which not to exceed $5,000,000, shall be available to carry out the provisions of 44 U.S.C. chapter 35: *Provided*, That, as provided in 31 U.S.C. 1301(a), appropriations shall be applied only to the objects for which appropriations were made except as otherwise provided by law: *Provided further*, That none of the funds appropriated in this Act for the Office of Management and Budget may be used for the purpose of reviewing any agricultural marketing orders or any activities or regulations under the provisions of the Agricultural Marketing Agreement Act of 1937 (7 U.S.C. 601 et seq.): *Provided further*, That none of the funds made available for the Office of Management and Budget by this Act may be expended for the altering of the transcript of actual testimony of witnesses, except for testimony of officials of the Office of Management and Budget, before the Committee on Appropriations or the Committee on Veterans' Affairs or their subcommittees: *Provided further*, That this proviso shall not apply to printed hearings released by the Committee on Appropriations or the Committee on Veterans' Affairs; *Provided further*, That none of the funds made available by this Act or any

other Act shall be used to reduce the scope or publication frequency of statistical data relative to the operations and production of the alcoholic beverage and tobacco industries below fiscal year 1985 levels: *Provided further*, That none of the funds appropriated by this Act shall be available to the Office of Management and Budget for revising, curtailing or otherwise amending the administrative and/or regulatory methodology employed by the Bureau of Alcohol, Tobacco and Firearms to assure compliance with section 105, title 27 of the United States Code (Federal Alcohol Administration Act) or with regulations, rulings or forms promulgated thereunder.

POINT OF ORDER

Mr. TRAFICANT. Mr. Chairman, I have a point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. TRAFICANT. Mr. Chairman, my point of order goes specifically to that language that begins on page 23 immediately following $50,470,000 with the word "of" and continuing on line 2 through line 25 on page 23, and continuing on page 24, line 1 through line 9 inclusive, for violation of clause 2, rule XXI, legislating on appropriation bills.

The CHAIRMAN. Does the gentleman from California [Mr. ROYBAL] wish to be heard on the point of order?

Mr. ROYBAL. Mr. Chairman, I concede the point of order.

The CHAIRMAN. The Chair is prepared to rule.

Based upon the inclusion of the proviso on line 21, which refers to funds in other acts, the point of order is sustained, and the language in question beginning on line 1 of page 23 through page 24, line 9 is stricken.

□ 1900

The Clerk will read:

The Clerk read as follows:

OFFICE OF FEDERAL PROCUREMENT POLICY

SALARIES AND EXPENSES

For expenses of the Office of Federal Procurement Policy, including services as authorized by 5 U.S.C. 3109; $3,058,000.

POINT OF ORDER

Mr. TRAFICANT. Mr. Chairman, I rise to a point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. TRAFICANT. Mr. Chairman, the section on the Office of Federal Procurement Policy violates clause 2, rule XXI, constituting legislation in an appropriation bill.

The CHAIRMAN. Does the gentleman from California [Mr. ROYBAL] wish to be heard on the point of order?

Mr. ROYBAL. Mr. Chairman, the committee contends that this language is protected by Public Law 96-83.

The CHAIRMAN. The Chair is prepared to rule. These expenditures are authorized by law as cited by the gentleman from California and in the language in question, and the point of order is overruled.

The Clerk will read.

The Clerk read as follows:

OFFICE OF NATIONAL DRUG CONTROL POLICY

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Office of National Drug Control Policy; for research activities pursuant to title I of Public Law 100-690; not to exceed $8,000 for official reception and representation expenses; for participation in joint projects or in the provision of services on matters of mutual interest with nonprofit, research, or public organizations or agencies, with or without reimbursement; $69,122,000, of which $1,000,000 shall support the Counternarcotics Technology Assessment Center and shall be available for transfer to other Federal Agencies and Departments and shall be available until expended; and, of which $50,000,000 shall be available for drug control activities which are consistent with the approved strategy for each of the designated High Intensity Drug Trafficking Areas and shall be transferred to Federal agencies and departments for implementing approved strategies and shall be obligated by the end of fiscal year 1992: *Provided*, That the Office is authorized to accept, hold, administer, and utilize gifts, both real and personal, for the purpose of aiding or facilitating the work of the Office.

POINT OF ORDER

Mr. TRAFICANT. Mr. Chairman, I rise to a point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. TRAFICANT. Mr. Chairman, I rise to a point of order, commencing on page 25, line 10, with the word "provided" and continuing down through line 13.

The CHAIRMAN. Does the gentleman from California [Mr. ROYBAL] wish to be heard on the point of order?

Mr. ROYBAL. Mr. Chairman, the committee concedes the point of order.

The CHAIRMAN. The Chair will inquire if the point of order is directed soley at that final proviso?

Mr. TRAFICANT. Mr. Chairman, it is.

The CHAIRMAN. The point of order is conceded and sustained, and the language in the proviso in question is stricken.

The Clerk will read.

The Clerk read as follows:

SPECIAL FORFEITURE FUND

(INCLUDING TRANSFER OF FUNDS)

For activities authorized by Public Law 100-690, $77,000,000 to be derived from deposits in the Special Forfeiture Fund; of which $10,000,000 shall be transferred to the Bureau of Prisons for prison construction; and of which $31,000,000 shall be transferred to the Alcohol, Drug Abuse, and Mental Health Administration for drug treatment capacity expansion; and of which $21,000,000 shall be transferred to the United States Customs Service (Salaries and expenses) for drug related activities, and of which $15,000,000 shall be transferred to the Bureau of Alcohol, Tobacco, and Firearms (Salaries and expenses), for drug related expenses.

UNANTICIPATED NEEDS

For expenses necessary to enable the President to meet unanticipated needs, in furtherance of the national interest, security, or defense which may arise at home or abroad during the current fiscal year; $1,000,000.

This title may be cited as the "Executive Office Appropriations Act, 1992".

TITLE IV

INDEPENDENT AGENCIES

ADMINISTRATIVE CONFERENCE OF THE UNITED STATES

SALARIES AND EXPENSES

For necessary expenses of the Administrative Conference of the United States, established by the Administrative Conference Act, as amended (5 U.S.C. 571 et seq.), including not to exceed $1,000 for official reception and representation expenses; $2,227,000.

ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

SALARIES AND EXPENSES

For expenses necessary to carry out the provisions of the Advisory Commission on Intergovernmental Relations Act of 1959, as amended (42 U.S.C. 4271-79); $1,330,000, and additional amounts not to exceed $200,000, collected from the sale of publications shall be credited to and used for the purposes of this appropriation.

POINT OF ORDER

Mr. TRAFICANT. Mr. Chairman, I rise to a point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. TRAFICANT. Mr. Chairman, I rise to a point of order to that section, commencing on line 25, page 26, immediately following $1,300,000 with the words, "and additional amounts not to exceed $200,000," and continuing on page 27 through line 3.

The CHAIRMAN. Does the gentleman from California [Mr. ROYBAL] wish to be heard on the point of order?

Mr. ROYBAL. Mr. Chairman, the committee concedes the point of order.

The CHAIRMAN. The point of order is conceded and sustained. The language in question beginning on page 26, line 25, is stricken.

The Clerk will read.

The Clerk read as follows:

COMMITTEE FOR PURCHASE FROM THE BLIND AND OTHER SEVERELY HANDICAPPED

SALARIES AND EXPENSES

For necessary expenses of the Committee for Purchase From the Blind and Other Severely Handicapped established by the Act of June 23, 1971, Public Law 92-28; $1,293,000.

FEDERAL ELECTION COMMISSION

SALARIES AND EXPENSES

For necessary expenses to carry out the provisions of the Federal Election Campaign Act of 1971, as amended; $18,808,000, of which not to exceed $5,000 shall be available for reception and representation expenses.

GENERAL SERVICES ADMINISTRATION

FEDERAL BUILDINGS FUND

LIMITATIONS ON AVAILABILITY OF REVENUE

The revenues and collections deposited into the Fund established pursuant to section 210(f) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(f)), shall be available for necessary expenses of real property management and related activities not otherwise provided for, including operation, maintenance, and protection of federally owned and leased buildings; rental of buildings in the District of Columbia; restoration of leased premises; moving Governmental agencies (including space adjustments and telecommunications relocation expenses) in connection with the assignment, allocation and

transfer of space; contractual services incident to cleaning or servicing buildings, and moving; repair and alteration of Federally owned buildings including grounds, approaches and appurtenances; care and safeguarding of sites; maintenance, preservation, demolition, and equipment; acquisition of buildings and sites by purchase, condemnation, or as otherwise authorized by law; conversion and extension of Federally owned buildings; preliminary planning and design of projects by contract or otherwise; construction of new buildings (including equipment for such buildings); and payment of principal, interest, taxes, and any other obligations for public buildings acquired by installment purchase and purchase contract, in the aggregate amount of $4,131,346,000 of which (1) not to exceed $371,416,000 shall remain available until expended for construction of additional projects at locations and at maximum construction improvement costs (including funds for sites and expenses) as follows:

New Construction:

California:

Menlo Park, United States Geological Survey Office Laboratory Buildings, escalation, $11,047,000

Monterey, Federal Building and U.S. Courthouse, $1,900,000

Orange County, Courthouse, $250,000 District of Columbia:

Department of Transportation Headquarters Building, $239,000,000: *Provided*, That such funds shall be obligated only upon the advance approval of the House and Senate Committees on Appropriations and the House Committee on Public Works and Transportation and Senate Committee on Environment and Public Works.

POINT OF ORDER

Mr. TRAFICANT (during the reading). Mr. Chairman, I rise to a point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. TRAFICANT. Mr. Chairman, I bring a point of order to that section commencing on page 29, line 9, starting with the word "provided," and continuing down through line 14.

The CHAIRMAN. The Chair will advise the gentleman that under the precedents on this bill inasmuch as each of the items beginning on line 24, page 28, constitutes a separate paragraph the way the bill is constructed, he will need to wait until the paragraph in question is read. The point of order is premature.

The Clerk will read.

The Clerk read through page 29, line 14.

POINT OF ORDER

Mr. TRAFICANT. Mr. Chairman, I rise to a point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. TRAFICANT. Mr. Chairman, I make a point of order that page 29, line 8, Department of Transportation Headquarters Building, $239,000,000, violates clause 2, rule XXI.

The CHAIRMAN. Does the gentleman mean to include the proviso beginning on line 9 or not?

Mr. TRAFICANT. Mr. Chairman, I do include the proviso.

The CHAIRMAN. The point of order goes to the entire paragraph, beginning on line 8.

Mr. ROYBAL. Mr. Chairman, I concede the point of order.

The CHAIRMAN. The point of order is conceded and sustained; the paragraph is stricken.

The Clerk will read.

The Clerk read as follows:

Georgia:

Atlanta, Center for Disease Control, $5,000,000

Florida:

Fort Myers, Federal Building and U.S. Courthouse, $977,000

Tallahassee, U.S. Courthouse Annex, $3,764,000

Indiana:

Hammond, Courthouse and Federal Building, $5,000,000

Maryland:

Prince George's County, U.S. Courthouse, $10,747,000

Massachusetts:

Boston, Thomas P. O'Neill Federal Building, claim, $3,100,000

Minnesota:

Minneapolis, Federal Building and U.S. Courthouse, $19,000,000

Missouri:

St. Louis, Federal Building and U.S. Courthouse, $30,000,000

Nevada:

Reno, C. Clifton Young Federal Building, United States Courthouse Annex, $307,000

North Carolina:

Asheville, Courthouse and Federal Building (construction), $25,300,000

Tennessee:

Knoxville, Courthouse, $2,500,000

United States Virgin Islands:

Charlotte Amalie, Saint Thomas, U.S. Courthouse Annex, $8,524,000

Nonprospectus Construction Projects, $5,000,000

POINT OF ORDER

Mr. TRAFICANT. Mr. Chairman, I rise to a point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. TRAFICANT. Mr. Chairman, I raise now a point of order starting on page 31, line 1, with the word "provided," and continue it down to and including line 15, up to "in other such projects."

The CHAIRMAN. What is the point of order of the gentleman?

Mr. TRAFICANT. Mr. Chairman, I further reserve the right to object to other elements within that section, and wait for a ruling on this section.

The CHAIRMAN. First let the Clerk read that paragraph.

The Clerk read as follows:

Provided, That each of the immediately foregoing limits of costs on new construction projects may be exceeded to the extent that savings are effected in other such projects, but by not to exceed 10 per centum: *Provided further*, That all funds for direct construction projects shall expire on September 30, 1993, and remain in the Federal Buildings Fund except funds for projects as to which funds for design or other funds have been obligated in whole or in part prior to such date: *Provided further*, That claims against the Government of less than $100,000 arising from direct construction projects, acquisitions of buildings and purchase contract projects pursuant to Public Law 92-313, be liquidated with prior notification to the Committees on Appropriations of the House and Senate to the extent savings are effected in other such projects: *Provided further*, That to the extent that savings can be effected in other Federal Buildings Fund activities, the GSA shall seek reprogramming of up to $16,200,000 to supplement funds previously authorized and appropriated for the NOAA laboratory, Boulder, Colorado, subject to the approval of the House and Senate Committees on Appropriations according to existing reprogramming procedures: *Provided further*, That such funds will be obligated only upon the advance approval of the House Committee on Public Works and Transportation; (2) not to exceed $569,251,000 which shall remain available until expended, for repairs and alterations: *Provided further*, That funds in the Federal Buildings Fund for Repairs and Alterations shall, for prospectus projects, be limited to the amount by project as follows: except each project may be increased by an amount not to exceed 10 per centum unless advance approval is obtained from the Committees on Appropriations of the House and Senate of a greater amount:

POINT OF ORDER

The CHAIRMAN. Does the Chair understand that the point of order of the gentleman from Ohio [Mr. TRAFICANT] is directed solely to page 31, lines 1 through 15?

Mr. TRAFICANT. Mr. Chairman, the first part of that is line 1 through line 15, including and up to "in other such projects."

Then I want to reserve a point of order commencing later on on that page. I am prepared to object to those other items now, if it would be the will of the Chair.

The CHAIRMAN. It would be appropriate for the gentleman to make any and all points of order he may have against that paragraph at this time.

Mr. TRAFICANT. Mr. Chairman, in addition to that, commencing on line 22, with the words, "provided further," and continuing on, until page 32, line 8.

The CHAIRMAN. The Chair understands the point of order of the gentleman from Ohio to go to the entirety of the paragraph beginning on page 31, line 1. Is that correct?

Mr. TRAFICANT. Mr. Chairman, all except line 15, "provided further," through line 22, " provided further." That section, with Federal building funds activities, I do not strike.

The CHAIRMAN. The gentleman will state his point of order, now that he has designated it.

Mr. TRAFICANT. Mr. Chairman, under clause 2, rule XXI of House rules, for constituting legislation in an appropriation bill.

The CHAIRMAN. Does the gentleman from California [Mr. ROYBAL] wish to be heard on the point of order?

Mr. ROYBAL. Mr. Chairman, the committee concedes the point of order.

The CHAIRMAN. The committee concedes the point of order, the point of order is sustained, and the language in question is stricken, but the proviso on

lines 15 through 22 of page 31 remains in the bill.

The Clerk will read.

The Clerk read as follows:

Repairs and Alterations:

California:

Pasadena, Court of Appeals and Federal Building, $9,218,000

Sacramento, Federal Building, 801 I Street, $9,529,000

Santa Rosa, John F. Shaw Federal Building, $1,583,000

Connecticut:

Hartford, William R. Cotter Federal Building, $3,814,000

District of Columbia:

Federal Building 10A, $16,527,000

Herbert Clark Hoover Department of Commerce Building, $3,857,000

Housing and Urban Development Building, $5,365,000

Justice Building, $7,495,000

New Executive Office Building, $8,083,000

Old Executive Office Building, $19,000,000

Wilbur J. Cohen Federal Building, $15,000,000

Illinois:

Chicago, John C. Kluczynski Federal Building, $20,335,000

Kentucky:

Louisville, Federal Building, $15,470,000

Maryland:

Baltimore, Edward A. Garmatz Federal Building U.S. Courthouse, $6,311,000

Massachusetts:

Boston, John Fitzgerald Kennedy Federal Building and Government Center (phase 2), $36,800,000

Worcester, Harold D. Donahue Federal Building and United States Courthouse, $14,000,000

Missouri:

Kansas City, Federal Office Building, $5,256,000

Montana:

Billings, Federal Building U.S. Courthouse, $1,919,000

New Mexico:

Albuquerque, Dennis Chavez Federal Building and U.S. Courthouse, $3,846,000

New York:

Brooklyn, Emanuel Celler Federal Building and U.S. Courthouse (phase 1), $8,729,000

Buffalo, Michael J. Dillon Memorial United States Courthouse, $5,962,000

New York, Alexander Hamilton Custom House (phase 1), $20,273,000

New York, Jacob K. Javits Federal Building, $11,955,000

Ohio:

Cincinnati, John Weld Peck Federal Building, $2,537,000

Columbus, Federal Building and U.S. Courthouse, $3,348,000

Pennsylvania:

Philadelphia, Robert N.C. Nix, Sr., Federal Building and United States Post Office, $10,000,000

Scranton, Federal Building and U.S. Courthouse, $2,600,000

Texas:

Austin, IRS, Department of Veterans Affairs, Treasury Complex, $11,366,000

Galveston, Post Office and U.S. Courthouse, $3,310,000

Houston, Bob Casey Federal Building and U.S. Courthouse, $7,222,000

San Antonio, Federal Building, $4,084,000

Utah:

Salt Lake City, Frank E. Moss U.S. Courthouse, $,4872,000

Salt Lake City, Wallace F. Bennett Federal Building, $3,254,000

Minor Repairs and Alterations, $266,331,000: *Provided*, That additional projects for which prospectuses have been fully approved may be funded under this category only if advance approval is obtained from the Committees on Appropriations of the House and Senate: *Provided further*, That all funds for repairs and alterations prospectus projects shall expire on September 30, 1993, and remain in the Federal Buildings Fund except funds for projects as to which funds for design or other funds have been obligated in whole or in part prior to such date; (3) not to exceed $144,587,000 for installment acquisition payments including payments on purchase contracts; (4) not to exceed $1,655,900,000 for rental of space; (5) not to exceed $1,107,372,000 for real property operations of which $7,000,000 shall remain available until expended for the relocation of the National Science Foundation headquarters to northern Virginia to be reimbursed in equal amounts over a period of four years, beginning in fiscal year 1993, by the National Science Foundation; (6) not to exceed $139,748,000 for program direction and centralized services; and (7) not to exceed $143,072,000 for design and construction services which shall remain available under expended: *Provided further*, That for the purposes of this authorization, buildings constructed pursuant to the purchase contract authority of the Public Buildings Amendments of 1972 (40 U.S.C. 602a), buildings occupied pursuant to installment purchase contracts, and buildings under the control of another department or agency where alterations of such buildings are required in connection with the moving of such other department or agency from buildings then, or thereafter to be, under the control of the General Services Administration shall be considered to be Federally owned buildings: *Provided further*, That none of the funds available to the General Services Administration, except for the Center for Disease Control Building, Atlanta, Georgia, shall be available for expenses in connection with any construction, repair, alteration, and acquisition project for which a prospectus, if required by the Public Buildings Act of 1959, as amended, has not been approved, except that necessary funds may be expended for each project for required expenses in connection with the development of a proposed prospectus: *Provided further*, That funds available in the Federal Buildings Fund may be expended for emergency repairs when advance approval is obtained from the Committees on Appropriations of the House and Senate: *Provided further*, That amounts necessary to provide reimbursable special services to other agencies under section 210(f)(6) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(f)(6)) and amounts to provide such reimbursable fencing, lighting, guard booths, and other facilities on private or other property not in Government ownership or control as may be appropriate to enable the United States Secret Service to perform its protective functions pursuant to 18 U.S.C. 3056, as amended, shall be available from such revenues and collections: *Provided further*, That revenues and collections and any other sums accruing to this Fund during fiscal year 1992 excluding reimbursements under section 210(f)(6) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(f)(6)) in excess of $4,131,346,000 shall remain in the Fund and shall not be available for expenditure except as authorized in appropriations Acts.

□ 1910

POINT OF ORDER

Mr. TRAXLER. Mr. Chairman, I rise on a point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. TRAXLER. On page 35, line 24, I contend that all after the word "operations" up to the semicolon on page 36 of line 4 violates clause 2, rule XXI, constitutes legislation on an appropriations bill.

The CHAIRMAN. Does the Chair understand correctly, the gentleman's point of order begins on page 35, line 24 with the last word therein and goes through the last word on page 36, line 4?

Mr. TRAXLER. Mr. Chairman, my contention is that on page 35, line 24, all after the word "operations" up to the semicolon on page 36, line 4.

The CHAIRMAN. The Chair understands.

Does the gentleman from California wish to be heard on the point of order?

Mr. ROYBAL. Mr. Chairman, I concede the point of order.

The CHAIRMAN. The point of order is conceded and sustained.

Are there other points of order against this paragraph?

Mr. WOLF. Mr. Chairman, I have an amendment at the desk.

The CHAIRMAN. First of all, the Chair will repeat his inquiry. Are there other points of order against this paragraph?

POINT OF ORDER

Mr. TRAFICANT. Mr. Chairman, I have other points of order against this paragraph.

The CHAIRMAN. The gentleman will state them.

Mr. TRAFICANT. Proceeding on page 35, line 11, and continuing down through that language which was struck by Chairman TRAXLER and continuing on page 36, commencing on line 5 and continuing through all of page 36 and commencing on page 37, carrying through all of page 37, for violation of House clause 2, rule XXI.

The CHAIRMAN. Does this gentleman from California wish to be heard on the point of order?

Mr. ROYBAL. Mr. Chairman, I concede the point of order.

The CHAIRMAN. The point of order is conceded and sustained. The language in question is stricken.

Mr. WOLF. Mr. Chairman, I have an amendment at the desk and ask unanimous consent the amendment be considered as read.

Mr. CHAIRMAN. The Chair will simply repeat his understanding for the RECORD that the entire paragraph has now been stricken by the combined points of order. The Chair would inform the gentleman from Virginia that his understanding of his amendment is that it is based on an assumption that there is still a paragraph with money in it left to amend.

AMENDMENT OFFERED BY MR. ROYBAL

Mr. ROYBAL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ROYBAL: Page 35, line 11, insert:

"Minor Repairs and Alterations, $266,331,000. (3) not to exceed $144,587,000 for installment acquisition payments including payments on purchase contracts; (4) not to exceed $1,655,900,000 for rental of space; (5) not to exceed $1,107,372,000 for real property operations of which $7,000,000 shall be available for the relocation of the National Science Foundation headquarters; (6) not to exceed $139,748,000 for program direction and centralized services; and (7) not to exceed $143,072,000 for design and construction services which shall remain available until expended: *Provided further*, That revenues and collections accruing to this Fund during fiscal year 1992 excluding reimbursements under section 210(f)(6) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(f)(6)) in excess of $4,131,346,000 shall remain in the Fund and shall not be available for expenditure except as authorized in appropriations Acts.".

Mr. TRAFICANT. Mr. Chairman, I reserve a point of order.

The CHAIRMAN. The gentleman from Ohio reserves a point of order.

Mr. ROYBAL. Mr. Chairman, I will just say that this amendment restores the appropriation stricken by the point of order, but this amendment specifically excludes the language in the paragraph that was subject to the point of order.

Do not forget that I did, in fact, concede, but this language does in fact restore some of the language.

POINT OF ORDER

The CHAIRMAN. Does the gentleman from Ohio insist on his point of order?

Mr. TRAFICANT. Mr. Chairman, I do.

The CHAIRMAN. The gentleman will state it.

Mr. TRAFICANT. No. 1, I am under the impression that the entire section and paragraph entirely have been stricken and now we resurrect different terms which have hit us so fast, without being able to read them, but let me say this, each and every one of these appropriations carries along with it a designated duty which calls upon someone within those divisions to in fact perform a duty and a task. That means it should be subject to an authorizing committee's action. It is not, and it thus continues to violate rule XXI, clause 2.

I object to any of that language that is in fact subject to that rule.

The CHAIRMAN. Does the gentleman from California desire to be heard on the point of order?

Mr. ROYBAL. What has to be considered in this particular instance is that the language that was restored is actually protected by 40 United States Code 4490(f). It is definitely in order.

The CHAIRMAN. Does the gentleman from Michigan desire to be heard on the point or order?

Mr. TRAFICANT. I do, Mr. Chairman. It seems to me that there is nothing to be amended. I think the gentleman's point of order that was made earlier and my point of order struck the entire chapter. I mean, we are looking at a black hole. I do not think we can construct on nothing.

The CHAIRMAN. The Chair would observe that the amendment currently offered by the gentleman from California restores the overall sum of some $266 million for minor repairs and alterations, which the Chair believes is authorized by law.

The Chair would inquire of the gentleman from Ohio whether he is directing or intends to direct attention to any other language of the amendment which he believes would be unauthorized legislation?

□ 1920

PARLIAMENTARY INQUIRY

Mr. TRAFICANT. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. TRAFICANT. Mr. Chairman, the gentleman from Ohio is under the impression that you upheld a point of order against all of this language for having violated clause 2, rule XXI. The Chair is now ruling and saying that parts of that which the Chair had previously stricken now are in fact in order.

The CHAIRMAN. The Chair will advise the gentleman that under the original point of order, if any portion of the paragraph was subject to a point of order, the entire paragraph would fall at the gentleman's insistence, as it did.

POINTS OF ORDER

Mr. TRAFICANT. Mr. Chairman, then immediately following line 11, page 35, $266,331,000, starting with the word "Provided," I make a point of order to strike all of that language which constitutes legislation in an appropriation bill and is subject to the clause and the ruled cited.

The CHAIRMAN. The Chair would say to the gentleman that the original text is no longer pending. What is before the House is the amendment currently offered by the gentleman from California. The Chair inquired of the gentleman making the point of order whether any language in the amendment now pending strikes him as legislation in an appropriation bill.

Mr. TRAFICANT. All of that following $266,331,000 which carries conditions which are found on line 11, page 35, commencing with the last word "Provided."

The CHAIRMAN. The Chair will advise the gentleman that that language does not appear in the gentleman's amendment. That proviso is not included in the amendment now pending.

Mr. TRAFICANT. Is there any language subsequent to the $266 million which is in there? That is what I am objecting to. I am not objecting to the $266 million appropriation. I am objecting to some of those other provisions attached to it and the conditions on that money.

The CHAIRMAN. Without objection, the Clerk will rereport the pending amendment slowly.

There was no objection.

The Clerk reread the amendment.

The CHAIRMAN. The gentleman making the point of order has heard the amendment reread in its entirety. Does he wish to direct the attention of the Chair to any particular portion thereof?

Mr. TRAFICANT. That section which states "Provided further" and contains additional language subject to a duty to be imposed, that duty to be imposed clearly constitutes a violation of House rules on an appropriation bill.

The CHAIRMAN. Does the gentleman from Michigan [Mr. TRAXLER] desire to be heard further?

Mr. TRAXLER. Mr. Chairman, I wish to be protected on a point of order on the language "of which $7 million shall remain available until expended for the relocation of the National Science Foundation headquarters."

The CHAIRMAN. The Chair will advise the gentleman that the words "until expended" do not appear in the amendment now pending.

Mr. TRAXLER. Please forgive me. I do not have a copy of the amendment. I am using my memory. I raise a point of order against the $7 million and the language which accompanies it for the relocation of the National Science Foundation. If I had a copy of the amendment, I could be more specific.

The CHAIRMAN. The Chair will rule that a prospectus for this project, submitted pursuant to law, has been approved by the Committee on Public Works and Transportation, dated October 13, 1988, and that the reference to northern Virginia and reimbursement language which was in the bill is not in the amendment, and the Chair will overrule that point of order.

With respect to the last point of order raised by the gentleman from Ohio, does the gentleman from Ohio [Mr. TRAFICANT] wish to be heard further on this point?

Mr. TRAFICANT. Yes. I do. I would like a copy of the amendment so that I might see it and be able to make a decision predicated on something I might be able to think of rather than to ascertain from the air.

Reserving my right to a point of order, Mr. Chairman, I object to all language contained in the amendment following $266,331,000 and, furthermore, also object to the final section following the words "Provided further, the revenues and collections accruing to this fund," et cetera.

The CHAIRMAN. The Chair would inquire of the gentleman from California

if he would like to direct his attention for a moment to the last part of the point of order which is the final proviso.

Mr. ROYBAL. On what page is that, may I ask?

The CHAIRMAN. It is the last section of the gentleman's amendment. "Provided further." In the original bill, it is the language appearing on page 37, line 17, and thereafter.

Mr. ROYBAL. Mr. Chairman, on line 17, page 37, that reads, "Provided further, that revenues and collections and any other sum accruing to this fund during fiscal year 1992, excluding reimbursement under section" so and so was actually authorized by the Federal Property and Administration Service. I think there is an authorization in that particular section.

The CHAIRMAN. Does the gentleman from Ohio wish to be heard further?

Mr. TRAFICANT. Mr. Chairman, page 3 of the chairman's amendment clearly strikes several words, and now the chairman is citing page 37, line 17 verbatim. I raised a point of order, and had prevailed, on page 37 commencing with line 17 through 23. Is the chairman's language the same, or has it been in fact changed by the amendment on page 3 of this amendment submitted to the desk?

The CHAIRMAN. The Chair is prepared to rule.

The gentleman has heard and has a copy of the pending amendment.

The language cited at the last sentence of the amendment beginning "Provided further, the revenues and collections and any other sums accruing to this fund," is authorized by existing law, and the Chair will read from title 40, United States Code, section 490, as cited, incidentally, in the amendment itself: "Moneys deposited into the fund shall be available for expenditure for real property management and related activities in such amounts as are specified in annual appropriations acts without regard to fiscal year limitations."

□ 1930

This is the existing statutory authorization. The language is authorized to be included in an appropriation bill by the law cited, and the point of order is overruled.

PARLIAMENTARY INQUIRY

Mr. TRAFICANT. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. TRAFICANT. In the chairman's amendment, page 3, it reinstates lines 17 through 23, but scratches the words "and any other sums."

Is the chairman saying that "and any other sums" is also now approved even though it was stricken in that amendment? What amendment are we dealing with?

The CHAIRMAN. The gentleman has answered his own question. The gentleman has a copy of that amendment. The words do not appear.

Mr. TRAFICANT. The amendment I have, Mr. Chairman, without debating it, strikes those words "and any other sums."

The CHAIRMAN. That is correct. Those words do not appear in the amendment.

The amendment has been held in order.

Does the gentleman from California [Mr. ROYBAL] wish to be heard on his amendment?

The gentleman is recognized for 5 minutes.

Mr. ROYBAL. Mr. Chairman, I think that the matter is clear at this point. I do not wish to pursue it any further.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. ROYBAL].

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

FEDERAL SUPPLY SERVICE

OPERATING EXPENSES

For expenses authorized by law, not otherwise provided for, necessary for property management activities, utilitization of excess and disposal of surplus personal property, rehabilitation of personal property, transportation management activities, transportation audits by in-house personnel, procurement, and other related supply management activities, including services as authorized by 5 U.S.C. 3109; $54,605,000.

POINT OF ORDER

Mr. TRAFICANT. Mr. Chairman, I raise a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. TRAFICANT. Mr. Chairman, under clause 2, rule XXI for that language on page 38, line 3, through line 10.

The CHAIRMAN. Does the gentleman from California [Mr. ROYBAL] wish to be heard on the point of order?

Mr. ROYBAL. Mr. Chairman, we will concede a point of order. We have an amendment at the desk.

Mr. TRAFICANT. Mr. Chairman, reserving the right to object to maintain a point of order.

The CHAIRMAN. Does the gentleman from California wish to be heard further on the point of order?

Mr. ROYBAL. Mr. Chairman, again, I will have to cite various points that have been done before, but we will do it again. I think this matter is authorized under 40 U.S.C. 481, 482, and 483. It is also noted that it is under 40 U.S.C., 251–260. So the matter is clearly authorized.

The CHAIRMAN. The Chair is prepared to rule.

For reasons noted by the gentleman from California, the contents of this paragraph for the Federal Supply Service appear all to be authorized by law. There appeared to be no legislative provisions therein, and the point of order is overruled.

The Clerk will read.

The Clerk read as follows:

FEDERAL PROPERTY RESOURCES SERVICE

OPERATING EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For expenses, not otherwise provided for, necessary for carrying out the functions of the Administrator with respect to utilization of excess real property; the disposal of surplus real property, the utilization survey, deed compliance inspection, appraisal, environmental and cultural analysis, and land use planning functions pertaining to excess and surplus real property, including services as authorized by 5 U.S.C. 3109; $14,227,000, to be derived from proceeds from transfers of excess real property and disposal of surplus real property and related personal property, subject to the provisions of the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 4601–5).

REAL PROPERTY RELOCATION

For expenses not otherwise provided for, $16,000,000 to remain available until expended, necessary for carrying out the functions of the Administrator with respect to relocation of Federal agencies from property which has been determined by the Administrator to be other than optimally utilized under the provisions of section 210(e) of the Federal Property and Administrative Services Act of 1949, as amended: *Provided*, That such relocations shall only be undertaken when the estimated proceeds from the disposition of the original facilities approximate the appraised fair market value of such new facilities and exceed the estimated costs of relocation. Relocation costs include expenses for and associated with acquisition of sites and facilities, and expenses of moving or repurchasing equipment and personal property. These funds may be used for payments to other Federal entities to accomplish the relocation functions: *Provided further*, That nothing in this paragraph shall be construed as relieving the Administrator of General Services or the head of any other Federal agency from any obligation or restriction under the Public Buildings Act of 1959 (including any obligation concerning submission and approval of a prospectus), the Federal Property and Administrative Services Act of 1949, as amended, or any other Federal law, or as authorizing the Administrator of General Services or the head of any other Federal agency to take actions inconsistent with statutory obligations or restrictions placed upon the Administrator of General Services or such agency head with respect to authority to acquire or dispose of real property: *Provided further*, That $3,770,000 of the amount shall be made available to the National Archives and Records Administration to pay expenses related to the establishment and relocation of the National Long Term Records Center (which shall be known hereafter as the "Silvio O. Conte National Records Center"), authorized and directed by Public Law 101–509.

GENERAL MANAGEMENT AND ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses, not otherwise provided, for Policy Direction, Board of Contract Appeals, and accounting, records management, and other support services incident to adjudication of Indian Tribal Claims by the United States Court of Claims, and services authorized by 5 U.S.C. 3109, $31,421,000: *Provided*, That this appropriation shall be available for general administrative and staff support services, subject to reimbursement by the applicable organization or agencies pursuant to subsections (a) and (b) of

section 1535 of title 31, United States Code: *Provided further*, That this account shall be available for personnel and associated costs in support of Congressional District and Senate State offices without reimbursement from these offices: *Provided further*, That not to exceed $5,000 shall be available for official reception and representation expenses.

POINT OF ORDER

Mr. TRAFICANT. Mr. Chairman, I raise a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. TRAFICANT. Page 40, commencing with line 22 and the word "provided" carrying on through page 41 through line 7 constitutes a violation of House rules, clause 2, rule XXI.

The CHAIRMAN. Does the gentleman from California [Mr. ROYAL] wish to be heard on the point of order?

Mr. ROYBAL. Mr. Chairman, I concede the point of order.

The CHAIRMAN. The point of order is conceded and sustained and the three provisos in the paragraph under general management and administration are stricken.

The Clerk will read.

The Clerk read as follows:

INFORMATION RESOURCES MANAGEMENT SERVICE

OPERATING EXPENSES

For expenses authorized by law, not otherwise provided for, necessary for carrying out Government-wide and internal responsibilities relating to automated data management, telecommunications, information resources management, and related activities, including services as authorized by 5 U.S.C. 3109; and for the Information Security Oversight Office established pursuant to Executive Order 12356; $46,014,000.

POINT OF ORDER

Mr. TRAFICANT. Mr. Chairman, I rise to a point of order to this section.

The CHAIRMAN. The gentleman will state his point of order.

Mr. TRAFICANT. Mr. Chairman, it violates clause 2, rule XXI, line 10 through line 17 that it, in fact, poses some duties in tasks which take it beyond the normal scope of appropriation jurisdiction.

The CHAIRMAN. Does the gentleman from California [Mr. ROYBAL] wish to be heard on the point of order?

Mr. ROYBAL. Mr. Chairman, again, I would like to call attention to the fact that this is already authorized. It is authorized by 40 U.S.C. 47, 471 and authorized by section 8 and 15 by Public Law 95-507. It is also authorized by Public Law 89-369, Title 8. All these citations clearly indicate it is authorized.

The CHAIRMAN. The Chair would appreciate the attention of the gentleman from California.

It appears to the Chair that the provisions of the paragraph are clearly authorized by law up until line 15, and the Chair would inquire of the gentleman from California whether he can cite authorization in law for the Executive order cited in lines 15 through 17?

Mr. ROYBAL. Mr. Chairman, no, we cannot.

The CHAIRMAN. Does the gentleman from Ohio confine his point of order to those lines?

Mr. TRAFICANT. Mr. Chairman, I so do.

The CHAIRMAN. In that case, the point of order is conceded and sustained. Those lines are stricken and the Clerk will delete page 41, line 15, beginning with the words "and for," going through line 17 up to the appropriation amount.

The Chair would say the appropriation amount itself would remain in the paragraph, but the language in between is stricken.

The Clerk will read.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General and services authorized by 5 U.S.C. 3109, $34,994,000, of which not to exceed $2,400,000 shall remain available until expended for procurement and installment of an automation program in support of audits and investigations: *Provided*, That not to exceed $10,000 shall be available for payment for information and detection of fraud against the Government, including payment for recovery of stolen Government property: *Provided further*, That not to exceed $2,500 shall be available for awards to employees of other Federal agencies and private citizens in recognition of efforts and initiatives resulting in enhanced Office of Inspector General effectiveness.

POINT OF ORDER

Mr. TRAFICANT. Mr. Chairman, I have a point of order.

The CHAIRMAN. The gentleman will state the point of order.

Mr. TRAFICANT. Mr. Chairman, commencing on line 21, page 41, immediately following $34,994,000 with the words "of which," and continuing down through line 25 on page 41, and continuing further on page 42 through and including line 6 for violating clause 2, rule XXI of the House.

The CHAIRMAN. Does the gentleman from California [Mr. ROYBAL] wish to be heard on the point of order?

Mr. ROYBAL. Mr. Chairman, I concede the point of order.

Mr. CHAIRMAN. It is conceded and sustained. The language is stricken.

The Clerk will read.

The Clerk read as follows:

ALLOWANCES AND OFFICE STAFF FOR FORMER PRESIDENTS

For carrying out the provisions of the Act of August 25, 1958, as amended (3 U.S.C. 102 note), and Public Law 95-138; $2,129,000: *Provided*, That the Administrator of General Services shall transfer to the Secretary of the Treasury such sums as may be necessary to carry out the provisions of such Acts.

GENERAL SERVICES ADMINISTRATION—GENERAL PROVISIONS

SECTION 1. The appropriate appropriation or fund available to the General Services Administration shall be credited with the cost of operation, protection, maintenance, upkeep, repair, and improvement, included as part of rentals received from Government corporations pursuant to law (40 U.S.C. 129).

POINT OF ORDER

Mr. TRAFICANT. Mr. Chairman, I have a point of order to section 1.

The CHAIRMAN. The gentleman will state the point of order.

Mr. TRAFICANT. Clause 2, rule XXI, line 17 through 22 inclusive, page 42.

The CHAIRMAN. Does the gentleman from California [Mr. ROYBAL] wish to be heard on the point of order?

Mr. ROYBAL. Mr. Chairman, I concede the point of order.

The CHAIRMAN. The point of order is conceded and sustained, and the section is stricken.

PARLIAMENTARY INQUIRY

Mr. JACOBS. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. JACOBS. At present, we are on line 17, did I hear?

The CHAIRMAN. Lines 17 through 22 of page 42 have just fallen on a point of order.

Mr. JACOBS. Mr. Chairman, what about the——

Mr. ROYBAL. Regular order, Mr. Chairman, I think we are already past that section.

The CHAIRMAN. The Chair is responding to the parliamentary inquiry on the part of the gentleman from Indiana.

Mr. JACOBS. Mr. Chairman, the parliamentary inquiry is whether the preceding section, the allowances for the former Presidents, has been read?

The CHAIRMAN. Yes, it has.

The Clerk will read.

The Clerk read as follows:

SEC. 2. Funds available to the General Services Administration shall be available for the hire of passenger motor vehicles.

POINT OF ORDER

Mr. TRAFICANT. Mr. Chairman, I have a point of order.

Mr. ROYBAL. Mr. Chairman, I concede the point of order.

The Clerk will read.

The Clerk read as follows:

SEC. 3. Not to exceed 2 per centum of funds made available in appropriations for operating expenses and salaries and expenses, during the current fiscal year, may be transferred between such appropriations for mandatory program requirements. Any transfers proposed shall be submitted promptly to the Committees on Appropriations of the House and Senate for approval.

POINT OF ORDER

Mr. TRAFICANT. Mr. Chairman, I raise a point of order against section 3 for violation of House rules under clause 2, rule XXI.

The CHAIRMAN. Does the gentleman from California [Mr. ROYBAL] wish to be heard on the point of order?

Mr. ROYBAL. Mr. Chairman, I concede the point of order.

The CHAIRMAN. The point of order is conceded and sustained, and the section is stricken.

The Clerk will read.

The Clerk read as follows:

SEC. 4. Funds in the Federal Buildings Fund made available for fiscal year 1992 for Federal Buildings Fund activities may be transferred between such activities only to the extent necessary to meet program requirements. Any transfers proposed shall be submitted promptly to the Committees on Appropriations of the House and Senate for approval.

□ 1940

POINT OF ORDER

Mr. TRAFICANT. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. TRAFICANT. Mr. Chairman, section 4 violates clause 2, rule XXI, from line 8 through 14, inclusive.

The CHAIRMAN. Does the gentleman from California wish to be heard on the point of order?

Mr. ROYBAL. Mr. Chairman, I concede the point of order.

The CHAIRMAN. The point of order is conceded and sustained. The section is stricken.

The Clerk will read.

The Clerk read as follows:

SEC. 5. (a) Nothwithstanding any other provision of law, agencies are hereafter authorized to make rent payments to the General Services Administration for lease space relating to expansion needs of the agency and General Services Administration is authorized to use such funds, in addition to the amount received as New Obligational Authority in the Rental of Space activity of the Federal Buildings Fund. Such payments are to be at the commercial equivalent rates specified by section 201(j) of the Federal Property and Administrative Service Act of 1949, as amended (40 U.S.C. 490(j)) and are to be deposited into the Fund established pursuant to section 210(f) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(f)).

(b) There are hereby appropriated, out of the Federal Buildings Fund, such sums as may be necessary to carry out the purpose of subsection (a).

POINT OF ORDER

Mr. TRAFICANT. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. TRAFICANT. Mr. Chairman, I make a point of order against section 5, commencing on line 15, page 43, through page 44, line 6, for violation of clause 2, rule XXI of the House rules.

The CHAIRMAN. Does the gentleman from California wish to be heard on the point of order?

Mr. ROYBAL. Mr. Chairman, I concede the pont of order.

The CHAIRMAN. The point of order is conceded and sustained. The section is stricken, and the Clerk will read

The Clerk read as follows:

SEC. 6. None of the funds appropriated by this Act may be obligated or expended in any way for the purpose of the sale, excessing, surplusing, or disposal of lands in the vicinity of Norfolk Lake, Arkansas, administered by the Corps of Engineers, Department of the Army, without the specific approval of the Congress.

POINT OF ORDER

Mr. TRAFICANT. Mr. Chairman, a point of order.

The CHAIRMAN. The Clerk will state it.

Mr. TRAFICANT. Mr. Chairman, I raise a point of order under clause 2, rule XXI, against section 6.

The CHAIRMAN. Does the gentleman from California wish to be heard on the point of order?

Mr. ROYBAL. Mr. Chairman, I concede the point of order.

The CHAIRMAN. The point of order is conceded and sustained. The section is stricken, and the Clerk will read.

The Clerk read as follows:

SEC. 7. None of the funds appropriated by this Act may be obligated or expended in any way for the purpose of the sale, excessing, surplusing, or disposal of lands in the vicinity of Bull Shoals Lake, Arkansas, administered by the Corps of Engineers, Department of the Army, without the specific approval of the Congress.

POINT OF ORDER

Mr. TRAFICANT. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. TRAFICANT. Mr. Chairman, I make a point of order citing clause 2, rule XXI, against section 7 of this title.

The CHAIRMAN. Does the gentleman from California wish to be heard on the point of order?

Mr. ROYBAL. Mr. Chairman, I concede the point of order.

The CHAIRMAN. The point of order is conceded and sustained. the section is stricken, and the Clerk will read.

The Clerk read as follows:

SEC. 8. Notwithstanding the provisions of the Act of September 13, 1982 (Public Law 97-258, 31 U.S.C. 1345), any agency, department or instrumentality of the United States which provides or proposes to provide child care services for Federal employees may reimburse any Federal employee or any person employed to provide such services for travel, transportation and subsistence expenses incurred for training classes, conferences or other meetings in connection with the provision of such services: *Provided*, That any per diem allowance made pursuant to this section shall not exceed the rate specified in regulations prescribed pursuant to section 5707 of title 5, United States Code.

POINT OF ORDER

Mr. TRAFICANT. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. TRAFICANT. Mr. Chairman, I raise a point of order against section 8, which constitutes a violation of clause 2, rule XXI of the House.

The CHAIRMAN. Does the gentleman from California desire to be heard on the point of order?

Mr. ROYBAL. Mr. Chairman, I concede the point of order.

The CHAIRMAN. The point of order is conceded and sustained. The section is stricken, and the Clerk will read.

The Clerk read as follows:

SEC. 9. The Administrator of General Services is directed to coordinate its requirements for office and other space to house Government activities by utilizing assets of the Resolution Trust Corporation and its receivers and conservators.

POINT OF ORDER

Mr. TRAFICANT. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. TRAFICANT. Mr. Chairman, I cite clause 2, rule XXI, as a point of order against section 9 of title 4 of the bill.

The CHAIRMAN. Does the gentleman from California desire to be heard on the point of order?

Mr. ROYBAL. Mr. Chairman, I concede the point of order.

The CHAIRMAN. The point of order is conceded and sustained. The section is stricken, and the Clerk will read.

The Clerk read as follows:

SEC. 10. Notwithstanding any other provision of law, the Fund established pursuant to section 210(f) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(f)), is authorized to receive any revenues, collections, or other income received during fiscal year 1992 in the form of rebates, cash incentives or otherwise, related to energy savings, all of which shall remain in the Fund until expended, and remain available for Federal energy management improvement programs as may be authorized by law or as may be deemed appropriate by the Administrator of General Services. The General Services Administration is authorized to use such funds, in addition to amounts received as New Obligational Authority, in such activity or activities of the Fund as may be necessary. The General Services Administration is authorized to: receive amounts from the sale of materials for recycling, all of which shall remain in the Fund until expended, and shall remain available for Federal energy management improvement programs, for further source reduction and recycling programs, and for child day care or other Federal employee benefit programs to encourage employees to participate in recycling programs; receive amounts from concessionaires' fees, all of which shall remain in the Fund until expended, and shall remain available for programs which promote energy conservation in food service facilities and equipment; *Provided*, That no later than 8 months after the enactment of this Act the Administrator of General Services shall report to Congress on the progress toward meeting the energy performance and recycling goals established in Public Law 100-615 and Executive Order 12759, and shall submit legislation to implement the recommendations of the Administrator or appropriate measures that would assist Federal agencies in meeting or exceeding these goals.

POINT OF ORDER

Mr. DINGELL. Mr. Chairman, I just rose for the purpose of reserving a point of order on section 10, page 45, line 12. Have we reached that point yet, Mr. Chairman?

The CHAIRMAN. The Chair will advise the gentleman that the point of order must be made and can not be reserved at this time. This is the appropriate time, and in fact the only time to make such a point of order.

Mr. DINGELL. Mr. Chairman, I raise a point of order regarding section 10

which appears at page 45, line 12 through line 20 on page 46 of H.R. 2622 as reported and I insist on my point of order.

Mr. Chairman, section 10 authorizes the use of revenues, collections, and other income related to energy savings for Federal energy management improvement programs authorized by law or as may be deemed appropriate by the General Services Administration. These funds, which can come from rebates, cash incentives, or otherwise are all related to energy savings and are matters of concern to this committee. This section also relates to amounts received from the sale of materials for recycling and indicates that these amounts will also remain available for these Federal energy management improvement programs as well as for recycling programs, for child daycare and other Federal employee benefit programs to encourage employees to participate in recycling.

Mr. Chairman, this section is legislation in an appropriations bill in violation of clause 2 of rule XXI which prohibits such legislation. I would, therefore, respectfully request that my point of order be sustained.

The CHAIRMAN. Does the gentleman from California desire to be heard on the point of order raised by the gentleman from Michigan?

Mr. ROYBAL. Mr. Chairman, I concede the point of order.

The CHAIRMAN. The point of order is conceded and sustained. The section is stricken, and the Clerk will read.

The Clerk read as follows:

SEC. 11. Nothwithstanding any other provision of law, the General Services Administration shall pay from funds made available to GSA in the Real Property Relocation account, not to exceed $8,000,000, for expenses related to the relocation of the U.S. Fish and Wildlife Service regional office authorized and directed by Public Law 101-136.

SEC. 12. The Administrator of GSA is authorized to accept property from the State of Maryland at no cost for the purpose of constructing a computer facility for the Bureau of the Census and to begin preliminary design work on such a facility. GSA is directed to submit to the appropriate authorizing and appropriations committees of the Congress an evaluation of need and prospectus for this project no later than August 23, 1991.

NATIONAL ARCHIVES AND RECORDS ADMINISTRATION

OPERATING EXPENSES

For necessary expenses in connection with National Archives and Records Administration and related activities, as provided by law, and for expenses necessary for the review and declassification of documents, and for the hire of passenger motor vehicles, $152,143,000, of which $5,400,000 for allocations and grants for historical publication and records as authorized by 44 U.S.C. 2504, as amended, shall remain available until expended.

POINT OF ORDER

Mr. TRAFICANT. Mr. Chairman, I raise a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. TRAFICANT. Mr. Chairman, this section violates clause 2, rule XXI of the House, because it imposes other than appropriations certain tasks and duties which clearly fall within the jurisdiction of the authorizing committees; thus, it constitutes legislation on an appropriation bill.

The CHAIRMAN. Does the gentleman from California desire to be heard on the point or order?

Mr. ROYBAL. Mr. Chairman, I thought we had already started to read the National Archives.

The CHAIRMAN. The Chair would advise the gentleman that the point of order is made against that paragraph on page 47, lines 11 through 20.

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Mr. ROYBAL. Mr. Chairman, we concede the point of order.

The CHAIRMAN. The point of order is conceded and sustained. The paragraph is stricken.

AMENDMENT OFFERED BY MR. ROYBAL

Mr. ROYBAL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ROYBAL: On page 47 line 11 insert:

NATIONAL ARCHIVES AND RECORDS ADMINISTRATION

OPERATING EXPENSES

For necessary expenses in connection with National Archives and Records Administration and related activities, as provided by law, and for expenses necessary for the review and declassification of documents, and for the hire of passenger motor vehicles, $152,143,000, of which $5,400,000 for allocations and grants for historical publications and records as authorized by 44 U.S.C. 2504, as amended.

Mr. TRAFICANT. Mr. Chairman, I reserve my right to a point of order.

The CHAIRMAN. Does the gentleman from Ohio [Mr. TRAFICANT] insist on his point of order?

Mr. TRAFICANT. I do insist on that language.

The CHAIRMAN. The gentleman will state his point of order.

Mr. TRAFICANT. Mr. Chairman, that language immediately following, the very last five words, "shall remain available until expended."

The CHAIRMAN. The Chair advises the gentleman that language does not appear in the amendment as offered.

Mr. TRAFICANT. I do not insist on a point of order.

The CHAIRMAN. The gentleman from California [Mr. ROYBAL] is recognized for 5 minutes.

Mr. ROYBAL. Mr. Chairman, my understanding is that he is not insisting on the point of order on just a section of this paragraph.

The CHAIRMAN. The gentleman is recognized for 5 minutes in support of his amendment.

Mr. ROYBAL. Mr. Chairman, the amendment in question of the section in question is really authorized by law. We go back again to the United States Code, 44, 2108, and also section 3303. So the matter in question is actually authorized by the law itself.

The CHAIRMAN. The Chair will point out to the gentleman that the point of order has been withdrawn. Does the gentleman wish to be heard on behalf of this amendment?

Mr. ROYBAL. What we are doing then is just restoring what we had before. The amendment that I have at present specifically excludes the language in the paragraph that was subject to a point of order. And that is what that amendment actually does.

PARLIAMENTARY INQUIRY

Mr. TRAFICANT. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. TRAFICANT. Mr. Chairman, I am under the impression, without having seen the amendment, that the Chair had advised me that the last five words of this particular section were removed by the chairman.

The CHAIRMAN. The gentleman is correct. The amendment does not contain those words "shall remain available until expended".

The question is on the amendment offered by the gentleman from California [Mr. ROYBAL].

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

OFFICE OF GOVERNMENT ETHICS

SALARIES AND EXPENSES

For necessary expenses to carry out functions of the Office of Government Ethics pursuant to the Ethics in Government Act of 1978, as amended by Public Law 100-598, and the Ethics Reform Act of 1989, Public Law 101-194, including services as authorized by 5 U.S.C. 3109, rental of conference rooms in the District of Columbia and elsewhere, hire of passenger motor vehicles, and not to exceed $1,500 for official reception and representation expenses; $6,303,000.

OFFICE OF PERSONNEL MANAGEMENT

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF TRUST FUNDS)

For necessary expenses to carry out functions of the Office of Personnal Management pursuant to Reorganization Plan Numbered 2 of 1978 and the Civil Service Reform Act of 1978, including services as authorized by 5 U.S.C. 3109, medical examinations performed for veterans by private physicians on a fee basis, rental of conference rooms in the District of Columbia and elsewhere, hire of passenger motor-vehicles, not to exceed $2,500 for official reception and representation expenses, and advances for reimbursements to applicable funds of the Office of Personnel Management and the Federal Bureau of Investigation for expenses incurred under Executive Order 10422 of January 9, 1953, as amended: *Provided*, That notwithstanding 31 U.S.C. 3302, the Director is hereby authorized to accept gifts for goods and services, which shall be available only for hosting National Civil Service Appreciation Conferences, to be held in several locations throughout the United States in 1992. Goods and services provided in connection with the conference may include, but are not limited to, food and refreshments; rental of seminar rooms, ban-

quet rooms, and facilities; and use of communications, printing and other equipment. Awards of minimal intrinsic value will be allowed. Gifts provided by an individual donor shall not exceed 50 percent of the total value of the gifts provided at each location; $116,893,000, and of which not less than $400,000 nor more than $1,000,000 shall be made available for the establishment of Federal health promotion and disease prevention programs for Federal employees; and in addition $80,057,000 for administrative expenses, to be transferred from the appropriate trust funds of the Office of Personnal Management in the amounts determined by the Office of Personnel Management without regard to other statutes, including direct procurement of health benefits printing, for the retirement and insurance programs: *Provided further*, That amounts authorized to be transferred from the appropriate trust funds for implementation of the Federal Employees' Retirement System automated recordkeeping system in this or prior Acts, may be transferred at any time the Office of Personnal Management deems appropriate: *Provided*, That the provisions of this appropriation shall not affect the authority to use applicable trust funds as provided by section 8348(a)(1)(B) of title 5, U.S.C.: *Provided further*, That no part of this appropriation shall be available for salaries and expenses of the Legal Examining Unit of the Office of Personnel Management established pursuant to Executive Order 9358 of July 1, 1943, or any successor unit of like purpose: *Provided further*, That the President's Commission on White House Fellows, established by Executive Order 11183 of October 3, 1964, may, during the fiscal year ending September 30, 1992, accept donations of money, property, and personal services in connection with the development of a publicity brochure to provide information about the White House Fellows, except that no such donations shall be accepted for travel or reimbursement of travel expenses, or for the salaries of employees of such Commission: *Provided further*, That no later than eight months after the date of enactment of this Act, the Director of the Office of Personnel Management shall submit, together with appropriate legislation to implement the recommendations of the Director, a report to Congress which surveys the use of work and family programs for Federal employees, and makes recommendations on appropriate measures to enhance the effectiveness of these programs, and to increase the number of employees participating.

POINT OF ORDER

Mr. TRAFICANT. Mr. Chairman, I raise a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. TRAFICANT. Mr. Chairman, commencing on page 48 with line 10 and continuing on page 49 through and including line 25 and continuing on page 50 through and including all thereafter through line 25.

I cite such point of order for violation of clause 2, rule XXI, which constitutes in this section here legislating on an appropriation bill.

Mr. ROYBAL. Mr. Chairman, I concede the point of order.

The CHAIRMAN. The point of order is conceded and sustained.

The paragraph is stricken.

Mr. WOLF. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. Does the gentleman wish to be heard on the point of order?

Mr. WOLF. Yes. Mr. Chairman, is the gentleman striking on page 50 the Office of Personnel Management study?

The CHAIRMAN. The language in question in the point of order runs to the entirety of the section beginning on page 48, line 7, through page 50, line 25.

Mr. WOLF. I thank the Chairman.

The CHAIRMAN. The point of order is conceded and sustained.

The paragraph in question is stricken.

AMENDMENT OFFERED BY MR. ROYBAL

Mr. ROYBAL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ROYBAL:

OFFICE OF PERSONNEL MANAGEMENT

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF TRUST FUNDS)

For necessary expenses to carry out functions of the Office of Personnel Management pursuant to Reorganization Plan Numbered 2 of 1978 and the Civil Service Reform Act of 1978, including services as authorized by 5 U.S.C. 3109, medical examinations performed for veterans by private physicians on a fee basis, rental of conference rooms in the District of Columbia and elsewhere, hire of passenger motor-vehicles, not to exceed $2,500 for official reception and representation expenses, and advances for reimbursements to applicable funds of the Office of Personnel Management and the Federal Bureau of Investigation for expenses incurred under Executive Order 10422 of January 9, 1953, as amended: $116,893,000, and in addition $80,057,000 for administrative expenses, to be transferred from the appropriate trust funds of the Office of Personnel Management in the amounts determined by the Office of Personnel Management without regard to other statutes, including direct procurement of health benefits printing, for the retirement and insurance programs: *Provided further*, That no part of this appropriation shall be available for salaries and expenses of the Legal Examining Unit of the Office of Personnel Management established pursuant to Executive Order 9358 of July 1, 1943, or any successor unit of like purpose:

Mr. TRAFICANT. Mr. Chairman, I reserve a point of order.

The CHAIRMAN. The gentleman from Ohio [Mr. TRAFICANT] reserves a point of order.

Mr. TRAFICANT. Yes, I do, and I would like a copy of this amendment since it is so lengthy.

The CHAIRMAN. The gentleman reserves a point of order. A copy of the amendment will be provided to him.

Mr. ROYBAL. Mr. Chairman, this is another of those amendments that just restores the appropriation stricken by the point of order.

This amendment, as all the others, specifically excludes the language in the paragraph that was subject to the point of order. That is exactly what it does and nothing more.

Mr. TRAFICANT. Mr. Chairman, reserving and continuing my reservation of a point of order.

The CHAIRMAN. The Chair will advise the gentleman that he can still retain his reservation of a point of order if he moves to strike the last word and be recognized for 5 minutes while we are getting the copy.

Mr. TRAFICANT. I certainly do.

The CHAIRMAN. The gentleman is recognized for 5 minutes.

Mr. TRAFICANT. I do not mean to belabor the House on this.

I had a little amendment. I worked with the committee for 2 years. The committee put it in the bill, and a committee of the House said they were going to strike my language although they were going to let other language in and let other poeple legislate. I want to say to the House that you may be upset with what I am doing but maybe the House should recognize that most of the bill we have been discussing has been stricken as constituting legislation. Now, if you are on a legislating committee around here, you might as well not show up for work if you let this happen. And when you do have an opportunity to get the chairman and the ranking vice chairman from the other side, who mean well and who try to do things right, it gets frustrating. And so I hope noboby is upset by the matter.

POINT OF ORDER

The CHAIRMAN. Does the gentleman insist on his point of order?

Mr. TRAFICANT. Mr. Chairman, I insist on that section on page 3, "provided further that no part of this appropriation shall be available," et cetera.

The CHAIRMAN. Does the gentleman from California [Mr. ROYBAL] desire to be heard?

Mr. ROYBAL. Mr. Chairman, the gentleman is making reference to the amendment itself.

Mr. TRAFICANT. Page 3 of the amendment, line 3, commencing with "provided further" and following down through line 7 and inclusive of the words "or any successor unit of like purpose."

Mr. ROYBAL. I do not have any copy of the amendment before me, Mr. Chairman.

The CHAIRMAN. The Chair will advise the gentleman from California that the language against which the point of order is directed appears in the original text of the original bill on page 50, lines 3 through 7.

Mr. ROYBAL. In that event, Mr. Chairman, we will concede, concede the amendment.

The CHAIRMAN. The gentleman from California concedes that the language in the provision question is in the form of a limitation and an appropriate subject for a point of order at this point, since the bill has not been read in its entriety.

Mr. TRAFICANT. Mr. Chairman, I do insist on that language so cited on page 3 of the chairman's amendment,

commencing on line 3 and including line 7, that it be stricken for violation of clause 2, rule XXI of the House.

The CHAIRMAN. The point has been conceded. The entire amendment, therefore, is subject to the point of order and is ruled out of order. The point of order is sustained. The amendment is out of order.

The Clerk will read.

The Clerk read as follows:

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF TRUST FUNDS)

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act, as amended, including services as authorized by 5 U.S.C. 3109, rental of conference rooms in the District of Columbia and elsewhere, hire of passenger motor vehicles: $3,118,000; and in addition, not to exceed $6,375,000 for administrative expenses to audit the Office of Personnel Management's insurance programs, to be transferred from the appropriate trust funds of the Office of Personnel Management, as determined by the Inspector General.

POINT OF ORDER

Mr. TRAFICANT. Mr. Chairman, I raise a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. TRAFICANT. Mr. Chairman, I raise a point of order on this language commencing on page 51, line 4, through and including line 14, with the word "general," that in fact it does constitute more than straight appropriation and there is legislation therein, thus violating clause 2 of rule XXI of the House.

Mr. ROYBAL. Mr. Chairman, I concede the point of order.

The CHAIRMAN. The point of order is conceded and sustained. The paragraph is stricken.

AMENDMENT OFFERED BY MR. ROYBAL

Mr. ROYBAL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ROYBAL: On page 51, line 1 insert:

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF TRUST FUNDS)

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act, as amended, including services as authorized by 5 U.S.C. 3109, hire of passenger motor vehicles: $3,118,000; and in addition, not to exceed $6,375,000 for administrative expenses to audit the Office of Personnel Management's insurance programs, to be transferred from the appropriate trust funds of the Office of Personnel Management.

Mr. TRAFICANT. Mr. Chairman, reserving a point or order, I would like to see this amendment.

The CHAIRMAN. The gentleman from Ohio reserves a point of order.

The gentleman from California is recognized for 5 minutes in support of his amendment.

Mr. ROYBAL. Mr. Chairman, again this amendment restores the appropriation stricken by the point of order. Then we go back to the fact that this amendment specifically excludes the language in the paragraph that was subject to the point of order. I think the matter is quite clear and that we can proceed.

POINT OF ORDER

The CHAIRMAN. Does the gentleman insist on his point of order?

Mr. TRAFICANT. Mr. Chairman, I do insist on my point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. TRAFICANT. Mr. Chairman, I maintain that even though there are appropriations in this section, those appropriations carry along with them the expressed intent of legislation that should have emanated from an authorizing committee and thus the Appropriations Committee is certainly on grounds to appropriate the funds for that which has been authorized, and I thus insist on my point of order and ask it to be stricken.

The CHAIRMAN. Does the gentleman from California desire to be heard on the point of order?

Mr. ROYBAL. Mr. Chairman, again going back to the law itself, I think it is already authorized by law under the Inspector Generals Act, 95–452.

The CHAIRMAN. The Chair is prepared to rule.

PARLIAMENTARY INQUIRY

Mr. TRAFICANT. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. TRAFICANT. Mr. Chairman, if we are going to have amendments which basically change much of the language that we are reviewing, I will then be requiring to have copies of those amendments. I will not insist on one on this section. But if that is to be the case, I want to make sure that I understand what we are voting on here.

The CHAIRMAN. The Chair will observe that he has been protecting the Member by allowing him to reserve points of order until copies of amendments have been furnished him. And he will intend to continue to do that.

The Chair is prepared to rule on this point of order.

For the reasons stated by the gentleman from California, the Office of Inspector General is authorized by law. The point of order is overruled.

PARLIAMENTARY INQUIRY

Mr. TRAFICANT. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. TRAFICANT. Mr. Chairman, since I did not see the amendment, there was substantive language that was stricken by the chairman's amendment, and I do not know what that language was, and I would like to see it.

Am I to understand that after this language had been stricken, the Chair thus now maintains that that language satisfies the removal of the legislative language?

The CHAIRMAN. The Chair has just ruled that the appropriation for the Inspector General is authorized. The gentleman from Ohio has not made a more specific point of order.

The question is on the amendment offered by the gentleman from California [Mr. ROYBAL].

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEES HEALTH BENEFITS

For payment of Government contributions with respect to retired employees, as authorized by chapter 89 of title 5, United States Code, and the Retired Federal Employees Health Benefits Act (74 Stat. 849), as amended, $2,503,535,000, to remain available until expended.

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEE LIFE INSURANCE

For payment of Government contributions with respect to employees retiring after December 31, 1989, as required by chapter 87 of title 5, United States Code, $14,249,000, to remain available until expended.

PAYMENT TO CIVIL SERVICE RETIREMENT AND DISABILITY FUND

For financing the unfunded liability of new and increased annuity benefits becoming effective on or after October 20, 1969, as authorized by 5 U.S.C. 8348, and annuities under special Acts to be credited to the Civil Service Retirement and Disability Fund, $6,078,686,000: *Provided*, That annuities authorized by the Act of May 29, 1944, as amended and the Act of August 19, 1950, as amended (33 U.S.C. 771–75), may hereafter be paid out of the Civil Service Retirement and Disability Fund.

REVOLVING FUND

Pursuant to section 4109(d)(1) of title 5, United States Code, cost for entertainment expenses of the President's Commission on Executive Exchange shall not exceed $12,000.

MERIT SYSTEMS PROTECTION BOARD

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses to carry out functions of the Merit Systems Protection Board pursuant to Reorganization Plan Numbered 2 of 1978 and the Civil Service Reform Act of 1978, including services as authorized by 5 U.S.C. 3109, rental of conference rooms in the District of Columbia and elsewhere, hire or passenger motor vehicles, and direct procurement of survey printing, $23,361,000, together with not to exceed $1,850,000 for administrative expenses to adjudicate retirement appeals to be transferred from the Civil Service Retirement and Disability Fund in amounts determined by the Merit Systems Protection Board.

OFFICE OF SPECIAL COUNSEL

SALARIES AND EXPENSES

For necessary expenses to carry out functions of the Office of Special Counsel pursuant to Reorganization Plan Numbered 2 of 1978, the Civil Service Reform Act of 1978 (Public Law 95–454), and the Whistleblower Protection Act of 1989 (Public Law 101–12), including services as authorized by 5 U.S.C. 3109, payment of fees and expenses for witnesses, rental of conference rooms in the District of Columbia and elsewhere, and hire of passenger motor vehicles; $7,789,000.

FEDERAL LABOR RELATIONS AUTHORITY

SALARIES AND EXPENSES

For necessary expenses to carry out functions of the Federal Labor Relations Authority, pursuant to Reorganization Plan Numbered 2 of 1978, and the Civil Service Reform Act of 1978, including services as authorized by 5 U.S.C. 3109, including hire of experts and consultants, hire of passenger motor vehicles, rental of conference rooms in the District of Columbia and elsewhere; $20,769,000: *Provided*, That public members of the Federal Service Impasses Panel may be paid travel expenses and per diem in lieu of subsistence as authorized by law (5 U.S.C. 5703) for persons employed intermittently in the Government service, and compensation as authorized by 5 U.S.C. 3109.

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POINT OF ORDER

Mr. TRAFICANT. Mr. Chairman, I have a point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. TRAFICANT. Page 54, line 4, commencing with the word "provided," and continuing down and including through line 9.

The CHAIRMAN. Does the gentleman from California [Mr. ROYBAL] wish to be heard?

Mr. ROYBAL. Mr. Chairman, I think it states in the bill itself, after "provided" it says that public members of the Federal Service Impasses Panel may be paid travel expenses in per diem in lieu of subsistence as authorized by law. It says 5 U.S.C. 5703. It is right in the bill.

The CHAIRMAN. Does the gentleman from Ohio [Mr. TRAFICANT] wish to be heard further?

Mr. TRAFICANT. I do.

The CHAIRMAN. The gentleman is recognized.

Mr. TRAFICANT. Mr. Chairman, from line 7 the language states for persons employed intermittently in the Government service and thus compensation is authorized, stating that that is within the jurisdiction of an authorizing committee, and it violates clause 2, rule XXI.

The CHAIRMAN (Mr. STUDDS). The Chair is prepared to rule. He will read from title 5 U.S.C., section 7119, paragraph 4.

The panel may appoint an executive director and any other individuals that it may from time to time find necessary for the proper performance of its duties. Each member of the panel who is not an employee as defined in section 2005 of this title is entitled to pay at a rate with the daily equivalent of a maximum annual rate of basic pay currently paid under the general schedule for each day he is engaged in performance of official business of the panel, including travel time, is entitled to travel expenses as provided under section 5703 of this title.

The Chair believes that the language in the bill is consistent with existing authorizing law and overrules the point of order.

The Clerk will read.

The Clerk read as follows:

UNITED STATES TAX COURT

SALARIES AND EXPENSES

For necessary expenses, including contract reporting and other services as authorized by 5 U.S.C. 3109; $33,050,000: *Provided*, That travel expenses of the judges shall be paid upon the written certificate of the judge.

POINT OF ORDER

Mr. TRAFICANT. Mr. Chairman, I have a point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. TRAFICANT. Mr. Chairman, on lines 14 through 15, in fact, I raise a point of order to all of that section commencing with line 12 through line 15.

Under clause 2 of rule XXI it violates House rules for having legislation on an appropriations bill.

Mr. ROYBAL. Mr. Chairman, I concede the point of order.

The CHAIRMAN. The point of order is conceded and sustained.

The section is stricken.

AMENDMENT OFFERED BY MR. ROYBAL

Mr. ROYBAL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ROYBAL: On page 54 line 10 insert:

UNITED STATES TAX COURT

SALARIES AND EXPENSES

For necessary expenses, including contract reporting and other services as authorized by 5 U.S.C. 3109; $33,050,000.

Mr. TRAFICANT. Mr. Chairman, I reserve a point of order.

The CHAIRMAN. The gentleman from Ohio [Mr. TRAFICANT] reserves a point of order, and the gentleman from California [Mr. ROYBAL] is recognized for 5 minutes in support of the amendment.

Mr. ROYBAL. Mr. Chairman, this is again another one of those particular items that restores the appropriation stricken by the point of order. This amendment specifically excludes the language in the paragraph that was subject to the point of order.

POINT OF ORDER

The CHAIRMAN. Does the gentleman from Ohio [Mr. TRAFICANT] insist on his point of order?

Mr. TRAFICANT. Mr. Chairman, am I to assume, after having read it, that the words on line 14 starting with "provided" through line 15 "judge" have been stricken and that the Chair is only dealing with the language from line 12 through 14, 33 million 50 thousand?

Mr. ROYBAL. The gentleman from Ohio is correct.

Mr. TRAFICANT. Mr. Chairman, I do still insist upon a point of order and want to make sure that that is authorized.

The CHAIRMAN. The Chair will observe that the U.S. Tax Court is established in law and the appropriations are, therefore, authorized and overrules the point of order.

The question is on the amendment offered by the gentleman from California [Mr. ROYBAL].

The amendment was agreed to:

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

This title may be cited as the "Independent Agencies Appropriations Act, 1992"

TITLE V—GENERAL PROVISIONS

THIS ACT

SECTION 501. Where appropriations in this Act are expendable for travel expenses of employees and no specific limitation has been placed thereon, the expenditures for such travel expenses may not exceed the amount set forth therefor in the budget estimates submitted for the appropriations without the advance approval of the House and Senate Committees on Appropriations: *Provided*, That this section shall not apply to travel performed by uncompensated officials of local boards and appeal boards of the Selective Service System; to travel performed directly in connection with care and treatment of medical beneficiaries of the Department of Veterans Affairs; to travel of the Office of Personnel Management in carrying out its observation responsibilities of the Voting Rights Act; or to payments to interagency motor pools where separately set forth in the budget schedules.

Mr. TRAFICANT (during the reading). Mr. Chairman, I ask unanimous consent that section 501 be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

POINT OF ORDER

Mr. TRAFICANT. Mr. Chairman, I have a point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. TRAFICANT. Mr. Chairman, I raise a point of order against section 501 of title 5 commencing on line 20, page 54, and continuing through page 55, line 10.

I so move, under clause 2, rule XXI of the House that 501 be stricken even though there is much merit because it is in fact legislating on a appropriation bill and constitutes same.

Mr. ROYBAL. Mr. Chairman, I concede the point of order.

The CHAIRMAN. The point of order is conceded and sustained. The section is stricken.

The Clerk will read.

The Clerk read as follows:

SEC. 502. No part of any appropriation contained in this Act shall be available to pay the salary of any person filling a position, other than a temporary position, formerly held by an employee who has left to enter the Armed Forces of the United States and has satisfactorily completed his period of active military or naval service and has within ninety days after his release from such service or from hospitalization continuing after discharge for a period of not more than one year made application for restoration to his former position and has been certified by the Office of Personnel Management as still qualified to perform the duties of his former position and has not been restored thereto.

Mr. TRAFICANT (during the reading). Mr. Chairman, I ask unanimous consent that section 502 be considered as read, and printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

POINT OF ORDER

Mr. TRAFICANT. Mr. Chairman, I have a point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. TRAFICANT. Mr. Chairman, I raise a point of order against section 502 notwithstanding its merit. In fact it constitutes legislation on an appropriation bill.

Mr. ROYBAL. Mr. Chairman, I would like to remind the gentleman from Ohio [Mr. TRAFICANT] that every one of the sections that he has stricken, that they all have merit, all of them, absolutely all of them, but I do concede the point of order on section 502.

The CHAIRMAN. The point of order is conceded and sustained. The section is stricken.

Mr. TRAFICANT. Mr. Chairman, I move to strike the last word.

Mr. Chairman, these all have a tremendous amount of merit. But they did not come from a legislating committee, and all that has to be done is take it to the legislating committee, and pass the law, and then the Committee on Appropriations can tell us how much money they have. I do not want to strike any money for anybody. All I want is 531 in the bill. But if everyone else can legislate on this bill, which will be about three pages long when we are done, then that I have no objection to.

Mr. ROYBAL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to just very briefly answer the gentleman that just spoke. He seems to believe at this moment that he is protecting all the prerogatives of the legislative committee. That may be so. But the real reason he is doing what he is doing now, imposing upon the time of every Member of this House, doing what has not been done in the House of Representatives since I have been here at least, and that has been the last 30 years. The truth of the matter is that the gentleman is just angry over the fact that language which he requested and that I included in the bill with regard to Internal Revenue Service and language that I defended before the Committee on Rules, doing everything I possibly could do to put it in order and have it included in the bill. It was not done, and because of that he is raising a point of order on every section of this bill.

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I hope the gentleman enjoys it. I hope he is having a real good time. But I would like to tell the gentleman from Ohio [Mr. TRAFICANT] that the subject matters that he is now raising a point of order on has been traditionally not protected by a rule, but are matters that this committee itself has for a long time brought to this floor, with no one actually raising points of order on the little things that may be meaningless insofar as an individual Member may be concerned, but are important in the operation of the Government.

Mr. Chairman, again I hope that in the future something like this does not happen.

Mr. TRAFICANT. Mr. Chairman, will the gentleman yield?

Mr. ROYBAL. Mr. Chairman, I am not going to yield to anyone. The reason I am not going to yield to the gentleman from Ohio [Mr. TRAFICANT] is because I did once, and that was enough.

Mr. Chairman, I think the thing that has to be done now is to try to proceed in getting this bill through in an orderly fashion, so we can put it in order when we go to conference with the Senate. It just appears that we are unable to function with this kind of behavior on the part of a Member of this House. As long as we are unable to function properly, something else, of course, will have to be done.

Mr. Chairman, I am sorry that I even have to get up to say anything of this kind, but, nevertheless, I feel that it has gone on a little bit too far.

Mr. WOLF. Mr. Chairman, will the gentleman yield?

Mr. ROYBAL. I yield to the gentleman from Virginia.

Mr. WOLF. Mr. Chairman, let me just say at the outset, I want the gentleman from Ohio [Mr. TRAFICANT] to know that even in the committee there was some doubt, in our committee. And the gentleman from California [Mr. ROYBAL] argued very effectively and insisted that the language be in. I supported the gentleman from Ohio on the previous question, and, frankly, I think the amendment of the gentleman should have been made in order. Given the opportunity, I will support it.

Maybe in a kind of spirit of reconciliation, and sort of as a last time, maybe it can stop about where it is. A lot of Members want to go home. I know the gentleman has made a good point. I think a lot of Members will never forget the point. I understand how the gentleman feels. But the gentleman from California [Mr. ROYBAL] did support the gentleman in every possible way.

Now I think, if maybe it were to end, that would be perhaps a good thing.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 503. No part of any appropriation made available in this Act shall be used for the purchase or sale of real estate or for the purpose of establishing new offices inside or outside the District of Columbia: *Provided*, That this limitation shall not apply to programs which have been approved by the Congress and appropriations made therof.

POINT OF ORDER

Mr. TRAFICANT. Mr. Chairman, I have a point of order to section 503.

The CHAIRMAN. The gentleman will state his point of order.

Mr. TRAFICANT. Mr. Chairman, that language constitutes legislation on an appropriations bill, in violation of clause 2, rule XXI, and I ask it be stricken.

Mr. ROYBAL. Mr. Chairman, this is a limitation, and should not be subject to a point of order.

The CHAIRMAN (Mr. STUDDS). The Chair is prepared to rule. The language is in the form of a limitation on expenditure of funds contained in the bill, and, as such, is proper. The point of order is overruled.

The Clerk will read.

The Clerk read as follows:

SEC. 504. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 505. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

SEC. 506. No part of any appropriation contained in this Act shall be available for the procurement of, or for the payment of, the salary of any person engaged in the procurement of any hand or measuring tool(s) not produced in the United States or its possessions except to the extent that the Administrator of General Services or his designee shall determine that a satisfactory quality and sufficient quantity of hand or measuring tools produced in the United States or its possessions cannot be procured as and when needed from sources in the United States and its possessions, or except in accordance with procedures prescribed by section 6-104.4(b) of Armed Services Procurement Regulation dated January 1, 1969, as such regulation existed on June 15, 1970: *Provided*, That a factor of 75 per centum in lieu of 50 per centum shall be used for evaluating foreign source end products against a domestic source end product. This section shall be applicable to all solicitations for bids opened after its enactment.

SEC. 507. None of the funds made available to the General Services Administration pursuant to section 210(f) of the Federal Property and Administrative Services Act of 1949 shall be obligated or expended after the date of enactment of this Act for the procurement by contract of any service which, before such date, was performed by individuals in their capacity as employees of the General Services Administration in any position of guards, elevator operators, messengers, and custodians, except that such funds may be obligated or expended for the procurement by contract of the covered services with sheltered workshops employing the severely handicapped under Public Law 92-28.

SEC. 508. No funds appropriated in this Act shall be available for administrative expenses in connection with implementing or

enforcing any provisions of the rule TD ATF-66 issued June 13, 1980, by the Department of the Treasury, Bureau of Alcohol, Tobacco and Firearms on labeling and advertising of wine, distilled spirits and malt beverages, except if the expenditure of such funds, is necessary to comply with a final order of the Federal court system.

SEC. 509. None of the funds appropriated in this Act may be used for administrative expenses to close the Federal Information Center of the General Services Administration located in Sacramento, California.

SEC. 510. None of the funds made available by this Act for the Department of the Treasury may be used for the purpose of eliminating any existing requirement for sureties on customs bonds.

SEC. 511. None of the funds made available by this Act shall be available for any activity or for paying the salary of any Government employee where funding an activity or paying a salary to a Government employee would result in a decision, determination, rule, regulation, or policy that would prohibit the enforcement of section 307 of the 1930 Tariff Act.

SEC. 512. None of the funds made available by this Act shall be available for the purpose of transferring control over the Federal Law Enforcement Training Center located at Glynco, Georgia, Marana, Arizona, and Artesia, New Mexico, out of the Treasury Department.

SEC. 513. No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes within the United States not heretofore authorized by the Congress.

SEC. 514. No part of any appropriation contained in this Act shall be available for the payment of the salary of any officer or employee of the United States Postal Service, who—

(1) prohibits or prevents, or attempts or threatens to prohibit or prevent, any officer or employee of the United States Postal Service from having any direct oral or written communication or contact with any Member or committee of Congress in connection with any matter pertaining to the employment of such officer or employee or pertaining to the United States Postal Service in any way, irrespective of whether such communication or contact is at the initiative of such officer or employee or in response to the request or inquiry of such Member or committee; or

(2) removes, suspends from duty without pay, demotes, reduces in rank, seniority, status, pay, or performance of efficiency rating, denies promotion to, relocates, reassigns, transfers, disciplines, or discriminates in regard to any employment right, entitlement, or benefit, or any term or condition of employment of, any officer or employee of the United States Postal Service, or attempts or threatens to commit any of the foregoing actions with respect to such officer or employee, by reason of any communication or contact of such officer or employee with any Member or committee of Congress as described in paragraph (1) of this subsection.

SEC. 515. No funds appropriated by this Act shall be available to pay for an abortion, or the administrative expenses in connection with any health plan under the Federal employees health benefit program which provides any benefits or coverage for abortions.

SEC. 516. The provision of section 515 shall not apply where the life of the mother would be endangered if the fetus were carried to term.

SEC. 517. None of the funds appropriated by this Act may be used to solicit bids, lease space, or enter into any contract to close or consolidate executive seminar centers for the Office of Personnel Management.

SEC. 518. The Administrator of General Services, under section 210(h) of the Federal Property and Administrative Services Act of 1949, as amended, may acquire, by means of a lease of up to thirty years duration, space for the United States Courts in Tacoma, Washington, at the site of Union Station, Tacoma, Washington.

SEC. 519. Funds under this Act shall be available as authorized by sections 4501–4506 of title 5, United States Code, when the achievement involved is certified, or when an award for such achievement is otherwise payable, in accordance with such sections. Such funds may not be used for any purpose with respect to which the preceding sentence relates beyond fiscal year 1992.

SEC. 520. (a) Notwithstanding any other provision of law, during fiscal year 1992, the authority to establish higher rates of pay under section 5303 of title 5, United States Code, may—

(1) in addition to positions paid under any of the pay systems referred to in subsection (a) of section 5303 of title 5, United States Code, be exercised with respect to positions paid under any other pay system established by or under Federal statute for positions within the executive branch of the Government; and

(2) in addition to the circumstance described in the first sentence of subsection (a) of section 5303 of title 5, United States Code, be exercised based on—

(A) pay rates for the positions involved being generally less than the rates payable for similar positions held—

(i) by individuals outside the Government; or

(ii) by other individuals within the executive branch of the Government;

(B) the remoteness of the area or location involved;

(C) the undesirability of the working conditions or the nature of the work involved, including exposure to toxic substances or other occupational hazards; or

(D) any other circumstances which the President (or an agency duly authorized or designated by the President in accordance with the last sentence of section 5303(a) of title 5, United States Code, for purposes of this subparagraph) may identify.

Nothing in paragraph (2) shall be considered to permit the exercise of any authority based on any of the circumstances under such paragraph without an appropriate finding that such circumstances are significantly handicapping the Government's recruitment or retention efforts.

(b)(1) A rate of pay established during fiscal year 1992 through the exercise of any additional authority under subsection (a) of section 5303 of title 5, United States Code—

(A) shall be subject to revision or adjustment,

(B) shall be subject to reduction or termination (including pay retention), and

(C) shall otherwise be treated,

in the manner as generally applies with respect to any rate otherwise established under section 5303 of title 5, United States Code.

(2) The President (or an agency duly authorized or designated by the President in accordance with the last sentence of section 5303(a) of title 5, United States Code, for purposes of this subsection) may prescribe any regulations necessary to carry out this subsection.

(c) Any additional authority under this section may, during fiscal year 1992, be exercised only to the extent that amounts otherwise appropriated under this Act for purposes of section 5303 of title 5, United States Code, are available.

SEC. 521. None of the funds appropriated or otherwise made available to the Department of the Treasury by this or any other Act shall be obligated or expended to contract out positions in, or downgrade the position classifications of, members of the United States Mint Police Force and the Bureau of Engraving and Printing Police Force, or for studying the feasibility of contracting out such positions.

SEC. 522. The Office of Personnel Management may, during the fiscal year ending September 30, 1992, accept donations of supplies, services, and equipment for the Federal Executive Institute, the Federal Quality Institute, and Executive Seminar Centers for the enhancement of the morale and educational experience of attendees.

SEC. 523. No part of any appropriation contained in this Act shall be available for the procurement of, or for the payment of, the salary of any person engaged in the procurement of stainless steel flatware not produced in the United States or its possessions, except to the extent that the Administrator of General Services or his designee shall determine that a satisfactory quality and sufficient quantity of stainless steel flatware produced in the United States or its possessions, cannot be procured as and when needed from sources in the United States or its possessions or except in accordance with procedures provided by section 6-104.4(b) of Armed Services Procurement Regulations, dated January 1, 1969. This section shall be applicable to all solicitations for bids issued after its enactment.

SEC. 524. The United States Secret Service may, during the fiscal year ending September 30, 1992, accept donations of money to off-set costs incurred while protecting former Presidents and spouses of former Presidents when the former President or spouse travels for the purpose of making an appearance or speech for a payment of money or any thing of value.

SEC. 525. None of the funds made available by this Act may be used to withdraw the designation of the Virginia Inland Port at Front Royal, Virginia, as a United States Customs Service port of entry.

SEC. 526. None of the funds made available to the Postal Service by this Act shall be used to transfer mail processing capabilities from the Las Cruces, New Mexico postal facility, and that every effort will be made by the Postal Service to recognize the rapid rate of population growth in Las Cruces and to automate the Las Cruces, New Mexico postal facility in order that mail processing can be expedited and handled in Las Cruces.

SEC. 527. Such sums as may be necessary for fiscal year 1992 pay raises for programs funded by this Act shall be absorbed within the levels appropriated by this Act.

SEC. 528. None of the funds in this Act may be used to reduce the rank or rate of pay of a career appointee in the SES upon reassignment or transfer.

SEC. 529. No funds in this Act may be used to award a Federal agency lease in the Omaha, Nebraska—Council Bluffs, Iowa, geographical area, which do not meet the following criteria:

Any Federal agency which leases commercial space in the Omaha, Nebraska—Council Bluffs, Iowa, geographical area, when entering into new leases, shall give preference to space available meeting standard government lease criteria, which is offered at the

lowest cost per square foot within the geographical area, provided it also meets the occupying agency's mission requirement.

SEC. 530. (a) None of the funds appropriated by this Act may, with respect to an individual employed by the Bureau of the Public Debt in the Washington Metropolitan Region on April 10, 1991, be used to separate, reduce the grade or pay of, or carry out any other adverse personnel action against such individual for declining to accept a directed reassignment to a position outside such region, or to accompany a position outside of such region, pursuant to a transfer of any of such Bureau's operations or functions to Parkerburg, West Virginia.

(b) Subsection (a) shall not apply with respect to any individual who, on or after the date of enactment of this Act, declines an offer of another position in the Department of the Treasury which is of at least equal seniority, status, and pay, and which is within the Washington Metropolitan Region.

SEC. 531. INVESTIGATION OF INTERNAL REVENUE SERVICE ALLEGED ABUSE OF TAXPAYERS' RIGHTS.

(a) RESPONSIBILITIES OF INTERNAL REVENUE SERVICE.—

(1) REPORT.—Not later than the date six months after the date of the enactment of this Act, the Commissioner of the Internal Revenue Service shall submit a report to the Congress on—

(A) the structure of its program to prevent abuses of taxpayers' rights by the Internal Revenue Service,

(B) the level of the implementation of such program, and

(C) an analysis of the effectiveness of such program and the evidence on the basis of which such analysis is made.

(2) MONITORING GROUP.—The Commissioner of the Internal Revenue Service shall establish a group of individuals with the responsibility to monitor and evaluate the effectiveness of the program referred to in paragraph (1).

(b) INVESTIGATION BY GENERAL ACCOUNTING OFFICE.—

(1) IN GENERAL.—The Comptroller General shall conduct an assessment and evaluation of the implementation and effectiveness of the program of the Internal Revenue Service to prevent abuses of taxpayers.

(2) REPORT.—Not later than the date one year after the date of the enactment of this Act the Comptroller General shall submit to the Congress a report on the investigation conducted under paragraph (1), together with such recommendations as he may deem advisable.

Mr. ROYBAL (during the reading). Mr. Chairman, I ask unanimous consent that the remainder of title V of the bill be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. Are there any points of order against the remainder of title V?

POINT OF ORDER

Mr. ROSTENKOWSKI. Mr. Chairman, I make a point of order against title V, section 531, of H.R. 2622, on the grounds that it violates clause 2 of rule XXI of the rules of the House of Representatives as legislating on an appropriations bill.

The CHAIRMAN. Does the gentleman from California [Mr. ROYBAL] wish to be heard on the point of order?

Mr. ROYBAL. Mr. Chairman, I concede the point of order.

The CHAIRMAN. Does any Member wish to be heard on the point of order?

Mr. TRAFICANT. Mr. Chairman, I am very disappointed that the chairman has struck the language. He said he would. I guess he did.

Mr. Chairman, for 6½ years I tried to come to the Committee on Ways and Means. I came there one time. I was the last Member to be heard. There was one Democrat and one Republican. They were talking to staff.

Mr. Chairman, the gentleman has allowed other people to legislate on this bill. This clearly calls for a report, and this should not have been objected to by the Committee on Ways and Means.

Mr. Chairman, let me say this: the gentleman did not object last year, it was passed on the House floor as a special amendment, and given a waiver by the Committee on Rules. When it got to conference, the IRS said, "We don't want the Traficant language. We are already doing that."

Mr. Chairman, all we asked for this time is a report to make sure that they are in fact doing that.

Mr. Chairman, I would like to ask the gentleman from Illinois [Mr. ROSTENKOWSKI] to withdraw his point of order. I would thus vacate all points of order and unanimous consents that I have against this bill. I think it is fair, it does not intrude upon any legislation, and it is prudent. We have been working on this for 2 years, and I went through the chairman to do it.

Mr. Chairman, I am asking the gentleman from Illinois [Mr. ROSTENKOWSKI] to withdraw his point of order, and I will withdraw my points of order and unanimous-consent requests to any and all parts of this bill, which clearly have indicated a tremendous amount of legislation.

The CHAIRMAN. Does the gentleman from Illinois [Mr. ROSTENKOWSKI] insist upon his point of order?

Mr. ROSTENKOWSKI. Mr. Chairman, I insist upon my point of order.

The CHAIRMAN. Does any other Member wish to be heard on the point of order?

If not, the point of order is conceded and sustained for the reason stated. The section is stricken.

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Are there any further points of order to the remainder of title V?

AMENDMENT OFFERED BY MR. WOLF

Mr. WOLF. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WOLF: At the end of title V, insert the following new section:

SEC. 532. No later than eight months after the date of enactment of this Act, the Director of the Office of Personnel Management shall submit, together with appropriate legislation to implement the recommendations of the Director, a report to Congress which surveys the use of work and family programs for Federal employees, and makes recommendations on appropriate measures to enhance the effectiveness of these programs, and to increase the number of employees participating.

Mr. WOLF. Mr. Chairman, this is an amendment for OPM which requires them to do a report based on the family-friendly programs that have been implemented, such as child care and leave sharing. Leave sharing is where if an individual is dying of cancer, perhaps has a very serious illness and they run out of vacation time and sick leave, the other Federal employees can donate time to them. This idea first came about through Chairman BILL LEHMAN of Florida.

The others are flexi-time, where Federal employees can decide, they may want to come in at 6 o'clock in the morning or at 9:30 so there is someone home with the children before they go to school in the morning or at the end of the day.

Flexi-place, whereby they can elect in certain jobs to work at home with computers and fax machines. The amendment just calls for a report. This is all in the law, to make sure that every Federal agency, some are doing a very good job, others are not doing as well, this is just to make sure that it is being applied across the board.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia [Mr. WOLF].

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

TITLE VI—GENERAL PROVISIONS

DEPARTMENTS, AGENCIES, AND CORPORATIONS

SECTION 601. Unless otherwise specifically provided, the maximum amount allowable during the current fiscal year in accordance with section 16 of the Act of August 2, 1946 (60 Stat. 810), for the purchase of any passenger motor vehicle (exclusive of buses and ambulances), is hereby fixed at $7,100 except station wagons for which the maximum shall be $8,100: *Provided*, That these limits may be exceeded by not to exceed $3,700 for police-type vehicles, and by not to exceed $4,000 for special heavy-duty vehicles: *Provided further*, That the limits set forth in this section may be exceeded by not more than five percent for electric or hybrid vehicles purchased for demonstration under the provisions of the Electric and Hybrid Vehicle Research, Development, and Demonstration Act of 1976: *Provided further*, That the limits set forth in this section may be exceeded by the incremental cost of clean alternative fuels vehicles acquired pursuant to Public Law 101-549 over the cost of comparable conventionally fueled vehicles.

POINT OF ORDER

Mr. TRAFICANT. Mr. Chairman, I raise a point of order against section 601, lines 16 through 25, commencing on page 69, line 1 through line 9, for violation of clause 2, rule XXI, legislating on an appropriations bill.

The CHAIRMAN. Does the gentleman from California wish to be heard on the point of order?

Mr. ROYBAL. Mr. Chairman, the committee concedes section 601.

The CHAIRMAN. The point of order is conceded and sustained. The section is stricken.

The Clerk will read.

The Clerk read as follows:

SEC. 602. Appropriations of the executive departments and independent establishments for the current fiscal year available for expenses of travel or for the expenses of the activity concerned, are hereby made available for quarters allowances and cost-of-living allowances, in accordance with 5 U.S.C. 5922–24.

POINT OF ORDER

Mr. TRAFICANT. Mr. Chairman, I raise a point of order against section 602, citing clause 2, rule XXI.

The CHAIRMAN. Does the gentleman from California wish to be heard on the point of order?

Mr. ROYBAL. Mr. Chairman, I concede the point of order.

The CHAIRMAN. The point of order is conceded and sustained. The section is stricken.

The Clerk will read.

The Clerk read as follows:

SEC. 603. Unless otherwise specified during the current fiscal year no part of any appropriation contained in this or any other Act shall be used to pay the compensation of any officer or employee of the Government of the United States (including any agency the majority of the stock of which is owned by the Government of the United States) whose post of duty is in the continental United States unless such person (1) is a citizen of the United States, (2) is a person in the service of the United States on the date of enactment of this Act, who, being eligible for citizenship, has filed a declaration of intention to become a citizen of the United States prior to such date and is actually residing in the United States, (3) is a person who owes allegiance to the United States, (4) is an alien from Cuba, Poland, South Vietnam, or the Baltic countries lawfully admitted to the United States for permanent residence, or (5) South Vietnamese, Cambodian, and Laotian refugees paroled in the United States after January 1, 1975: *Provided*, That for the purpose of this section, an affidavit signed by any such person shall be considered prima facie evidence that the requirements of this section with respect to his status have been complied with: *Provided further*, That any person making a false affidavit shall be guilty of a felony, and, upon conviction, shall be fined no more than $4,000 or imprisoned for not more than one year, or both: *Provided further*, That the above penal clause shall be in addition to, and not in substitution for any other provisions of existing law: *Provided further*, That any payment made to any officer or employee contrary to the provisions of this section shall be recoverable in action by the Federal Government. This section shall not apply to citizens of Ireland, Israel, the Republic of the Philippines or to nationals of those countries allied with the United States in the current defense effort, or to temporary employment of translators, or to temporary employment in the field service (not to exceed sixty days) as a result of emergencies.

POINT OF ORDER

Mr. TRAFICANT. Mr. Chairman, I raise a point of order to section 603 including all language, page 69, line 16 through 25, commencing on page 70, all of page 70, and the first two lines of page 71 for violation of clause 2, rule XXI of the House.

Mr. ROYBAL. Mr. Chairman, I concede the point of order.

The CHAIRMAN. The point of order is conceded and sustained. The section is stricken.

The Clerk will read.

The Clerk read as follows:

SEC. 604. Appropriations available to any department or agency during the current fiscal year for necessary expenses, including maintenance or operating expenses, shall also be available for payment to the General Services Administration for charges for space and services and those expenses of renovation and alteration of buildings and facilities which constitute public improvements performed in accordance with the Public Buildings Act of 1959 (73 Stat. 749), the Public Buildings Amendments of 1972 (86 Stat. 216), or other applicable law.

POINT OF ORDER

Mr. TRAFICANT. Mr. Chairman, I raise a point of order against all of section 604 which constitutes legislating language on an appropriations bill, clearly in deference to the House rules.

Mr. ROYBAL. Mr. Chairman, I concede the point of order.

The CHAIRMAN. The point of order is conceded and sustained. The language of the section is stricken.

The Clerk will read.

The Clerk read as follows:

SEC. 605. Funds made available by this or any other Act for administrative expenses in the current fiscal year of the corporations and agencies subject to chapter 91 of title 31, United States Code, shall be available, in addition to objects for which such funds are otherwise available, for rent in the District of Columbia; services in accordance with 5 U.S.C. 3109; and the objects specified under this head, all the provisions of which shall be applicable to the expenditure of such funds unless otherwise specified in the Act by which they are made available: *Provided*, That in the event any functions budgeted as administrative expenses are subsequently transferred to or paid from other funds, the limitations on administrative expenses shall be correspondingly reduced.

POINT OF ORDER

Mr. TRAFICANT. Mr. Chairman, I raise a point of order against section 605 citing clause 2, rule XXI of the House.

Mr. ROYBAL. Mr. Chairman, I concede the point of order.

The CHAIRMAN. The point of order is conceded and sustained. The section is stricken.

The Clerk will read.

The Clerk read as follows:

SEC. 606. No part of any appropriation for the current fiscal year contained in this or any other Act shall be paid to any person for the filling of any position for which he or she has been nominated after the Senate has voted not to approve the nomination of said person.

POINT OF ORDER

Mr. TRAFICANT. Mr. Chairman, I raise a point of order citing clause 2, rule XXI of the House against section 606.

Mr. CHAIRMAN. Does the gentleman from California wish to be heard on the point of order?

Mr. ROYBAL. Mr. Chairman, I concede the point of order.

Mr. CHAIRMAN. The point of order is conceded and sustained. The section is stricken.

The Clerk will read.

The Clerk read as follows:

SEC. 607. Pursuant to section 1415 of the Act of July 15, 1952 (66 Stat. 662), foreign credits (including currencies) owed to or owned by the United States may be used by Federal agencies for any purpose for which appropriations are made for the current fiscal year (including the carrying out of Acts requiring or authorizing the use of such credits), only when reimbursement therefor is made to the Treasury from applicable appropriations of the agency concerned: *Provided*, That such credits received as exchange allowances or proceeds of sales or personal property may be used in whole or part payment for acquisition of similar items, to the extent and in the manner authorized by law, without reimbursement to the Treasury.

POINT OF ORDER

Mr. TRAFICANT. Mr. Chairman, I cite clause 2, rule XXI and raise a point of order against all of section 607.

Mr. ROYBAL. Mr. Chairman, I concede the point of order.

Mr. CHAIRMAN. The point of order is conceded and sustained. The section is stricken.

The Clerk will read.

The Clerk read as follows:

SEC. 608. No part of any appropriation contained in this or any other Act shall be available for interagency financing or boards, commissions, councils, committees, or similar groups (whether or not they are interagency entities) which do not have a prior and specific statutory approval to receive financial support from more than one agency or instrumentality.

POINT OF ORDER

Mr. TRAFICANT. Mr. Chairman, I cite clause 2, rule XXI against section 608 and ask that it be stricken.

Mr. ROYBAL. Mr. Chairman, I concede the point of order.

Mr. CHAIRMAN. The point of order is conceded and sustained. The section is stricken.

The Clerk will read.

The Clerk read as follows:

SEC. 609. Funds made available by this or any other Act to the "Postal Service Fund" (39 U.S.C. 2003) shall be available for employment of guards for all buildings and areas owned or occupied by the Postal Service and under the charge and control of the Postal Service, and such guards shall have, with respect to such property, the powers of special policemen provided by the first section of the Act of June 1, 1948, as amended (62 Stat. 281; 40 U.S.C. 318), and, as the property owned or occupied by the Postal Service, the Postmaster General may take the same actions as the Administrator of General Services may take under the provisions of sections 2 and 3 of the Act of June 1, 1948, as amended

(62 Stat. 281; 40 U.S.C. 318a, 318b), attaching thereto penal consequences under the authority and within the limits provided in section 4 of the Act of June 1, 1948, as amended (62 Stat. 281; 40 U.S.C. 318c).

POINT OF ORDER

Mr. TRAFICANT. Mr. Chairman, I cite clause 2, rule XXI against the entire section of 609.

The CHAIRMAN. Does the gentleman from California wish to be heard on the point of order?

Mr. ROYBAL. Mr. Chairman, I concede the point of order.

The CHAIRMAN. The point of order is conceded and sustained. The section is stricken.

The Clerk will read.

The Clerk read as follows:

SEC. 610 None of the funds made available pursuant to the provisions of this Act shall be used to implement, administer, or enforce any regulation which has been disapproved pursuant to a resolution of disapproval duly adopted in accordance with the applicable law of the United States.

POINT OF ORDER

Mr. TRAFICANT. Mr. Chairman, I raise a point of order citing clause 2, rule XXI against all of section 610.

Mr. ROYBAL. Mr. Chairman, I concede the point of order.

The CHAIRMAN. The point of order is conceded and sustained. The section is stricken.

The Clerk will read.

The Clerk read as follows:

SEC. 611. No part of any appropriation contained in, or funds made available by, this or any other Act, shall be available for any agency to pay to the Administrator of the General Services Administration a higher rate per square foot for rental of space and services (established pursuant to section 210(j) of the Federal Property and Administrative Services Act of 1949, as amended) than the rate per square foot established for the space and services by the General Services Administration for the fiscal year for which appropriations were granted.

POINT OF ORDER

Mr. TRAFICANT. Mr. Chairman, I raise a point of order against section 611 for violating House clause 2, rule XXI.

Mr. ROYBAL. Mr. Chairman, I concede the point of order.

The CHAIRMAN. The point of order is conceded and sustained. The section is stricken.

The Clerk will read.

The Clerk read as follows:

SEC. 612. (a) Notwithstanding any other provision of law, and except as otherwise provided in this section, no part of any of the funds appropriated for the fiscal years ending September 30, 1992, or September 30, 1993, by this Act or any other Act, may be used to pay any prevailing rate employee described in section 5342(a)(2)(A) of title 5, United States Code, or any employee covered by section 5348 of that title—

(1) during the period from the date of expiration of the limitation imposed by section 612 of the Treasury, Postal Service, and General Government Appropriations Act, 1991, until the first day of the first applicable pay period that begins not less than ninety days after that date, in an amount that exceeds the rate payable for the applicable grade and step of the applicable wage schedule in accordance with such section 612; and

(2) during the period consisting of the remainder, if any, of fiscal year 1992, and that portion of fiscal year 1993, that precedes the normal effective date of the applicable wage survey adjustment that is to be effective in fiscal year 1993, in an amount that exceeds, as a result of a wage survey adjustment, the rate payable under paragraph (1) of this subsection by more than the overall average percentage adjustment in the General Schedule during fiscal year 1992, under section 5303 of title 5, United States Code.

(b) Notwithstanding any other provision of law, no prevailing rate employee described in subparagraph (B) or (C) of section 5342(a)(2) of title 5, United States Code, may be paid during the periods for which subsection (a) of this section is in effect at a rate that exceeds the rates that would be payable under subsection (a) were subsection (a) applicable to such employee.

(c) For the purpose of this section, the rates payable to an employee who is covered by this section and who is paid from a schedule that was not in existence on September 30, 1991, shall be determined under regulations prescribed by the Office of Personnel Management.

(d) Notwithstanding any other provision of law, rates of premium pay for employees subject to this section may not be changed from the rates in effect on September 30, 1991, except to the extent determined by the Office of Personnel Management to be consistent with the purpose of this section.

(e) The provisions of this section shall apply with respect to pay for services performed by any affected employee on or after October 1, 1991.

(f) For the purpose of administering any provision of law, including section 8431 of title 5, United States Code, or any rule or regulation that provides premium pay, retirement, life insurance, or any other employee benefit, that requires any deduction or contribution, or that imposes any requirement or limitation, on the basis of a rate of salary or basic pay, the rate of salary or basic pay payable after the application of this section shall be treated as the rate of salary or basic pay.

(g) Nothing in this section may be construed to permit or require the payment to any employee covered by this section at a rate in excess of the rate that would be payable were this section not in effect.

(h) The Office of Personnel Management may provide for exceptions to the limitations imposed by this section if the Office determines that such exceptions are necessary to ensure the recruitment or retention of qualified employees.

POINT OF ORDER

Mr. TRAFICANT. Mr. Chairman, I cite clause 2, rule XXI against all of section 612, commencing at page 74, line 13 and continuing through page 77, line 5.

The CHAIRMAN. Does the gentleman from California wish to be heard on the point of order?

Mr. ROYBAL. Mr. Chairman, I concede the point of order.

The CHAIRMAN. The point of order is conceded and sustained. The section in its entirety with all of its paragraphs is stricken.

The Clerk will read.

The Clerk read as follows:

SEC. 613. None of the funds made available in this Act may be used to plan, implement, or administer (1) any reduction in the number of regions, districts or entry processing locations of the United States Customs Service; or (2) any consolidation or centralization of duty assessment or appraisement functions of any offices in the United States Customs Service.

POINT OF ORDER

Mr. TRAFICANT. Mr. Chairman, I raise a point of order citing clause 2, rule XXI against section 613.

The CHAIRMAN. Does the gentleman from California wish to be heard on the point of order?

Mr. ROYBAL. Mr. Chairman, I concede the point of order.

The CHAIRMAN. Because the point of order is conceded, it is sustained.

The Clerk will read.

□ 2030

The Clerk read as follows:

SEC. 614. During the period in which the head of any department or agency, or any other officer or civilian employee of the Government appointed by the President of the United States, holds office, no funds may be obligated or expended in excess of $5,000 to furnish or redecorate the office of such department head, agency head, officer or employee, or to purchase furniture or make improvements for any such office, unless advance notice of such furnishing or redecoration is expressly approved by the Committees on Appropriations of the House and Senate.

POINT OF ORDER

Mr. TRAFICANT. Mr. Chairman, I make a point of order against section 614 citing clause 2, rule XXI of the House.

Mr. ROYBAL. Mr. Chairman, I concede the point of order.

The CHAIRMAN. The point of order is conceded and sustained. The section is stricken.

The Clerk will read.

The Clerk read as follows:

SEC. 615. Funds appropriated in this or any other Act may be used to pay travel to the United States for the immediate family of employees serving abroad in cases of death or life threatening illness of said employee.

SEC. 616. (a) Notwithstanding the provisions of sections 112 and 113 of title 3, United States Code, each Executive agency detailing any personnel shall submit a report on an annual basis in each fiscal year to the Senate and House Committees on Appropriations on all employees or members of the armed services detailed to Executive agencies, listing the grade, position, and offices of each person detailed and the agency to which each such person is detailed.

(b) The provisions of this section shall not apply to Federal employees or members of the armed services detailed to or from—

(1) the Central Intelligence Agency;

(2) the National Security Agency;

(3) the Defense Intelligence Agency;

(4) the offices within the Department of Defense for the collection of specialized national foreign intelligence through reconnaissance programs;

(5) the Bureau of Intelligence and Research of the Department of State;

(6) any agency, office, or unit of the Army, Navy, Air Force, and Marine Corps, the Fed-

eral Bureau of Investigation and the Drug Enforcement Administration of the Department of Justice, the Department of the Treasury, and the Department of Energy performing intelligence functions; and

(7) the Director of Central Intelligence.

(c) The exemptions in part (b) of this section are not intended to apply to information on the use of personnel detailed to or from the intelligence agencies which is currently being supplied to the Senate and House Intelligence and Appropriations Committees by the executive branch through budget justification materials and other reports.

(d) For the purposes of this section, the term "Executive agency" has the same meaning as defined under section 105 of title 5, United States Code (except that the provisions of section 104(2) of title 5, United States Code shall not apply) and includes the White House Office, the Executive Residence, and any office, council, or organizational unit of the Executive Office of the President.

POINT OF ORDER

Mr. TRAFICANT. Mr. Chairman, I make a point of order against section 616, all of it, as constituting legislation in an appropriation bill and cite clause 2, rule XXI.

Mr. ROYBAL. Mr. Chairman, I concede the point of order.

The CHAIRMAN. The point of order is conceded and sustained. The section, in its entirety, is stricken.

The Clerk will read.

The Clerk read as follows:

SEC. 617. No funds appropriated in this or any other Act for fiscal year 1992 may be used to implement or enforce the agreements in Standard Forms 312 and 4355 of the Government or any other nondisclosure policy, form or agreement if such policy, form or agreement does not contain the following provisions:

"These restrictions are consistent with and do not supersede conflict with or otherwise alter the employee obligations, rights or liabilities created by Executive Order 12356; section 7211 of title 5, United States Code (governing disclosures to Congress); section 1034 of title 10, United States Code, as amended by the Military Whistleblower Protection Act (governing disclosure to Congress by members of the military); section 2302(b)(8) of title 5, United States Code, as amended by the Whistleblower Protection Act (governing disclosures of illegality, waste, fraud, abuse or public health or safety threats); the Intelligence Identities Protection Act of 1982 (50 U.S.C. 421 et seq.) (governing disclosures that could expose confidential Government agents), and the statutes which protect against disclosure that may compromise the national security, including sections 641, 793, 794, 798, and 952 of title 18, United States Code, and section 4(b) of the Subversive Activities Act of 1950 (50 U.S.C. section 783(b)). The definitions, requirements, obligations, rights, sanctions and liabilities created by said Executive Order and listed statutes are incorporated into this Agreement and are controlling."

POINT OF ORDER

Mr. TRAFICANT. Mr. Chairman, I make a point of order against section 617 for being legislation on an appropriation bill which is outside the rules of the House.

Mr. ROYBAL. Mr. Chairman, I concede the point of order.

The CHAIRMAN. The point of order is conceded and sustained. The section is stricken.

The Clerk will read.

The Clerk read as follows:

SEC. 618. Notwithstanding any other provision of law, no executive branch agency shall purchase, construct, and/or lease any additional facilities, except within or contiguous to existing locations, to be used for the purpose of conducting Federal law enforcement training without the advance approval of the House and Senate Committees on Appropriations.

POINT OF ORDER

Mr. TRAFICANT. Mr. Chairman, I make a point of order against section 618 for violating clause 2, rule XXI of the House.

Mr. ROYBAL. Mr. Chairman, I concede the point of order.

The CHAIRMAN. The point of order is conceded and sustained. The section is stricken.

The Clerk will read.

The Clerk read as follows:

SEC. 619. None of the funds appropriated by this or any other Act may be expended by any Federal agency to procure any product or service that is subject to the provisions of Public Law 89-306 and that will be available under the procurement by the Administrator of General Services known as "FTS2000" unless—

(1) such product or service is procured by the Administrator of General Services as part of the procurement known as "FTS2000"; or

(2) that agency establishes to the satisfaction of the Administrator of General Services that—

(A) the agency's requirements for such procurement are unique and cannot be satisfied by property and service procured by the Administrator of General Services as part of the procurement known as "FTS2000"; and

(B) the agency procurement, pursuant to such delegation, would be cost-effective and would not adversely affect the cost-effectiveness of the FTS2000 procurement.

POINT OF ORDER

Mr. TRAFICANT. Mr. Chairman, I raise a point of order against section 619 for being in violation of clause 2, rule XXI of the House.

Mr. ROYBAL. Mr. Chairman, I concede the point or order.

The CHAIRMAN. The point of order is conceded and sustained. The section is stricken.

The Clerk will read.

The Clerk read as follows:

SEC. 620. No department, agency, or instrumentality of the United States receiving appropriated funds under this or any other Act for fiscal year 1992 shall obligate or expend any such funds, unless such department, agency, or instrumentality has in place, and will continue to administer in good faith, a written policy designed to ensure that all of its workplaces are free from the illegal use, possession, or distribution of controlled substances (as defined in the Controlled Substances Act) by the officers and employees of such department, agency, or instrumentality.

SEC. 621. (a) No amount of any grant made by a Federal agency shall be used to finance the acquisition of goods or services (including construction services) unless the recipient of the grant agrees, as a condition for the receipt of such grant, to—

(1) specify in any announcement of the awarding of the contract for the procurement of the goods and services involved (including construction services) the amount of Federal funds that will be used to finance the acquisition; and

(2) express the amount announced pursuant to paragraph (1) as a percentage of the total costs of the planned acquisition.

(b) The requirements of subsection (a) shall not apply to a procurement for goods or services (including construction services) that has an aggregate value of less than $500,000.

POINT OF ORDER

Mr. TRAFICANT. Mr. Chairman, I raise a point of order against section 621 in its entirety for legislating in an appropriation bill.

Mr. ROYBAL. Mr. Chairman, I concede the point of order.

The CHAIRMAN. The point of order is conceded and sustained. The section is stricken.

The Clerk will read.

The Clerk read as follows:

SEC. 622. Notwithstanding section 1346 of title 31, United States Code, or section 607 of this Act, funds made available for fiscal year 1992 by this or any other Act shall be available for the interagency funding of national security and emergency preparedness telecommunications initiatives which benefit multiple Federal departments, agencies, or entities, as provided by Executive Order Numbered 12472 (April 3, 1984).

POINT OF ORDER

Mr. TRAFICANT. Mr. Chairman, I raise a point of order against section 622 as being in violation of clause 2, rule XXI.

Mr. ROYBAL. Mr. Chairman, I concede the point of order.

The CHAIRMAN. The point of order is conceded and sustained. The section is stricken.

The Clerk will read.

The Clerk read as follows:

SEC. 623. Notwithstanding any provisions of this Act or any other Act, during the fiscal year ending September 30, 1992, any department, division, bureau, or office participating in the Federal Flexiplace Project may use funds appropriated in this or any other Act to install telephone lines, necessary equipment, and pay monthly charges, in any private residence or private apartment: *Provided*, That the head of the department, division, bureau, or office certifies that adquate safeguards against private misuse exist, and that the service is necessary for direct support of the agency's mission.

POINT OF ORDER

Mr. TRAFICANT. Mr. Chairman, I raise a point of order against section 623 in its entirety for constituting legislation in an appropriation bill in violation of the House rules.

Mr. ROYBAL. Mr. Chairman, I concede the point of order.

The CHAIRMAN. The point of order is conceded and sustained. The section is stricken.

The Clerk will read.

The Clerk read as follows:

SEC. 624. (a) None of the funds appropriated by this or any other Act may be obligated or

expended by any Federal department, agency, or other instrumentality for the salaries or expenses of any employee appointed to a position of a confidential or policy-determining character excepted from the competitive service pursuant to section 3302 of title 5, United States Code, without a certification to the Office of Personnel Management from the head of the Federal department, agency, or other instrumentality employing the Schedule C appointee that the Schedule C position was not created solely or primarily in order to detail the employee to the White House.

(b) The provisions of this section shall not apply to Federal employees or members of the armed services detailed to or from—

(1) the Central Intelligence Agency;

(2) the National Security Agency;

(3) the Defense Intelligence Agency;

(4) the offices within the Department of Defense for the collection of specialized national foreign intelligence through reconnaissance programs;

(5) the Bureau of Intelligence and Research of the Department of State;

(6) any agency, office, or unit of the Army, Navy, Air Force, and Marine Corps, the Federal Bureau of Investigation and the Drug Enforcement Administration of the Department of Justice, the Department of the Treasury, and the Department of Energy performing intelligence functions; and

(7) the Director of Central Intelligence.

Mr. TRAFICANT (during the reading). Mr. Chairman, I ask unanimous consent that section 624 be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

POINT OF ORDER

Mr. TRAFICANT. Mr. Chairman, I raise a point of order against all of section 624, commencing on page 83, line 20, and continuing down through all of page 84.

Mr. ROYBAL. Mr. Chairman, I concede the point of order.

The CHAIRMAN. The point of order is conceded and sustained. The section, in its entirety, is stricken.

The Clerk will read.

The Clerk read as follows:

SEC. 625. Notwithstanding any other provision of law, sick leave provided by section 6307 of title 5, United States Code, may be approved for purposes related to the adoption of a child in order to test the feasibility of this concept during fiscal year 1992.

POINT OR ORDER

Mr. ACKERMAN. Mr. Chairman, I raise a point of order against language contained in section 625 on page 85 of the bill.

The CHAIRMAN. The gentleman will state his point of order.

Mr. ACKERMAN. Mr. Chairman, I raise a point of order against the language in that such language constitutes legislation in an appropriation bill, thus violating clause 2, rule XXI.

Mr. ROYBAL. Mr. Chairman, I concede the point of order.

The CHAIRMAN. The point of order is conceded and sustained.

The section is stricken.

Does the gentleman from Virginia [Mr. WOLF] wish to be heard on the point of order?

Mr. WOLF. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I do wish to be heard, and I would like to ask the gentleman from New York what this language does.

I think the House ought to know what we are doing tonight. We put language in which has been enacted before which would allow individuals in the Federal Government to use their sick leave for adoption. There are so many kids who want to be adopted and so many people who want to adopt.

Right now, if you are pregnant you can use your sick leave to have a child, and we want to establish parity. If you will look at all the pictures of those youngsters in Romania who people just want to adopt and throughout this country, I would just urge the gentleman to withdraw this. I am not very confident that he will, but that if he would not, if he could promise to get this out by the end of the year, because the regulations did not come out until January, and we have parents who are now in the process of looking for a child, and if this bill is not passed, they will be very hurt.

Mr. ACKERMAN. Mr. Chairman, will the gentleman yield?

Mr. WOLF. I am happy to yield to the gentleman from New York.

Mr. ACKERMAN. Mr. Chairman, the gentleman's goal is absolutely laudable. I am in full agreement with him. However, this is not the appropriate vehicle to accomplish that.

Let me assure the gentleman that we will move very expeditiously, as early as in the next 5 minutes, to try to remedy the situation.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 626. Notwithstanding any other provision of law, an employee in or under an executive agency may be granted leave without loss of or reduction in pay, leave to which otherwise entitled, credit for time or service, or performance or efficiency rating, for the time, not to exceed seven days in any calendar year, necessary in order to permit such employee to serve as a bone marrow or other organ donor, to test the feasibility of this concept during fiscal year 1992.

POINT OF ORDER

Mr. ACKERMAN. Mr. Chairman, I raise a point of order against the language contained in section 626 on page 85 of the bill. I raise this point of order against the language on the ground that such language in an appropriation bill thus violates clause 2, rule XXI.

Mr. ROYBAL. Mr. Chairman, I concede the point of order.

The CHAIRMAN. The point of order is conceded and sustained. The section is stricken.

□ 2040

Mrs. BYRON. Mr. Chairman, I move to strike the requisite number of words. I will be asking the gentleman from New York [Mr. ACKERMAN] if he will engage in a colloquy.

Each year, the bone marrow and organ transplants give thousands of people a chance to beat the odds against a fatal illness, and the hope is very great. Unfortunately, the likelihood of finding the right donor at the right time is not always realistic. The gentleman from Virginia [Mr. WOLF] and I have joined together in trying to increase those odds. We worked together on this provision in hopes that more than the 3 million Federal employees will be able to participate in the donor program.

I think we have seen that about 2.8 percent of our work force are Federal employees. So those that would qualify could equally become donors. It would probably be very small, maybe under 10 bone marrow donors per year, but I think for the 10 lives that would be saved, there is no way to put a price on that.

I would hope that as the gentleman did with section 625, I could get the same kind of consideration, to move this legislation in a different manner, extremely quickly.

Mr. ACKERMAN. Mr. Chairman, will the gentlewoman yield?

Mrs. BYRON. I yield to the gentleman from New York.

Mr. ACKERMAN. Mr. Chairman, likewise, the intentions of the gentlewoman from Maryland are absolutely to be congratulated. I concur with those intentions, and I applaud the gentlewoman for the wonderful work that has been done for Federal employees.

I think with less than 5 minutes up, let me invite both the gentlewoman from Maryland and the gentleman from Virginia to join with me in a vehicle that we will submit right now as clean legislation, and we will try to rush this through the committee as quickly as possible.

Mrs. BYRON. Mr. Chairman, I thank the gentleman for his consideration and his quick action.

Mr. ACKERMAN. If the gentlewoman will continue to yield, we are dropping it in the hopper now.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 627. Notwithstanding any other provision of law, a Federal employing agency shall make the deposit from existing appropriations into the Federal Employees Compensation Account of the Unemployment Trust Fund, as required by section 8509 of title 5, United States Code, not later than thirty days after the Department of Labor has billed the agency for the amount to be deposited.

SEC. 628. Notwithstanding the provisions of the Act of September 13, 1982 (Public Law 97-258, 31 U.S.C. 1345), any agency, department or instrumentality of the United States which provides or proposes to provide child care services for Federal employees may reimburse any Federal employee or any person employed to provide such services for travel,

transportation, and subsistence expenses incurred for training classes, conferences or other meetings in connection with the provision of such services: *Provided*, That any per diem allowance made pursuant to this section shall not exceed the rate specified in regulations prescribed pursuant to section 5707 of title 5, United States Code.

SEC. 629. No part of any appropriation contained in this Act shall be used to implement the provisions of Public Law 101-576.

AMENDMENT OFFERED BY MR. CONYERS

Mr. CONYERS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CONYERS: Page 86, strike lines 10 through 12.

Mr. CONYERS. Mr. Chairman, this amendment seeks to delete language in section 629 of the bill that would prohibit the use of funds to implement the Chief Financial Officers Act of 1990. The Chief Financial Officers Act is legislation this body and the other body passed last November without dissent, and which the President later signed.

Mr. Chairman, the Chief Financial Officer's Act is critical to establishing a front-line defense against fraud, waste, and abuse. It was passed in response to the gross abuse of taxpayer's dollars resulting from the HUD scandal, and because of numerous other examples of executive branch mismanagement uncovered by the Committee on Government Operations and other committees of the House.

The HUD scandal was not simply the result of political cronyism, which bred malfeasance and misfeasance. The embezzlement and other wrongdoing went undetected because financial management systems and practices were obsolete, and information wasn't timely or reliable.

We know too well that the HUD scandal was not an isolated incident. Right now there are 106 Government programs on a high-risk list with the potential for hundreds of billions of dollars in losses. Many of these programs have poor accounting systems, ineffective financial management operations, limited audits, and inadequate reporting to the Congress. The CFO's Act would help correct these problems.

Our financial management systems are antiquated and need to be brought into the modern age. We have over 400 accounting systems that don't relate to each other. The left hand doesn't know what the right hand is doing. The result: We often don't know how much we are spending or losing, in too many government programs.

HIGHLIGHTS OF THE ACT

The CFO's Act is designed to prevent future HUD horror stories. It does three basic things. First, it forces the Office of Management and Budget and agency leadership to prevent abuse of taxpayer dollars and be more accountable to the Congress about how money is being spent. It does this by creating a new Office of Federal Financial Management at OMB—headed by a controller—who will work with agencies to modernize their financial management operations. Someone at the top needs to be held accountable. The U.S. Government is a $1.4 trillion enterprise. We can't afford not to have a controller minding the store.

Second, the act creates 23 statutory chief financial officers at major agencies; 16 of whom are Presidentially appointed and Senate confirmed. They will be experienced financial managers, committed to safeguarding taxpayer dollars from abuse.

Third, the act requires that financial statements be prepared and audits conducted of Government programs that are of a businesslike nature, in order to identify fraud, waste, and abuse. These financial statements and audits will reveal the vulnerabilities we face and the administration's plans for correcting them.

The CFO's Act is an auditing mechanism that this Congress, the GAO, and the inspectors general need in order to identify problems up-front so future losses can be prevented. It is a fundamental oversight tool that we have lacked. Comptroller General Bowsher of the GAO has called the CFO's Act the most important financial management reform in the last 40 years. The inspectors general community and a broad coalition of citizens groups have struck up a loud chorus in support of the act. Mr. Chairman, I have received numerous letters in recent weeks from the inspectors general and Assistant Secretaries as testament to that support.

Mr. Chairman, let's consider a few examples of how the CFO's Act can make a difference.

Audited financial statements required by the act would have served as a red light warning about impending losses in the student loan program. In 1991, it is estimated we will have $2.7 billion in defaults alone.

We are losing billions of dollars a year in other loan programs. Reporting requirements in the CFO's Act will more clearly identify the extent of these losses, and determine how much money needs to be set-aside to cover those losses.

The Justice Department will be better able to develop a comprehensive strategy for collecting $6.5 billion in delinquent debt that agencies have referred to it for legal action.

The CFO's Act will help the IRS to develop solid information on the collectibility of its $64 billion in accounts receivable.

Mine operators who don't pay what they owe to the black lung disability fund will be more easily identified—and made to pay.

In testimony last week before the Employment and Housing Subcommittee of Goverment Operations, which is chaired by the distinguished gentleman from California [Mr. LANTOS], the GAO gave extensive testimony on the limited progress made at cleaning up the mess at HUD since 1990. The GAO said:

HUD is only in the initial stages of correcting underlying, department-wide weaknesses of inadequate information and financial management systems, including computerized systems; weak internal controls; inappropriate organization structure; and insufficient staffing. Until these issues are adequately addressed, HUD's corrective actions for individual programs, no matter how extensive, will still leave the Department susceptible to future fraud, waste, abuse, and mismanagement.

Mr. Chairman, a HUD chief financial officer was only recently appointed in January 1991, to correct these deficiencies. The action of the Appropriations Committee jeopardizes this effort.

APPROPRIATIONS COMMITTEE ACTION

Mr. Chairman, I want to offer a word of praise for the distinguished chairman of the Appropriations Committee, the member of Mississippi [Mr. WHITTEN]. He works long and tirelessly for the people of his district and State, and of this country.

He and I have had several conversations about the funding prohibition we are discussing here today. I understand where he is coming from. Like myself, he has had his battles with the White House and with Mr. Darman, the OMB director, about matters under the jurisdiction of the Appropriations Committee. I appreciate his efforts on behalf of all of us in the legislative branch to preserve our power and see to it that the careful balance that exists between us and the executive branch be maintained.

The distinguished chairman has suggested that we the Governmentwide coordinating function for the CFO be placed in the Department of the Treasury. The Committee on Government Operations gave this considerable analysis when preparing the bill. The hearing record is testament to that. However, in the end the weight of evidence suggested to the Committee that the CFO coordinating function belonged at OMB, which is management central for the executive branch.

The CFO needs to be at OMB to assure consistency in financial reporting an integration of management functions. Financial management is an inextricable part of overall management; over one-third of the Government's high-risk areas involve financial management. The cures involve integrated management solutions—personnel, procurement, financial, systems. OMB's management functions have always included both general and financial management.

Further, separate from the CFO's Act, OMB currently issues accounting standards and financial management circulars. Finally, OMB acts on behalf of the President in these areas and has, since 1987 (prior to the passage of the CFO's Act), chaired the executive

branch's financial management council.

Mr. Chairman, I would be the last to grant OMB new power it could abuse. I've been fighting the agency for the last 2 years over its gutting of agency health, safety, and environmental regulations. But this isn't the same situation. An frankly, I can't in good conscience on the one hand regularly criticize the executive branch for the rampant fraud, waste, and abuse we see, and on the other hand not give it a reasonable tool to prevent such problems.

The CFO's Act is designed to do what I know the chairman of the Appropriations Committee wants—provide accurate, reliable and timely information from the executive branch about how taxpayers money is being spent. I can assure his committee it will have no impact on the appropriations process or on the powers of the committee. And if some problems should arise, if for some unforeseen reason OMB can wield new powers—and abuse those powers—I commit to the chairman here today that I shall work with him to clip the wings of OMB. But I don't believe it can happen.

Mr. Chairman, I want to clarify a misunderstanding about whether this amendment will cost any new money. It won't. The administration asked for a total of $105 million to implement the CFO's Act. Two-thirds of that money would have gone to the inspectors general to conduct audits; one-third would have gone to the agencies to upgrade information systems and prepare financial statements to Congress so we know what's happening with taxpayer money. Only about 1 percent of the new money—$1.5 million—would have gone to OMB to add staff so they could see that the act is successfully implemented Governmentwide.

I believe the administration's request should have been funded. It is penny wise and pound foolish to not fund the CFO's Act, as surely as it is an error not to fund Head Start or other investment programs that pay for themselves many times over in future savings. In this mistaken era of appropriations caps and pay-as-you-go budgeting the best way to spend money is to save money—by identifying executive branch mismanagement.

But we aren't debating new money today, because no new money has been put in the bill to implement the act. We are debating whether agencies should be able to exercise their statutory authority and spend existing funds to carry out an act of Congress. No new money. No offsets. We're just saying let the agency do what it can do—what it must do—given existing resources.

Mr. Chairman, I believe the prohibition contained in the Treasury, Postal appropriations bill—and in the five other appropriations bills that have passed this body in recent weeks, and the seven others soon to be before us—results from a fundamental misunderstanding of the act.

Quite simply the CFO's Act is a nonpartisan piece of legislation. It has the wholehearted support of Comptroller General Bowsher of the GAO, the inspectors general, the agencies, the administration, and a broad cross-section of public and private organizations. I urge my colleagues to support the amendment. And if this amendment should pass I hope that the wishes of this body will be respected in the remaining bills as well that have yet to come before this body.

Mr. HORTON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this is a critical vote. The Conyers-Horton amendment presents this body with the chance to take an effective, meaningful stand against waste, fraud, and abuse.

We passed the Chief Financial Officers Act last fall without dissent, with the goal of empowering the agencies to bring accurate information and rational decisionmaking to their financial management. This appropriations bill, like others before it, includes language prohibiting the expenditure of funds to implement the CFO's Act. Why Congress would want to do this is difficult to understand.

Certainly, no one could argue that financial management in the Federal Government is in good shape. There are 106 critical agency programs on a high-risk list. There are over 450 different accounting systems in the executive branch, and they have developed without regard to each other, so that the Government resembles a financial management Tower of Babel. And I do not need to remind this body of the HUD scandal, the savings and loan mess, and the other embarrassing examples of what happens when the Government stops paying attention to financial management.

The CFO's Act seeks to streamline and improve Federal Government financial management. It requires the installation of CFO's and deputy CFO's in the 14 Cabinet departments and the 9 largest agencies; outlines requirements for creating and implementing financial management systems; mandates the preparation and audit of financial statements; and makes OMB more effective and responsive to Congress by creating a management deputy and a new Office of Federal Financial Management. The act, if implemented, will inject accurate information and discipline into the management of the $1.4 trillion enterprise of Government. It was developed through over 5 years of congressional hearings, investigations, and hard thinking.

Comptroller General Charles Bowsher recently called the CFO's Act "the most comprehensive financial management reform package in 40 years." It also has the support of the entire inspectors general community; the agencies themselves; the administration; public sector groups such as the National Governors' Association and the National Association of State Auditors, Comptrollers and Treasurers; and private sector groups interested in seeing that the Federal Government manages its finances well. The chorus of support for this act and this amendment is very loud and insistent. Congress ignores it only at its peril.

Mr. Chairman, this amendment involves no new money. It merely frees the affected agencies to use existing funding to implement the CFO's Act. I urge this body not to let the arbitrary attempt to gut the act succeed in this appropriations bill or in any others. Please support the Conyers-Horton amendment.

□ 2050

Mr. CONYERS. Mr. Chairman will the gentleman yield?

Mr. HORTON. I yield to the gentleman from Michigan.

Mr. CONYERS. Mr. Chairman, I should pay the appropriate commendations to the ranking member of the Government Operations Committee. He is the only member there with more seniority than myself. He served with the former chairman, the gentleman from Texas [Mr. BROOKS] for many years.

I want to say that it was the gentleman from New York who helped us reform the old DioGuardi Chief Financial Officers Act, which gave us a modern bill that I was able to go on and bring together.

The gentleman did a great job, I say to the gentleman from New York [Mr. HORTON].

Mr. HORTON. Mr. Chairman, I want to commend the gentleman, and I want to point out again this was a bipartisan effort, not only by the chairman and myself, but also by our committee. It was brought to the floor, it was passed unanimously by voice vote and was passed unanimously in the Senate.

Mr. Chairman, I urge support for the Conyers-Horton amendment.

Mr. COLEMAN of Texas. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise reluctantly in opposition to the Conyers-Horton amendment, because as I understood section 629 in this particular subcommittee legislation of the Treasury, Postal Service Appropriations bill, as a member of the Appropriations Committee it was explained to me that section 629 was, in fact, put in there so that we could delay its enforcement until such time as we had an opportunity to modify it. The reason for the modification, I spoke to the gentleman from New York [Mr. HORTON] earlier, and I appreciate his efforts. I am not opposed, as a matter of fact, to the concept of the chief financial officers. I think those of

us who have watched recent news accounts of the problems in many of the agencies in this and the last administration can appreciate why the gentleman from New York [Mr. HORTON] would suggest that we needed to have a Chief Financial Officers Act; but in my view there is already accountability. There ought to be accountability on the part of the American people for what went on at HUD. There ought to be accountability in every one of these agencies that has a Secretary.

I think the President and the past President owe this country an explanation for some of the shenanigans and goings on and many indictments that have been handed down as a result of what has gone on in the past concerning dollars and concerning kickbacks and the rest of it; but I quite honestly do not believe that it is necessary for us to put this new bureaucratic layer on top of another one, particularly when you are going to place it at OMB.

Of all the groups you could have picked, I cannot imagine, at least from my standpoint, one that would have been worse.

Let me just say to you that I am afraid what this Act will do as it is currently written will just given another lever, another hammer to the OMB to control the various departments and agencies. Broad power is given here to the OMB to intrude beyond financial management into other management and policies areas of Cabinet departments. That is what we have Cabinet departments and secretaries for. Yes, they are the ones who are accountable.

Now we are being told that for some reason we are unable as citizens of this country to hold them accountable. I think that is wrong.

Certainly those Cabinet officers are not elected, but the President appointed them, and I think that is where the accountability ought to be.

I just do not think that we need another OMB filter. You know, they do a lot of things in that Office of Management and Budget, and one of them is they want to make sure that the Congress only gets the information that they approve.

You know, previously Congress has had to deal with this same problem. I had the honor to serve with both the gentleman from Michigan [Mr. CONYERS] and the gentleman from New York [Mr. HORTON] as a member of the Government Operations Committee some years ago.

We, as a matter of fact, when confronted with a similar example of constant OMB interference in the management of one government agency, the Congress responded by passing the Department of Veterans Affairs Act in 1988.

I just have to say to you that I think that what the CFO Act does is valid, because it does attempt at a high level to place in various departments those who would have authority for financial management; but my fear is that with OMB they will go beyond that and that they would in fact get into policymaking, particularly for those under the supervision of the OMB.

OMB directly and indirectly, I am afraid, could at least make the attempt to try to encase its control over the decisions of Congress. The Congress relies on timely information from each of the Departments that we want to put OMB in charge of. The recent sequester experience with OMB shows how it uses its authority without sometimes any regard for the Congress.

They think the CFO Act should be modified, and as a matter of fact that is what section 629 only attempts to do, that is to provide the opportunity to give us that chance to modify that particular Act.

Mr. CLINGER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment.

The 1990 Chief Financial Officers Act is one of the most significant management reform initiatives passed by the Congress in years. Its timing could not be better. The scandal at HUD, the incredible problems associated with the savings and loan crisis, and the more than 100 Federal programs identified by OMB and different inspectors general as high risk in terms of potential taxpayer liability, all point to the need for better, more accurate, and more timely financial information, as well as more effective and accountable financial management.

The CFO's Act meets these needs. The act establishes mechanisms to consolidate into a single, comprehensible set of accounting standards the more than 450 such standards and systems now operating across the Federal bureaucracy.

It requires that financial statements be prepared in a timely manner and that these statements be audited under the direction of the respective inspectors general of the covered agencies and departments.

Chief Financial Officers and Deputy CFO's will replace the uncoordinated and too-often unaccountable financial management organizations that now exist in the covered agencies and departments. Organization plans of the different departments have already been submitted for review to OMB, and these plans have been shared with Congress.

Progress is underway. The deadlines required by the act are being met by the agencies and departments, and by OMB as well. The response to the act has been and remains enthusiastic. The private sector is behind the act 100 percent. So is the Comptroller General of the United States. The National Association of Governors and the National Association of State Auditors, Comptrollers, and Treasurers are strongly supportive. And to quote just one inspector general, James Richards, who serves as the IG for the Department of Justice:

> Managers at all government levels must have adequate accounting systems so that agencies can prepare their budgets and produce useful annual financial statements that will withstand audit scrutiny and improve the effectiveness and efficiency of Federal programs. The implementation of the Chief Financial Officers Act of 1990 will accomplish these important objectives.

The legislation before us contains language prohibiting the implementation of this act. This amendment removes that prohibition. I urge my colleagues to support the amendment here and in any other appropriations measure that might require a similar amendment.

Mr. WHITTEN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment. I do not believe any group in this Congress comes close to our Committee on Appropriations in trying to hold the line on spending. Since 1945 our committee has held the total of appropriation bills $180 billion below the recommendations of the Presidents.

I certainly can appreciate what our friends who are sponsoring this amendment have in mind. I support your goals. Let me tell you this: All the things, the wrong doings and financial management problems, that you are talking about are in the executive branch. The Congress can appropriate money and they can write the law. But the regulations are written downtown in the executive branch, and the administration of the law is in the executive branch.

I say that with the record that we have, you make a mistake in your earnest desire and in your need to do what you are talking about by tying the hands of the one group that has held the lines. That is the Committee on Appropriations.

What I am fearful of, and I can prove it has already happened, is how the Office of Management and Budget will abuse the authority in the CFO Act. In the recent supplemental bill that we had, the Congressional Budget Office agreed we were $24 million below the ceiling. The General Accounting Office said we were $24 million below. But the Office of Management and Budget said no, they are wrong.

So OMB brought it to us. We pointed out two mistakes they made. They readily agreed they had made mistakes in arithmetic. So, what did they do? They sequestered thirteen ten-thousandths of 1 percent across the board in the face of the contrary opinions in the Congressional Budget Office, in the General Accounting Office, and in the Congress. And after we had counseled with them.

What does the CFO's Act tell each department to do? "Complies with such policies and requirements as may be prescribed by the Director of the Office of Management and Budget." Now I am pround of my record as a Member of Congress, I am proud of our committee. We are a bipartisan committee. We have to help every district in this country that we have a chance to, Republican and Democrat.

We have over 7,300 requests from our colleagues here, and we try to look after them. Now the authors of the amendment say "nobody voted against the CFO's Act". It was 12:30 in the morning when the Senate amendments were adopted. It was in a group of 20 suspensions when it passed the House and there was not a voice raised against it. There was not one for it either. But, there must have been two because the presiding officer said it passed.

The CFO Act would interfere with us looking after you and the country itself. I say again it is a mistake. I also will say that we tried to work something out on this matter. When we found out there was some opposition, I took out the phrase that extended it to the entire government so it is only 1 year for the agencies in this bill. That was to give the committee of jurisdiction a chance to tell us what you are going to do to address our concerns and how you are going to do it and then let you do it.

Now my good friend from New York says we will not use one new dollar. But it will take $100 million that you got us to give to you previously for other things.

No effort has been made to finance this separately. If we were to go along with the amendment, you would be voting to cut existing programs that we worked so hard to protect and to stay within the budget. In effect, you cut existing programs $100 million and not one of you know where that cut would apply.

So I am asking you, back your Committee on Appropriations. Let us give our Committee on Government Operations a chance to get their ducks in a row and tell us what they are going to do and how they are going to do it. Up to now there was no debate on this matter, no vote on it. It passed at 12:30 in the morning. But that is all right. The objective is good. I am for it. I hope the objectives will be accomplished. But the way our committee works, we have been able to hold things down, we deal directly with budget officers in the departments. We have done a good job. So I am asking you to stay with the committee.

It does not mean you are turning the CFO Act down, but it lets us go ahead for a year, and then we will work it out.

Let me repeat again, your problems, the wrong doings and financial problems, are in the administration, not in the Committee on Appropriations. We do not run the executive branch, we just provide the money, and you provide the law.

Stay with your committee here. We will cooperate, and my friend will tell you that I offered to agree to anything that would reach what we are talking about. I believe he will agree with that.

May I say that both the sponsors here I consider friends. I agree with what they are trying to do. I just hate to see more problems created, more than they have hopes of correcting.

I hope you will vote against the amendment and support your Committee on Appropriations.

Mr. MICHEL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment to restore funding for the Chief Financial Officers Act of 1990. I appreciate the concerns of and have the greatest respect for the distinguished gentleman from Mississippi [Mr. WHITTEN].

I am opposed and have always been opposed to needless bureaucracy. As a former member of the Committee on Appropriations, the distinguished Committee on Appropriations, I know well the many fights that have to be fought to eliminate waste, fraud, and abuse of the taxpayers' money. Time and time again we were down here in the well, particularly on our old HEW appropriations bill, offering amendments to that effect.

My colleagues may recall in the seventies we established inspectors general for each department. I do not think anyone disputes the wisdom of that action, as it resulted in substantial savings.

The Chief Financial Officers Act of 1990 represents another element in the effort to better manage our Government. This act, if properly funded, will modernize the Government's financial management structure that is now composed of outdated and conflicting accounting systems.

Improving our financial management systems means saving millions of dollars in the Guaranteed Student Loan Program, it means improving the quality of loans administered by the FHA, it means helping the Justice Department collect millions in delinquent debts. The Chief Financial Officers Act makes possible a more efficient and less wasteful Federal Government.

In this era of crushing deficits with a citizenry that demands more Government services and less taxes, the Federal Government must make the most of our tax dollars.

The Chief Financial Officers Act will make that possible and it deserves the support of my colleagues who approved it unanimously last year.

I will include with my remarks a letter that I received just today from the distinguished Comptroller General of the United States, in which he said that he supports what Mr. CONYERS and Mr. HORTON are attempting to do by way of this amendment.

Specifically, he says:

I strongly supported the CFO Act at the time it was enacted, and continue to believe that achievement of its objectives are important to improved financial management. I have long been concerned about the poor condition of our financial management systems, processes and reporting, and believe that fundamental changes such as those provided for in the CFO Act are needed. My recent testimony on June 7 before the Senate Committee on Governmental Affairs sets forth my detailed views regarding the government's financial management shortcomings.

Sincerely yours,

CHARLES A. BOWSHER.

Mr. Chairman, I would urge my colleagues to support this amendment in the interest of improved financial management throughout the departments of our Federal Government.

The letter referred to is as follows:

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, DC, June 18, 1991.

Hon. ROBERT H. MICHEL,
Republican Leader, House of Representatives.

DEAR MR. MICHEL: This is in reference to the Conyers-Horton amendment that would remove a prohibition from the Treasury Postal Service, and General Government Appropriations Bill against using funds to implement the Chief Financial Officers Act of 1990. I strongly supported the CFO Act at the time it was enacted and continue to believe that achievement of its objectives are important to improved financial management.

I have long been concerned about the poor condition of our financial management systems, processes and reporting and believe that fundamental changes, such as those provided for in the CFO Act, are needed. My recent testimony on June 7 before the Senate Committee on Governmental Affairs set forth my detailed views regarding the government's financial management shortcomings.

Sincerely yours,

CHARLES A. BOWSHER,
Comptroller General of the United States.

Mr. ROYBAL. Mr. Chairman, I move to strike the requisite number of words and rise in opposition to the amendment.

Mr. Chairman, I understand that the intent of the amendment is to strike out the language in section 629. But if that is stricken out, then money can be used for the Chief Financial Officers Act in this coming year, fiscal year 1992. The real purpose of section 629 is to delay implementation of this act.

□ 2110

The reason for that is that we still do not know just how much it is going to cost. We do not know just how it is going to fit into the entire bureaucracy. For an example, we know, if it happened without any real planning, it will only establish another layer of bureaucracy, and we have too many now. We already have the inspectors general in each department.

Mr. Chairman, it seems to me that should be sufficient, but, on top of that, we also have the Office of Management and Budget. Now they screen every request for funds, every piece of legislation. They screen everything that is done by the House and the Senate.

But what worries me the most is the fact that they still do not know what estimate is the correct estimate as to cost. We have heard right along it is going to cost $100 million, that it is going to be spread across the 23 agencies. Some tell me that is not correct. It is going to cost more. Well, what worries me is the fact that it is going to cost more.

We this year in this committee, for an example, were restricted to a funding level under 602(b) that was minimal. We did the very best that we could. Now, if we were to face the same situation next year, then we again would not have the money for funding.

What I am saying is that this amendment, while it is a desirable thing on the surface, we still do not know enough about it to really make a decision at this time. I believe that leaving the language in will just delay the implementation of the act so we can examine it throughout the next year, look at it very carefully and then include it if it is meritorious, and I believe that it will be, but meritorious, and I believe that it will be, but meritorious at the end of that time, and, until we have that information I think the language we have in the bill should not be stricken.

Mr. KLUG. Mr. Chairman, I move to strike the requisite number of words and I rise in support of the amendment of the gentleman from Michigan [Mr. CONYERS].

Mr. Chairman, I had the opportunity just last Friday to share with the press a little piece of the puzzle of why I think we need a chief financial officer. It turns out the Internal Revenue Service at this moment and a pro of help with my colleagues on the Committee on Government Operations has uncovered that the IRS is planning to buy a number of its employees perhaps more than 125 memberships in private health clubs in the Washington, DC area at a cost of $650 apiece when there is a gym in the basement of the IRS headquarters less than a half mile away on the other side of the Mall and easily accessible by just one short ride on the Washington Metro system.

One little example, I think, of a systematic problem we have here in Congress and in Washington with the inability to watch how our tax dollars get spent is the Graves Commission, as my colleagues know, that more than a decade ago pointed to a chief financial officer as one of the major ways we could begin to get abuse, and waste and fraud under control in the Federal Government.

As the gentleman from New York [Mr. HORTON] pointed out, and the gentleman from Michigan [Mr. CONYERS], there are a number of conflicting accounting systems used in the Federal Government. In fact, if my colleagues take a look at the IRS, where this latest scam is taking place, they will discover that the IRS itself uses a number of in-house accounting systems, all of which conflict with one another. But when the IRS goes out to take a look at a business or an individual, they expect that individual or that business to use standardized accounting procedures, but not in the Federal Government, and, if it is good enough for the private sector and if the private sector uses it to cut waste, it is good enough to be used right here in the Federal Government.

Mr. Chairman, this should not be a battle about turf, and it should not be a battle about who watches the dimes and nickels. We all should be concerned about how we cut out these kinds of abuses and this kind of fraud, and I say to the gentleman from Mississippi [Mr. WHITTEN] with all due respect, "It's not easy for any of us to stand up and take up an argument with you, and it's even more difficult for a freshman Member, but I feel passionately that the House last time out overwhelmingly passed this for a chief financial officer, and, taking the lead from Mr. HORTON and Mr. CONYERS, I think it's time the House passed it again."

Mr. Chairman, I urge the House to support the amendment and to remove the prohibition on finally establishing a chief financial officer.

Mr. PENNY. Mr. Chairman, I rise in support of the amendment offered by our colleagues, the gentleman from Michigan [Mr. CONYERS] and the gentleman from New York [Mr. HORTON], to strike the language in the bill that will prohibit the use of funds to implement the Chief Financial Officers Act. This law authorized the establishment of chief financial officers in 22 departments and agencies of the executive branch in order to centralize financial reporting and oversee financial activities in these Federal agencies.

On October 15, 1990 the House debated and passed by voice vote the Chief Financial Officers Act. In presenting the legislation to the House, the gentleman from Michigan [Mr. CONYERS] said:

> The Chief Financial Officers Act is perhaps the most important legislation this Congress can pass to rein in the massive fraud, waste, abuse and mismanagement draining the Federal Treasury and undermining public confidence in government.

Less than 2 weeks ago we had members of the Committee on Appropriations here on the floor defending the Government Accounting Office from budget cuts. They argued quite persuasively that it was penny-wise and pound-foolish to reduce funding for an agency so successful at rooting out waste and saving the taxpayers billions of dollars. I agreed with their arguments then. The Chief Financial Officers Act with a chief financial officer in each agency can help us to perform a similar purpose. That is why I feel the language in the committee-reported bill is penny-wise and pound-foolish and should be stricken.

Mr. Chairman, I say to my colleagues, "If you want to stop the mismanagement of the financial resources of the Nation, I believe you should support the Conyers-Horton amendment, and I urge a yes vote."

Mr. COLEMAN of Texas. Mr. Chairman, will the gentleman yield?

Mr. PENNY. I yield to the gentleman from Texas.

Mr. COLEMAN of Texas. Mr. Chairman, I guess my major question is, and I think the gentleman from New York [Mr. HORTON] attempted to explain it earlier: How is it going to be organized? Why does it have to be at OMB, for example? Why not the Department of the Treasury?

Mr. PENNY. Mr. Chairman, with this amendment here we are restoring the chief financial officer in the agencies in this bill only. We are allowing the agencies in this bill only. The gentleman is talking about the Chief Financial Officers Act itself and how it lodges this responsibility down at OMB. I do not know of another agency right now that has overall management authority as to where it would be more appropriate to place this. I think we could give it there if they do not use it appropriately. We can come back and deal with that question next year.

Mr. COLEMAN of Texas. Mr. Chairman, if the gentleman will further yield, I would only say there are a number of us that think that OMB having that authority is a mistake, that in fact the Department of the Treasury would be a more appropriate agency than the Office of Management and Budget. I think that perhaps the gentleman from New York [Mr. HORTON] would like to explain why he picked OMB, but I have to just say to my colleague that my biggest problem, quite honestly, is the fact it has to be at OMB. I think the chairman of the Committee on Appropriations, the gentleman from Mississippi [Mr. WHITTEN], pointed out a minute ago the biggest problem is that OMB wants its confrontation with GAO and the confrontation with the other agencies that also attempt to make decisions about the budget. Now we are going to put them in charge of management?

Mr. Chairman, I have got to be honest with my colleagues. That I think is the biggest fear a lot of us have.

Mr. PENNY. Mr. Chairman, reclaiming my time, I do understand that the main concern of the chairman and others on the committee is the lodging of this authority with OMB.

Mr. HORTON. Mr. Chairman, will the gentleman yield?

Mr. PENNY. Mr. Chairman, I yield to the gentleman from New York to further respond to that.

Mr. HORTON. Mr. Chairman, I thank the gentleman from Minnesota [Mr. PENNY] for yielding, and basically a lot of thought went into where to locate this Office of Chief Financial Officers. It was suggested that it be put in Treasury, but we did not put it in Treasury because Treasury does not have the wide authority that OMB has, and we felt that because Treasury, just like HUD, or HHS, or one of the other departments, we felt that the Office of Management and Budget is the place to put it.

As a matter of fact, Mr. Chairman, it used to be the Bureau of the Budget, and some years back we created an Office of Management and Budget, and one of the problems we have had is that most of the time in the Office of Management and Budget all the attention has been given to the budget. Now what we are trying to do is emphasize the management part of OMB. This Congress many years ago established the Office of Management and Budget, and that is the appropriate place to put it.

I would say this to the gentleman, "If it doesn't work, I'm sure the chairman of the committee and I will have hearings, and we'll determine whether or not it's working."

□ 2120

But it gives a chance. What you are trying to do now is gut it.

Mr. PENNY. Mr. Chairman, if I may reclaim my time, again, I think the key point to remember here is that OMB has general authority to develop the President's budget, and we know wide-reaching authority to oversee requests from departments and agencies in the implementation of the appropriation bills that we enact here.

But what we are talking about here is a separate kind of function. It is simply a bookkeeping-accounting function, to get some uniformity in the way we keep our records, from one department to the other.

The CHAIRMAN. The time of the gentleman from Minnesota [Mr. PENNY] has expired.

(At the request of Mr. COLEMAN of Texas, Mr. PENNY was allowed to proceed for 1 additional minute.)

Mr. PENNY. I yield to the gentleman from Texas.

Mr. COLEMAN of Texas. Mr. Chairman, I think that is the real issue that the gentleman from New York [Mr. HORTON] also misunderstands. He says we are going to gut it. The fact that the Committee on Appropriations elected not to fund that legislation does not mean any such thing. What it actually means is that there is an attempt on the part of the Committee on Appropriations to work out an agreement about how best to modify the act, so we are not placing one level of bureaucracy on another.

Mr. Chairman, let me just correct what the gentleman from Minnesota [Mr. PENNY] said in the well. It is not simply unifying accounting procedures. If we wanted to do that, we could pass a bill to do that. That is not difficult. In fact, an executive order from the President of the United States could do that. We do not need a bill to have accounting done all the same in all of the different agencies in the U.S. Government and in the administration.

Mr. Chairman, I would just ask the gentleman to reconsider his position in support of this particular amendment. I think that the Committee on Appropriations, particularly the Subcommittee on Treasury-Postal Service-General Government, did the right thing in suggesting that on this issue, this is a Treasury issue, not one for the Office of Management and Budget.

Mr. McCANDLESS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I understand where Members are coming from over here, because nine-tenths of the time, I am with you. The spending of money does not usually produce much in terms of good management in Government, and I say that reluctantly, as a political science major.

However, as a member of the Committee on Government Operations, I would like to draw a few analogies here, if I may.

Have you ever seen a well-organized corporation that did not have an auditor-controller? Probably not. I have not seen one.

As that agency grows larger and the responsibilities of the financial part of that agency grow larger, the auditor-controller, who has the responsibility of the nuts and bolts on a day-to-day basis, to allocate the funds properly as they were budgeted by the directing body, finds himself unable to handle the larger and more complex issues. So you end up with a vice president of finance, who goes out and works in that area to bring the necessary resources back to that corporation for purposes of investments, and so on and so forth.

But that auditor-controller is still there. The auditor-controller is saying to those in management positions, this is what the governing body of that corporation decided to do in terms of a budget, and you down here in this area of research and development, you have reached a point now where in 8 months you have spent 10 months of what it is we have allocated for that purpose. And you can go on and on and on.

Mr. Chairman, my perception here is that even though we may be looking at this as a layer on top of a layer, we are looking here at an auditor-controller who takes these budgets in these major areas of the Executive Branch and reviews them. As those months pass, that financial officer-auditor-controller says to management, hey, fellows, over here. This is not going right, i.e., HUD and all of the other organizations where we have had the horror stories relative to the mismanagement of funds, because we did not have a focal point by which those funds could be on a line item-by-line item basis reviewed within the framework of that organization.

Mr. Chairman, a Member talked earlier about the Inspector General. Yes, the Inspector General is absolutely necessary, but the Inspector General is after the fact. What we are saying here is, based upon the experiences of the Committee on Government Operations, at least during my time on the committee, we need to have somebody on board who can take care of things during the fact, and, therefore, minimize the horror stories of the Inspector General, the GAO, and all of the other reviewing officers who are involved in the governmental system, bring it forth to the Congress, and we, in turn, then have to in some way or another find solutions.

Mr. Chairman, the Committee on Government Operations has found a solution to what I consider to be a very plausible parallel in private industry, where if you do not make a buck, you do not exist, the auditor-controller.

Mr. TRAXLER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong opposition to the amendment. I have the deepest affection for the makers of the amendment. They are very fine gentlemen. They seek the same result I do. The problem is they are using the wrong agency.

Mr. Chairman, we on the Committee on Appropriations live virtually every day with OMB. Let me tell you on my side of the aisle, there is not a more partisan individual in this administration than the director of OMB. Increasing his power and influence over the agencies through the direct appointment of CFO's, in my judgment, is very destructive to the very purposes that you purport this act will solve.

Mr. Chairman, let me tell Members what the Comptroller General said before the Committee on Government Operations when he testified in September of 1990: "The CFO must have adequate personnel and other resources to plan and direct the financial management improvement program." * * * we are all for that. "Chairman CONYERS' and Representative HORTON'S bills each provide an Office of Federal Financial Management in OMB to assist the CFO. Concern over the adequacy of resources for financial management functions was one reason for my earlier opposition to placing the CFO in OMB. The question in my view is whether over the long-term OMB will provide this new office with adequate staff and other resources in order to keep OMB's size to a minimum."

Now, this is the Comptroller General of the United States, who goes on to

say, "To deal with that concern, which realistically I believe will continue to be a problem at OMB, I prefer the establishment of an Office of Federal Financial Management in the Department of Treasury. This office would provide technical assistance to the agencies, monitor agencies' activities, and assist the CFO. It would give the CFO access to additional staff resources for planning and controlling the financial management improvements, while at the same time leaving the day-to-day financial management functions in Treasury. Treasury already has lead responsibility for agency financial management systems improvements, credit management, debt collection and cash management."

Mr. Chairman, it is not that I oppose this act, but I want to say, any administration could do 90 percent of what this act does by existing law, if it chose to. But you created a new law, and you put it in OMB to administer.

Mr. Chairman, I can live with the new law. It seems a waste, I think you are squandering dollars, but I guess waste and abuse may take place as a result of laws that Congress passes—but what you are doing is putting it in the wrong agency. That is what we strenuously object to.

This is another level of OMB control of the various departments and agencies. We do not need another OMB filter. That is what you are doing.

Mr. CONYERS. Mr. Chairman, will the gentleman yield?

Mr. TRAXLER. I am pleased to yield to the gentleman from Michigan.

Mr. CONYERS. Mr. Chairman, I would like to point out a couple of things to my valued colleague from Michigan [Mr. TRAXLER], a real leader on the Committee on Appropriations with whom we work together. First of all, what the gentleman said of the Comptroller General, Mr. Bowsher, is correct. But he went on to put the qualifications under which he would accept this chief financial officer legislation in the Office of Management and Budget. I am going to read that into the RECORD, because it is very specific.

Bowsher said in his testimony before the committee:

Because OMB has shown a recent willingness to tackle the challenge of financial management reform and has indicated it is serious about this, I would accept the CFO being in OMB as an alternative, subject to the following essential conditions.

1. The CFO must be legislatively established * * *

2. The person selected must be qualified in terms of financial management education and practical experience * * *

3. The CFO must be equal in rank to the head of the budget side of OMB, have a sufficiently high organizational stature to command authority and respect throughout government, and have continuity * * *

4. The CFO must have adequate personnel and other resources to plan and direct the financial management improvement program.

These are all good conditions that I agreed with and I think a reading of the bill will find that Mr. Bowsher's concerns have been satisfied.

First, the CFO position is legislatively established; the position and even the entire structure is not at the discretion of any President.

Second, the CFO's Act creates a new deputy director for management position at OMB that is on the same par as the deputy director for budget, as the comptroller recommended. Further, the act creates a new controller position immediately under the deputy director who shall possess, and I quote, "demonstrated ability and practical experience in accounting, financial management, and financial systems; and extensive practical experience in financial management in large governmental or business entities." Now I know that meets the stringent criteria desired by the Comptroller General.

Lastly, is the point made by the comptroller about the need for resources. I regret to say that the Appropriations Committee has decided not to grant any money for implementing this Act—to OMB, Treasury or any other agency. OMB requested about $1.5 million to hire 23 new staff to carry out the coordinating functions envisioned by this Act. Unfortunately this request was not granted by the Committee.

Finally, let me say one last thing about OMB and Treasury. The CFO's Act preserves the role of both entities. OMB is to provide the government-wide coordinating role of financial management policies and practices—a role it had before the CFO's Act existed. The bill also preserves Treasury's operational responsibility for managing credit, cash collection and debt. These are basic line functions; they are not policy setting activities.

WHY PLACE THE CFO AT OMB RATHER THAN TREASURY

OMB is management central for the executive branch. It is responsible for ensuring adequate management of all Federal agencies on behalf of the President. It has had this authority since 1921 when the Bureau of the Budget was first created.

Treasury lacks the ability to get governmentwide policy. It is one of 14 departments and numerous agencies. In this regard it is no different than the Department of Health and Human Services or the Environmental Protection Agency.

OMB has the power to get the job done. Budgetary decisions are key to improving financial management—money is needed for new systems, people, and to make agencies take this agenda seriously.

Treasury also has no control over the President's budget. It lacks the ability to make sure that the President's budget provides resources to ensure management improvements.

Central coordination at OMB is necessary to assure consistency in financial reporting and integration of other management functions.

Treasury only deals with financial matters. OMB deals with a wide range of management issues. Financial management and general management need to be integrated, which only OMB can do.

Financial management is an inextricable part of overall management; over one-third of the Government's high-risk areas involve financial management. The cures involve integrated management solutions—linking personnel with procurement matters, financial management, and systems development. OMB's management functions have always included both general and financial management.

Under other authority separate from the CFO's Act, OMB currently issues accounting standards and financial management circulars.

OMB acts on behalf of the President in these areas and has, since 1987—prior to the passage of the CFO's Act—chaired the executive branch's financial management council.

The distinguished minority leader just read a letter. I am sure the Comptroller General would not be flopping all over the place.

The M in OMB was put in there under the Reorganization Act of 1970 for management purposes. That is why we located it here. Treasury is a line department that does not have the ability to set governmentwide policy.

□ 2130

This was not out of my affection for the Director of OMB. I think I have a longer list of grievances with him that are unresolved than the gentleman does. The gentleman would be surprised, but the fact of the matter is that if we are going to really make this work, we have got to put it where the clout is. It is not in Treasury. Mr. Bowsher concedes this, if we establish the chief financial officer legislatively. And that is, I say to the gentleman from Michigan, my distinguished colleague, that is what we have done in this act.

We sent the bill to the Committee on Appropriations. We got back zero response. I had no idea that my dear esteemed leader, the chariman of this committee, had any objection to this matter whatsoever, or we would have made every attempt to correct it, until we began our negotiations. So I hope that the gentleman will accept the fact that we did not inadvertently or recklessly place this with OMB. It is the only way we are going to have it work.

Mr. TRAXLER. In my judgment, the reasons that I had given the gentleman earlier still stand. I appreciate his comments.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

(By unanimous consent, Mr. TRAXLER was allowed to proceed for 2 additional minutes.)

Mr. TRAXLER. Mr. Chairman, I believe the act must be modified to move

the functions into the Treasury Department, and everyone that I know of supports the principles in the non-OMB provisions of the CFO Act. We like them in many respects. We think they could have been done without the act, but that is a different issue.

Mr. CONYERS. Mr. Chairman, will the gentleman yield?

Mr. TRAXLER. I yield to the gentleman from Michigan.

Mr. CONYERS. Mr. Chairman, is the gentleman aware that there is no money involved in this bill?

Mr. TRAXLER. How is the gentleman going to pay the CFO's?

Mr. CONYERS. Mr. Chairman, if the gentleman will continue to yield, if he would examine this bill, there is not one dime of new money involved. I want to make that point clear. What we are talking about is preventing the departments from using any of their existing moneys. There is not one nickel involved.

Is the gentleman aware of that fact?

What we are arguing about is whether or not we will be preventing the department from even beginning to move forward.

Mr. TRAXLER. We will talk about that at another time. One cannot hire people without paying them.

Let me just simply state that section 629, which is in the bill, only seeks to postpone the implementation of the CFO Act until, in our judgment, there is an opportunity to modify it. All we want the gentleman to do is put it in Treasury. That is all we ask. Enhanced accounting procedures and necessary auditing could be best implemented there. Centralized accounting control should be located in the Department of Treasury—the agency most concerned with accounting for the government is Treasury.

The Treasury Secretary—now this is the key point in our judgment—has many fewer axes to grind on policy issues of other departments and has a vested interest in accurate accounting principles. I ask my colleagues to turn down this amendment and to support at a later time the efforts on the part of the chairman to amend the act and transfer it to Treasury.

The CHAIRMAN. The time of the gentleman from Michigan has again expired.

(On request of Mr. WHITTEN, and by unanimous consent, Mr. TRAXLER was allowed to proceed for 5 additional minutes.)

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. TRAXLER. I yield to the gentleman from Mississippi.

Mr. WHITTEN. Mr. Chairman, I do this to try to explain what is involved here. Involved here is not what the gentleman from Michigan [Mr. CONYERS] is talking about. Involved here is turning over the operations of the Democratic Congress to OMB, which is as partisan as any group in the Government that I know of. The gentleman from Michigan [Mr. CONYERS] is turning it over to OMB, and he says there is not a new dollar in there. There is $100 million taken away from somebody else that we worked for months trying to look after your districts. What I want to say is, it is not what we think they may do. It is what we know they will do.

We had an argument in the recent supplemental appropriations bill. I tried to work it out with the OMB. We thought we had worked it out, but instead of that, listen to this, they had a sequestration of thirteen ten-thousandths of 1 percent. It cost thousands and thousands of dollars to do. With that record, we are asking you not to turn the CFO Act over to the OMB.

Now, Mr. MILLER, before the present director tried to run the Congress but did not have the support of the President, this Director wants to and has the support of the President. Honestly, you are turning over the operations of this Congress, not just our committee but everything else. There is not a new dollar in here, but there is $100 million taken away from existing projects if we do not stop implementation of the CFO Act now.

The other side, let me say this to my friend, I sat down with the opponents of this limitation and asked the CFO Act to be delayed until next year. And I think he will admit they do not have any regulations. They do not have any idea yet how it will work. They have not had a chance to figure it out. So I say, stand by your committee. We will work with you, trying to reach what you are trying to reach. But do not turn it over to the folks who got a sequestor of thirteen ten-thousandths of 1 percent. How are you going to talk to somebody that will do that? You cannot.

And I say again, stand by your committee and let us have a chance to work with you.

I think both of our friends here would believe that I tried to work with the gentlemen. I have made suggestions, and as we come here tonight, I have not received a response to my suggestions yet, but I guess this amendment speaks for itself. But the gentleman knows I will live up to what I said, and I want to help him to control the executive branch where the problems happen. Do not strangle us in a way that will hurt you worse than what you are trying to solve.

Mr. JAMES. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment coauthored by the gentleman from Michigan [Mr. CONYERS] and the gentleman from New York [Mr. HORTON].

It is high time that we proceed with needed improvements in the financial management of the major departments and agencies of this Nation's Government.

Mr. Chairman, the adventures of Robin HUD several years ago underscored just how vulnerable the Government is to fraud. Remedial action was essential and Congress responded by adopting the CFO Act late last year.

At that time, it was recognized that it would take a while to fully implement this piece of legislation.

But what shouldn't take a moment more than necessary is appropriating the money so that these people can get down to work.

Yet here we are, confronted by bill language prohibiting the use of funds to implement the Chief Financial Officers Act.

The reason for this language, as I understand it, is that some question the role the Office of Management and Budget [OMB] might play in administering the act.

Everyone supports the antifraud objectives of the Chief Financial Officers Act.

But some apparently fear that through the Chief Financial Officers Act, OMB might tell the White House about wasteful spending that should be cut out.

I think that's precisely what the American taxpayers want the President and this Congress to do. They want us to stop fraud; and they want us to cut out waste, too.

With the Federal budget deficit approaching $400 billion, the taxpayers deserve no less. And they deserve it without delay.

Mr. Chairman, the price of delay is the risk of disaster. Absent the strict financial controls envisioned by the CFO Act, a recurrence of multimillion-dollar financial scandal is not just possible but all too likely.

Today's critics had their chance to make their case during the 5 years the CFO Act was in the making. Since they didn't, the CFO Act should be given the chance to deliver on it's promise.

Mr. Chairman, the choice before us is as clear as the will to proceed with these financial reforms is necessary. I urge my colleagues to support the Conyers-Horton amendment and ask unanimous consent to revise and extend my remarks.

Mr. CARPER. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. PAYNE of Virginia. Mr. Chairman, will the gentleman yield?

Mr. CARPER. I yield to the gentleman from Virginia.

Mr. PAYNE of Virginia. Mr. Chairman, with utmost respect for Chairman WHITTEN and for the Committee on Appropriations, I rise in support of the Conyers-Horton amendment to the Treasury, Postal appropriations bill.

In the 1950's, the Government agencies were on the cutting edge in management sys-

tems; now, after decades of neglect, we're in the Ice Age. Government agencies lack the systems necessary to measure revenues and expenses, track inventory, analyze productivity, and increase efficiency. They are generally unable to provide the cost-benefit analyses necessary to evaluate Government programs. In other words, we cannot find out which programs work and which ones don't, because we cannot get the needed financial data.

The Chief Financial Officers Act seeks to do something about this problem. Each agency will have a CFO who will be responsible for setting and implementing accounting policy for the agency; they will assist in giving an overall vision of where each agency is going. In addition, agencies will conduct annual audits and will develop and implement plans to upgrade financial systems.

With utmost respect for Chairman WHITTEN and the Appropriations Committees, I must say as a former businessman, I have often told constituents that we need to apply sound business practices to Government. Last fall, during a series of meetings on ways to reduce Government waste, GAO officials stated the CFO Act was perhaps the most significant act in 40 years in terms of Federal Government accountability. I saw in it a step toward doing the kind of cost-benefit analysis which I have long believed the Government should do more of. Also, this does not give any new authority to OMB. As a result, I sent a "Dear Colleague" letter to all congressional offices and gathered a bipartisan group of 40 Members to sign a letter to President Bush. This year, this bipartisan group has continued to monitor implementation of the CFO Act. In a February meeting, OMB and GAO officials briefed us on progress made to date. We were in the process of doing another round of monitoring when the recent controversy broke out.

We should not allow Government agencies to terminate implementation of this important legislation. In this era of fiscal austerity, we need the kind of oversight which the CFO Act can give. If you want to enable the Government to better account for taxpayers' money, give the CFO Act your full support. Vote for the Conyers-Horton amendment.

Mr. SYNAR. Mr. Chairman, will the gentleman yield?

Mr. CARPER. I yield to the gentleman from Oklahoma.

Mr. SYNAR. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, today I rise in strong support of the Conyers-Horton amendment to restore funding to implement the Chief Financial Officers Act of 1990.

The American taxpayers do not have confidence in our financial stewardship. They believe the Federal Government is poorly managed. They are correct. The Federal Government is operating without the financial safeguards necessary to assure governmental efficiency and prevent waste.

The past decade has featured continuing breakdowns in Federal financial management: Cost overruns and procurement fraud for weapons systems have rocked the Pentagon and cost the taxpayers billions; failed savings and loan institutions have shattered consumer confidence, weakened our economy and cost the taxpayers hundreds of billions; the HUD scandal has disgraced an administration and its cost is still unfolding; and just yesterday, we discovered that more than 2 million elderly are paying for Medicare benefits which the law says should be free. These blunders and escapades have destroyed public confidence. The answer to this chaos is better financial management. Stated simply, the time has come to put our financial house in order.

The Chief Financial Officers Act provides clear and concise direction to the executive branch to clean up or clear out. We must put modern financial systems in place. Taxpayers will not tolerate more waste, fraud, and abuse. For too many years the Comptroller General and the GAO was the lone voice in the wilderness calling out for good business management of our Federal Government. The CFO is a strong, bipartisan response to that warning.

The timing of the CFO is long overdue. We have a $3.4 trillion national debt; we are spending $265 billion each year on interest on the national debt; the Federal Government is responsible for another $6 trillion in loans and loan guarantees; and the price tag of the S&L and banking crises continue to spiral upward.

The Federal financial management system is in complete disrepair. Now is the time for fundamental change. Implementing the Chief Financial Officers Act is part of the answer. It will help us put the M back in the OMB.

Mr. CARPER. Mr. Chairman, almost everything has been said about this amendment. There are a couple points I want to reiterate tonight before we vote.

One, the Committee on Appropriations of the House is not on trial because of this legislation or this debate.

□ 2140

There is no question or no dispute that the Committee on Appropriations of the House has done its job. You bring in appropriation bills within the budget constraints that we have adopted; this year, in particular, you bring them in in a timely fashion.

One of the opponents of this amendment has suggested that a reason for voting against it is because the administration has the power already to do what this legislation requires them to do. Well, damn it, if they have the power, why have they not used it? This legislation says, "We want you to use this power. We want you to manage the Government. We want you to manage our finances."

I serve on the Housing Subcommittee. A number of you do as well. Some of you serve with the gentleman from California [Mr. LANTOS] on the Housing Subcommittee of the Committee on Government Operations.

I am sick and tired of hearing about Robin HUD's. I am sick and tired of hearing about tens of millions of our dollars wasted and going into the pockets of insiders instead of helping people get decent housing.

I want some accountability from this administration. We want OMB to do its job, and that includes managing the finances of our country.

This debate should have taken place last year. My regret is that it did not.

We can now do again to reaffirm what we should have done and send a loud and clear message not to the appropriators but, doggone it, to the executive branch of our Government.

I urge a vote in support of the Conyers-Horton amendment. I am happy to be a part of it.

Mr. BURTON of Indiana. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I will just take a couple of moments.

This legislation is not designed to usurp the authority of the Committee on Appropriations. That is not the purpose of this. The purpose of this legislation is to get back to what we passed last year.

Last year we passed legislation creating the position of the Chief Financial Officer. The Committee on Appropriations in each appropriation bill has tried to rescind that law by saying that they would not appropriate the money to pay for it.

The fact of the matter is the Congress of the United States spoke very loudly and very clearly last year when both Houses passed this legislation almost unanimously, so the will of the Congress has been expressed.

This is not a turf battle. This is a battle over sound management practices that should be conducted by this Government.

I would just say that anybody who knows anything about the private sector and about the free enterprise system knows that you have to have a chief financial officer to make sure there is no waste, fraud, or abuse, and we need that same practice applied to the Federal Government, and we need it now.

Mr. UPTON. Mr. Chairman, will the gentleman yield?

Mr. BURTON of Indiana. I am happy to yield to the gentleman from Michigan.

Mr. UPTON. Mr. Chairman, I rise in support of the amendment.

The projected deficit for 1991 is going to exceed $300 billion. Fiscal year 1992 doesn't look a whole lot better. Many of us have stood here on the House floor trying to do something about it. We've spoken out against wasteful spending, voted to eliminate unnecessary programs, and debated spending priorities—yet the deficit remains, putting more and more pressure on how we spend the taxpayers' dollar.

If we are to successfully achieve the legitimate functions of government—from national defense to Head Start—we must ensure every dollar we spend goes where we direct it.

There's no question Federal agencies lose millions of dollars through waste, fraud, and abuse. These are funds that simply go down the drain. With more and more constraints on our spending,

and the increasing voices of those who cry out for our help, we can't afford to waste one red cent. Clearly, poor financial management must become a thing of the past. The Chief Financial Officers Act we passed last year will help do it.

Unfortunately, this appropriations bill would prohibit funds from being used to implement the act. It would halt Congress' desire to improve financial management and prevent us from ensuring the money we spend does what we want. The restrictions in this bill must be removed.

The Chief Financial Officers Act will improve accounting systems and enhance financial management. It will strengthen internal controls and provide financial information useful to Congress and the executive branch. Indeed, the executive branch has begun to implement it: several chief financial officers are already in place and more are in the pipeline.

Mr. Chairman, we pinpointed the problem and passed legislation to help solve it. How can we explain to the American people why we aren't funding it? They are sick of scandals. They expect accountability. This is a way to give it to them.

I would hope that we are all against fraud and abuse. Well, let us quit talking about it and vote to end fraud and abuse.

I strongly urge my colleagues to vote yes and eliminate the provision barring funds for this purpose.

Mr. GRADISON. Mr. Chairman, I rise today in strong support of this amendment. The chief financial officer legislation is essential to improving the financial management of the U.S. Government. We can never afford to waste any of our resources, but this is especially true now, in a period of strict spending discipline. The Congress overwhelmingly approved this legislation last year as one means of gaining better control over Government spending. We should delay no longer in putting our words into practice.

I appreciate Chairman WHITTEN'S concern about adding unnecessary layers of bureaucracy between the Congress and executive branch agencies. However, the need for greater coordination of Federal financial information and the improved accessibility of congressional committees to such information will far outweigh any incremental increase that may occur in the Federal bureaucracy.

The Federal Government currently has more than 450 different and largely incompatible accounting systems. As a result, it is virtually impossible to obtain standardized financial information across the Government. Lack of standard financial reports makes the oversight job of the Congress exceedingly difficult and enables wasteful practices to exist undetected. The CFO Act, by establishing a mechanism for enhancing internal control and performance monitoring, will allow agencies to get more bang for their buck.

The act creates a chief financial officer position in each of the 16 Cabinet Departments and the 7 largest independent agencies. It requires the agencies to restructure their financial operations to reduce waste and duplication. The purpose of the act is to inject accurate financial information and discipline in the management of the multi-billion-dollar enterprise of Government—providing managers with tools to make more effective resource allocations.

The chief financial officer is an important complement to the agency inspectors general. The IG ferrets out waste, fraud, and abuse in agency operations. The CFO develops systems and procedures to prevent waste, fraud, and abuse from occurring in the first place. Further, where waste, fraud, or abuse have occurred, good financial management practices make it easier to identify.

How many Members have spoken out against waste, fraud, and abuse in Government programs? The CFO Act was intended to strike directly at the heart of this problem by strengthening financial control. Weak financial management has facilitated, if not contributed to, much of the waste, fraud, and abuse that we have seen. The Congress can no longer limit itself only to providing funds—we have an obligation to see that those funds are well spent.

All of my colleagues who at one time or another have decried waste, fraud, and abuse in Government should vote for this amendment.

Mr. SISISKY. Mr. Chairman, I rise today in strong support of the Conyers-Horton amendment.

American taxpayers are tired of seeing their hard-earned tax dollars sucked into a black hole. In fact, polls suggest that Americans believe the Federal Government wastes as much as one half of the money it collects. And this is no surprise. After witnessing scandal after scandal at several Federal agencies, citizens are beginning to wonder if their Government has any control over how their money is spent.

Last year we made a bold attempt to change this by unanimously passing the Chief Financial Officers Act of 1990. Its passage will help us to show taxpayers what they're getting for their money and give policymakers the tools to see if their goals are being accomplished.

This act seeks to install sound financial management within Federal agencies. It brings their accounting systems into the 20th century, and it requires them to publish independently audited financial statements each year. In essence, it holds the Federal Government to the same standards of accountability that is expected of American business.

The Chief Financial Officers Act also promises to be a vital tool for deficit reduction. Over the next few years, our spending choices will become tougher. We will have to weigh and measure many worthy programs to decide what works and what doesn't. This act can provide us with valuable information on the results of Federal spending so that we can make prudent decisions.

It is unfortunate that the bill seeks to deny us this important opportunity to improve financial accountability and control at a time when it is sorely needed.

Mr. Chairman, I ask for a "yes" vote on this amendment to restore funding for the Chief Financial Officers Act. Let's start providing American taxpayers with some assurance that their hard-earned dollars are properly accounted for.

Mr. PORTER. Mr. Chairman, for almost a decade now, the Congress has been attempting to reduce spending by curtailing Government waste. The momentum began under President Reagan with the Federal Managers' Financial Integrity Act of 1982 and the Grace Commission Report recommendations. Now, almost a decade and several GAO evaluations later, we are redebating legislation that we passed by voice vote in the 101st Congress.

Mr. Chairman, a decade of debates and evaluations is enough. It's time to get our fiscal house in order. Implementation of the Chief Financial Officers Act will reduce the possibility of scandals such as those that occurred at HUD; it will establish a measure of accountability in the spending of American tax dollars; and it will create a gravely needed process for tracking revenues, procurement, assets, and expenditures by executive branch agencies. The time for the implementation of Public Law 101–576 has come Mr. Chairman and, as a member of the congressional Grace caucus, I urge my colleagues not to turn back the clock.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. CONYERS].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. CONYERS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 341, noes 52, not voting 39, as follows:

[Roll No. 163]

AYES—341

Ackerman	Callahan	Dreier
Allard	Camp	Duncan
Anderson	Campbell (CA)	Dymally
Andrews (ME)	Campbell (CO)	Eckart
Andrews (TX)	Cardin	Edwards (CA)
Annunzio	Carper	Edwards (OK)
Anthony	Chandler	Emerson
Applegate	Clement	Engel
Archer	Clinger	English
Armey	Coble	Erdreich
Aspin	Coleman (MO)	Evans
Bacchus	Collins (IL)	Fawell
Baker	Collins (MI)	Feighan
Ballenger	Combest	Fields
Barnard	Condit	Fish
Barrett	Conyers	Flake
Barton	Cooper	Foglietta
Bateman	Costello	Ford (MI)
Bellenson	Coughlin	Ford (TN)
Bennett	Cox (CA)	Frank (MA)
Bentley	Cox (IL)	Franks (CT)
Bereuter	Cramer	Frost
Berman	Crane	Gallegly
Bilirakis	Cunningham	Gallo
Billey	Dannemeyer	Gejdenson
Boehlert	Darden	Gekas
Boehner	Davis	Gephardt
Bonior	de la Garza	Geren
Borski	DeLauro	Gibbons
Boxer	DeLay	Gillmor
Brewster	Dellums	Gilman
Broomfield	Derrick	Gingrich
Browder	Dickinson	Glickman
Brown	Donnelly	Gonzalez
Bruce	Dooley	Goodling
Bunning	Doolittle	Goss
Burton	Dorgan (ND)	Gradison
Bustamante	Dornan (CA)	Grandy
Byron	Downey	Green

Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hancock
Hansen
Harris
Hastert
Hatcher
Hayes (IL)
Hayes (LA)
Hefley
Henry
Herger
Hertel
Hoagland
Hobson
Hochbrueckner
Holloway
Horn
Horton
Houghton
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Jacobs
James
Jenkins
Johnson (CT)
Johnson (SD)
Johnson (TX)
Johnston
Jones (GA)
Kanjorski
Kasich
Kennedy
Kennelly
Kildee
Kleczka
Klug
Kolbe
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
LaRocco
Leach
Lehman (CA)
Lent
Levin (MI)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Long
Lowery (CA)
Luken
Machtley
Manton
Markey
Marlenee
Martinez
Mavroules
Mazzoli
McCandless
McCollum
McCrery
McCurdy
McDermott
McEwen
McGrath
McMillan (NC)
McMillen (MD)
McNulty
Meyers
Mfume
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Mink
Moakley
Moody
Moorhead
Morella
Morrison
Murphy
Myers
Neal (MA)
Nichols
Nowak
Nussle
Oakar
Olin
Olver
Owens (NY)
Owens (UT)
Oxley
Packard
Pallone
Panetta
Patterson
Payne (NJ)
Payne (VA)
Pease
Penny
Peterson (MN)
Petri
Pickett
Porter
Poshard
Pursell
Quillen
Rahall
Ramstad
Rangel
Ravenel
Ray
Reed
Regula
Rhodes
Richardson
Ridge
Riggs
Rinaldo
Ritter
Roberts
Roe
Roemer
Rohrabacher
Ros-Lehtinen
Rose
Rostenkowski
Roth
Roukema
Rowland
Russo
Sanders
Sangmeister
Santorum
Sarpalius
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schiff
Schroeder
Schulze
Sensenbrenner
Sharp
Shaw
Shays
Shuster
Sikorski
Sisisky
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (NJ)
Smith (OR)
Snowe
Solarz
Solomon
Spratt
Staggers
Stallings
Stark
Stearns
Stenholm
Stokes
Studds
Stump
Sundquist
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Taylor (NC)
Thomas (CA)
Thomas (WY)
Torres
Torricelli
Towns
Traficant
Unsoeld
Upton
Valentine
Vander Jagt
Vento
Volkmer
Vucanovich
Walker
Walsh
Washington
Waters
Waxman
Weber
Weiss
Wheat
Wilson
Wise
Wolf
Wolpe
Wyden
Wylie
Yatron
Young (FL)
Zeliff
Zimmer

NOES—52

Abercrombie
Alexander
Andrews (NJ)
Atkins
Bevill
Brooks
Bryant
Carr
Chapman
Coleman (TX)
Coyne
DeFazio
Dicks
Durbin
Early
Edwards (TX)
Espy
Fascell
Fazio
Hefner
Hoyer
Jefferson
Jontz
Kaptur
Kolter
Kopetski
Laughlin
Lowey (NY)
McCloskey
McHugh
Mollohan
Montgomery
Murtha
Nagle
Natcher
Obey
Ortiz
Parker
Pelosi
Perkins
Pickle
Price
Roybal
Sabo
Skaggs
Smith (IA)
Taylor (MS)
Thomas (GA)
Thornton
Traxler
Visclosky
Whitten

NOT VOTING—39

AuCoin
Bilbray
Boucher
Clay
Dingell
Dixon
Dwyer
Gaydos
Gilchrest
Gordon
Gray
Hopkins
Hubbard
Ireland
Jones (NC)
Lehman (FL)
Levine (CA)
Lloyd
Martin
Matsui
McDade
Molinari
Moran
Mrazek
Neal (NC)
Oberstar
Orton
Paxon
Peterson (FL)
Rogers
Schumer
Serrano
Smith (FL)
Smith (TX)
Spence
Weldon
Williams
Yates
Young (AK)

□ 2202

Mr. ATKINS changed his vote from "aye" to "no."

Mr. DERRICK and Mr. VOLKMER changed their vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. MORAN. Mr. Speaker, during rollcall vote No. 163 on H.R. 2622 I was unavoidably detained. Had I been present I would have voted "aye."

The CHAIRMAN. Are there additional amendments to the bill?

If not, the Clerk will read.

The Clerk read as follows:

This Act may be cited as the "Treasury, Postal Service and General Government Appropriations Act, 1992".

Mr. ROYBAL. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker having resumed the Chair, Mr. STUDDS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2622) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1992, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. MILLER OF OHIO

Mr. MILLER of Ohio. Mr. Chairman, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. MILLER of Ohio. I am, in its present form, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. MILLER of Ohio moves to recommit the bill, H.R. 2622, to the Committee on Appropriations.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. BURTON of Indiana. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 349, nays 48, not voting 35, as follows:

[Roll No. 164]

YEAS—349

Abercrombie
Ackerman
Alexander
Allard
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Aspin
Atkins
Bacchus
Baker
Ballenger
Barnard
Barrett
Bateman
Bellenson
Bennett
Bentley
Bereuter
Bevill
Biliraki
Bliley
Boehlert
Boehner
Bonior
Borski
Boxer
Brewster
Brooks
Broomfield
Browder
Brown
Bruce
Bryant
Bustamante
Byron
Callahan
Camp
Campbell (CA)
Campbell (CO)
Cardin
Carper
Carr
Chandler
Chapman
Clement
Clinger
Coble
Coleman (MO)
Coleman (TX)
Collins (IL)
Collins (MI)
Condit
Conyers
Cooper
Costello
Coughlin
Cox (IL)
Coyne
Cramer
Cunningham
Darden
Davis
de la Garza
DeFazio
DeLauro
DeLay
Dellums
Derrick
Dicks
Dixon
Donnelly
Dooley
Dorgan (ND)
Downey
Duncan
Durbin
Dymally
Early
Eckart
Edwards (CA)
Edwards (OK)
Edwards (TX)
Emerson
Engel
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fish
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Franks (CT)
Frost
Gallo
Gejdenson
Gephardt
Geren
Gibbons
Gillmor
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Gradison
Grandy
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Harris
Hastert
Hatcher
Hayes (IL)
Hayes (LA)
Hefner
Herger
Hertel
Hoagland
Hobson
Hochbrueckner
Holloway
Horn
Horton
Houghton
Hoyer
Huckaby
Hughes
Hutto
Hyde
Inhofe
James
Jefferson
Jenkins
Johnson (CT)
Johnson (SD)
Johnson (TX)
Johnston
Jones (GA)
Jontz
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Klug
Kolbe
Kolter

Kopetski
Kostmayer
LaFalce
Lancaster
Lantos
LaRocco
Laughlin
Leach
Lehman (CA)
Lent
Levin (MI)
Lewis (CA)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Long
Lowery (CA)
Lowey (NY)
Luken
Machtley
Manton
Markey
Martinez
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McCurdy
McDermott
McGrath
McHugh
McMillan (NC)
McMillen (MD)
McNulty
Meyers
Mfume
Michel
Miller (CA)
Miller (WA)
Mineta
Mink
Moakley
Mollohan
Montgomery
Moody
Moran
Morella
Morrison
Murphy
Murtha
Myers
Nagle
Natcher
Neal (MA)
Nichols
Nowak
Nussle
Oakar
Obey
Olin
Olver
Ortiz
Owens (NY)
Owens (UT)
Panetta
Parker
Patterson
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Pickett
Pickle
Porter
Poshard
Price
Pursell
Quillen
Rahall
Ramstad
Rangel
Ravenel
Ray
Reed
Regula
Rhodes
Richardson
Ridge
Riggs
Rinaldo
Ritter
Roe
Roemer
Ros-Lehtinen
Rose
Rostenkowski
Roukema
Rowland
Roybal
Russo
Sabo
Sanders
Sangmeister
Sarpalius
Savage
Sawyer
Saxton
Scheuer
Schiff
Schroeder
Schulze
Sharp
Shaw
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NJ)
Smith (OR)
Snowe
Solarz
Solomon
Spratt
Staggers
Stallings
Stark
Stearns
Stenholm
Stokes
Studds
Sundquist
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (GA)
Thomas (WY)
Thornton
Torricelli
Towns
Traficant
Traxler
Unsoeld
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walsh
Washington
Waters
Waxman
Weber
Weiss
Wheat
Whitten
Wilson
Wise
Wolf
Wolpe
Wyden
Wylie
Yatron
Young (FL)
Zeliff

NAYS—48

Archer
Armey
Barton
Bunning
Burton
Combest
Cox (CA)
Crane
Dannemeyer
Dickinson
Doolittle
Dornan (CA)
Dreier
Fields
Gallegly
Gekas
Goss
Hancock
Hansen
Hefley
Henry
Hunter
Jacobs
Kasich
Kyl
Lagomarsino
Lewis (FL)
Marlenee
McEwen
Miller (OH)
Moorhead
Neal (NC)
Oxley
Packard
Pallone
Petri
Roberts
Rohrabacher
Roth
Santorum
Schaefer
Sensenbrenner
Shays
Shuster
Slattery
Stump
Walker
Zimmer

NOT VOTING—35

AuCoin
Berman
Bilbray
Boucher
Clay
Dingell
Dwyer
Gaydos
Gilchrest
Gray
Hopkins
Hubbard
Ireland
Jones (NC)
Lehman (FL)
Levine (CA)
Lloyd
Martin
Matsui
McDade
Molinari
Mrazek
Oberstar
Orton
Paxon
Rogers
Schumer
Serrano
Smith (TX)
Spence
Torres
Weldon
Williams
Yates
Young (AK)

□ 2223

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. SCHUMER. Mr. Speaker, because I was unavoidably called away to my district, I missed three votes before the House. I missed the votes on the Roybal and Conyers amendments, and the vote on final passage of the bill. Had I been present for these votes I would have voted "yes" for each one.

AUTHORIZING CORRECTIONS IN ENGROSSMENT OF H.R. 2622, TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 1992

Mr. ROYBAL. Mr. Speaker, I ask unanimous consent that in the engrossment of the bill, H.R. 2622, the Clerk be authorized to correct section numbers, punctuation and cross references, and to make such other technical and conforming changes as may be necessary.

The SPEAKER pro tempore. (Mr. ROEMER). Is there objection to the request of the gentleman from California?

There was no objection.

GENERAL LEAVE

Mr. ROYBAL. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks and to include extraneous material on H.R. 2622, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

PERSONAL EXPLANATION

Mr. WELDON. Mr. Speaker, due to a death in the family, I was called away from Washington. In that time, I missed several votes on H.R. 2622. Had I been present, I would have voted in the following manner on these questions:

Rollcall 163, "aye."

Rollcall 164, "aye."

PERSONAL EXPLANATION

Mr. TORRES. Mr. Speaker, I was unavoidably absent on official business during roll call vote No. 164. Had I been present on the House floor I would have cast my vote as follows:

Roll No. 164, "yea" on passage of H.R. 2622, the Treasury, Postal Service and General Government Appropriations Act.

REPORT ON RESOLUTION WAIVING POINTS OF ORDER DURING CONSIDERATION OF H.R. 2621, FOREIGN OPERATIONS APPROPRIATIONS, 1992

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 102-115) on the resolution (H. Res. 177) waiving certain points of order during consideration of the bill (H.R. 2621) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1992, and for other purposes, which was referred to the House Calendar and ordered to be printed.

AUTHORIZING MODIFICATION OF AMENDMENT IN H.R. 2508, INTERNATIONAL COOPERATION ACT OF 1991

Mr. LAGOMARSINO. Mr. Speaker, I ask unanimous consent that the amendment on page 384 of H.R. 2508 that I offered and was adopted in the Committee of the Whole on June 13, 1991, as amended by the amendment offered by Mr. KOSTMAYER of Pennsylvania, be modified in accordance with the language at the desk.

Mr. KOSTMAYER. Mr. Speaker, reserving the right to object, I will not object, but simply rise to say that I have talked to the gentleman from California [Mr. LAGOMARSINO] and also with the gentleman from New York [Mr. SOLARZ] and the gentleman from Texas [Mr. WILSON], all of whom were involved in this. There are no problems. These are merely technical changes, as the gentleman from California [Mr. LAGOMARSINO] has indicated.

Mr. LAGOMARSINO. Mr. Speaker, if the gentleman will yield, this change, drafted by legislative counsel, makes technical corrections to clear up certain technical problems and ambiguities that were created when the original amendment was amended.

The changes reinforce the intent of Congress that in order for India to receive assistance from the United States, it must receive a certification that it has not added additional nuclear devices after September 30, 1991.

Our intent is not to penalize India, but to hold it to a higher nonproliferation standard.

Under the rules of the House, this is the only way that the technical corrections can be made at this time. The changes have been cleared by the minority and the majority, including Mr. SOLARZ and Mr. KOSTMAYER.

Mr. KOSTMAYER. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER pro tempore. Without objection, the modified text will be printed in the RECORD.

The text of the amendment as modified is as follows:

Amendment offered by Mr. LAGOMARSINO, as amended: Page 384, after line 14, insert the following:

"SEC. 5505. ASSISTANCE FOR INDIA.

"No assistance shall be furnished to India and no military equipment or technology shall be sold or transferred to India, pursuant to the authorities contained in this Act or any other Act, unless the President shall have certified in writing to the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate, during the fiscal year in which assistance is to be furnished or military equipment or technology sold or transferred, that India has not developed any additional nuclear explosive devices after September 30, 1991, and that the proposed United States assistance program will reduce significantly the risk that India will develop additional nuclear explosive devices."

Page 384, line 15, strike out "5505" and insert in lieu thereof "5506".

Page 498, line 23 strike out "5506" and insert in lieu thereof "5507"; line 24, strike out "5505" and insert in lieu thereof "5506"; page 499, line 1, strike out "5506" and insert in lieu thereof "5507"; and line 8, strike out "5505" and insert in lieu thereof "5506".

□ 2230

COMPETITIVENESS IN ALL INCREASINGLY GLOBAL ECONOMY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina [Mr. MCMILLAN] is recognized for 5 minutes.

Mr. MCMILLAN of North Carolina. Mr. Speaker, I was impressed with recent testimony before the Committee on Ways and Means on U.S. competitiveness in an increasingly global economy.

I am pleased to submit it, in its entirety for the RECORD.

STATEMENT BY THE HONORABLE ROBERT H. MICHEL, REPUBLICAN LEADER, U.S. HOUSE OF REPRESENTATIVES, BEFORE THE COMMITTEE ON WAYS AND MEANS, JUNE 4, 1991

The subject of economic competitiveness is so broad that one can probably define it to cover just about any subject.

In a general sense, though, I think that what we most often think about when using this term is describing our nation as part of an emerging global economy.

Can we compete? Do we have the will to compete?

The rhetoric of gloom and doom has in recent years dominated discussions of our ability to compete.

All too often, the United States has been described as the sick man of global competitiveness, crippled with innumerable economic ills.

But we are coming back. Nowhere is this more evident than in looking at the March trade figures, where our trade deficit has dropped to $4 billion, the lowest deficit since June of 1983.

And then there is a letter we received last week from the President of the National Association of Manufacturers talking about the renaissance of manufacturing in the United States. President Jasinowski points out that manufacturing has grown from 20 to 23 percent of GNP, that manufacturing productivity has grown at a 36 percent annual rate over the past decade, faster than most every other country, and that manufacturing exports have grown at a 15 percent rate during the last five years.

In this same vein, the Washington Post ran a story two weeks ago headlined "U.S. Firms Stage Competitive Revival", in which it describes how numerous companies have turned themsevles around in an effort to become more competitive, including Caterpillar in my own district.

Let me pause here and offer a concrete example of what I mean by the will to compete.

Caterpillar Corporation worked with a company named Wrayco to reengineer a fuel tank to make the tank significantly lighter. The lighter tank no longer made it necessary to have the large, expensive vises to hold in place the old model. The capital investment in the plant was reduced and the price of the tank lowered from $5,000 to $950. Efforts by private companies to improve products is the bottom line to making our country more competitive in global markets.

In the great world of macro-economics, such a change may appear insignificant. But that's the way economies compete: by the gradual, incremental, continuous improvement of specific tools, parts, and processes. Get the details right and the big picture will develop.

Even the auto industry has made progress, despite its current economic difficulties. American auto manufcturers are producing more fuel-efficient, higher-quality cars than at any time in history, and as soon as the public realizes this, I think sales will react accordingly.

And then we have the mainstays, American agriculture and high technology, which continue to set world standards for achievement. As someone who represents a agricultural district, I know from experience that American farmers are the standard of excellence for the world.

So, we have reason to be optimistic about the present and the future. We can't let optimism substitute for hard work. But, we are moving in the right direction. And we are accomplishing this without any grand, governmentally prescribed "industrial policy," in which the government somehow tries to "govern" us into a more competitive position.

Five-year plans never worked in the Soviet Union, and industrial policy would not work in the United States. When it comes to the subtle workings of the economy, a central government lacks both the information and the ingenuity to control fast-moving free market transactions.

What the Federal Government can do best is create an atmosphere in which the genius of American workers and businesses can operate freely, unencumbered by burdensome regulation, excessive mandates, unfair trade restrictions, or unproductive tax policy.

In this regard, there are a number of steps the Federal Government can take:

(1) pursue macro-economic policies which will reduce the cost of capital. This must include full implementation of the 1990 Budget Agreement placing the Federal deficit on a downward trend, cutting the capital gains tax rate and encouraging an increased savings rate.

(2) maximize the Federal investment in basic research through the appropriations process and extend the research and experimentation (R&E) tax credit to encourage technological innovation.

The R&E tax credit rewards those companies engaged in research and experimentation on unproven technologies.

Technological innovation is important for three reasons:

It provides economic benefits from the sale of new products and services;

It provides new ways of delivering services; and

It can lead to new processes which make production more efficient and provide better quality goods at lower costs.

It is well documented that technological advances are responsible for up to one-half of our economic growth.

Technological advancement creates new industries, new jobs, and is the principal reason for long-term economic growth and increases in our standard of living.

For these reasons, I strongly support extension of the R&E tax credit. In fact, I have been working on a bill which has as one element a one-year extension of the R&E tax credit, as well as a one-year extension of R&E expense allocation rules.

The bill further provides special tax treatment to U.S. companies which donate old and surplus equipment to emerging democracies in Eastern Europe. The purpose of this provision is two-fold:

to provide some much-needed aid for private companies in those struggling democracies during these times of a shrinking foreign aid budget; and

to encourage U.S. companies to retool and upgrade older equiment in order to become more competitive in global markets.

I propose to pay for the R&E tax credit extension and special tax treatment for companies donating property to emerging Eastern European democracies by denying deduction of losses by acquirers of savings and loan institutions if those losses have been reimbursed by the government and by disallowing losses from certain debt pool exchanges.

(3) undertake the following legal reforms: remove antitrust disincentives facing U.S. companies that want to conduct joint R&D and joint production in critical technologies, thereby allowing the costs of R&D and production to be spread among several entities; reduce the burden of product liability costs; and enact the Industrial Design Protection Act which would extend patent protection to original and distinctive industrial designs, thus preventing unauthorized copying and insuring the ability of our industries to better compete.

(4) limit unnecessary regulation—last year the government generated more than 5.3 billion hours of paper work at a cost to the economy of $185 billion. I support the work of the President's Council on Competitiveness which reviews government regulations to ensure that they are cost effective and minimize the burdens on the economy. Further we should carefully study the mandates we are placing on private business which will add to the cost of doing business. Two bills come to mind—the Family Medical Leave Act and the Striker Replacement bill—which add burdensome requirements that will affect the competitiveness of many businesses.

(5) implement the President's education reform proposals to provide businesses with the kind of skilled and motivated workforce required by modern manufacturing and high-tech systems. The President's strategy set forth in the "America 2000 Education in Excellence Act" is designed to foster excellence in education and help the Nation attain the National Education Goals by the year 2000. The strategy has four parts: it calls for improvement of today's schools; invention of

new schools to meet the demands of the next centry; continuing education for all; and commitment from communities so that they can become places where learning can take place.

(6) enact banking industry reforms. Old laws designed to assure strong banks have led to impediments which do not allow banks to adjust to changing market circumstances. This has led to an increasingly uncompetitive and fragile banking system in the U.S.

(7) urge U.S. companies to take a long-term view, to improve the quaity of products and services, and to speed up the commercialization of new technologies. The example I offered earlier concerning Caterpillar Corporation comes to mind.

(8) liberalize export controls, where possible, for new trading partners in Eastern Europe, and in a more limited capacity, the Soviet Union.

(9) aggressively promote free trade by working to open new markets overseas and expand markets next door. The recent approval of fast track procedures will enable us to effectively continue our efforts in this regard. We should continue to encourage expansion of imports by Japan; enforce anti-dumping and countervailing duty laws and fight for intellectual property rights around the world.

When discussing global competitiveness, another form of competitiveness comes to mind—the competitiveness between two philosophies. One philosophy calls for further government regulation of markets, proposes an "industrial policy" where the government is involved in choosing winners and losers and espouses protectionist policies. The other philosophy, which I speak for today, recognizes that free and open markets, not subject to overregualtion, will allow the genius of the American people to once again establish the United States as a world class competitor in the global market.

EXTENSION OF FERC-ISSUED LICENSE DEADLINES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas [Mr. ALEXANDER] is recognized for 5 minutes.

Mr. ALEXANDER. Mr. Speaker, today I am introducing a bill that would allow the Federal Energy Regulatory Commission [FERC] to extend the deadlines in FERC-issued licenses for the development of hydroelectric capacity on two existing dams on the Arkansas River. My colleague from Arkansas, Mr. ANTHONY, is joining me as an original cosponsor of this legislation.

The bill we are submitting today will allow FERC to extend key deadlines in Arkansas Electric Cooperative Corporation's [AECC] licenses for projects at Lock and Dam Nos. 2 and 3 on the Arkansas River.

For both of these projects, the Arkansas Electric Cooperative Corporation is required to purchase necessary property by October 15, 1991, a deadline that will be virtually impossible to meet.

For several years, AECC has been diligently pursuing the installation of hydroelectric generation on four existing dams on the Arkansas River.

Construction on the Clyde T. Ellis Hydroelectric Generating Station at Lock and Dam No. 13 was started in August, 1985, and commercial operation began on December 8, 1988. Immediately thereafter, AECC began to work toward the installation of an $85 million hydro project at Lock and Dam No. 9. Commercial operation is anticipated by October 1993.

AECC has displayed good faith in meeting the existing deadlines in FERC-issued licenses for these two projects. With respect to the two remaining licenses that are the subject of this legislation, AECC simply needs additional time to complete the projects.

The extensions we are proposing are very reasonable. AECC will have varying lengths of time to purchase property and begin construction, but ultimately will have only a 1-year extension for completing the project at Dam No. 2 (License #3033) and a 3-year extension for completing the project at Dam No. 3 (License #3034).

In the previous FERC proceedings concerning these licenses, there has never been an objection filed and FERC has consistently found that development will result in no significant long-term environmental impact. In fact, the installation of hydroelectric capacity on existing dams like these has an environmental plus because it produces energy with no sulfur dioxide, carbon monoxide, or other polluting emissions.

Mr. Speaker, I am aware of no controversy regarding these licenses. By allowing FERC to extend the relevant deadlines if it is deemed to be in the public interest, this legislation will help ensure an adequate supply of power to customers in southeast Arkansas. On these grounds, I urge the speedy enactment of this bill.

CONGRESSIONAL ADVISORY COMMISSION ON AMATEUR BOXING AND FEDERAL PROFESSIONAL BOXING PROHIBITION ACT OF 1990

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 60 minutes.

Mr. GONZALEZ. Mr. Speaker, I am reintroducing a bill today that I first introduced in 1984 to ban professional boxing and to establish a congressional advisory commission on amateur boxing. Incident after tragic incident occurs, bringing pain and sorrow to families of men who are injured or killed in this violent so-called sport, and it is far past time for Congress to do something about it. After all, boxing is not really a sport—it is an industry that capitalizes on the prurient display of brutality and human degradation. There is no sport involved when the goal and determining factor in all too many fights is the rendering of the opponent physically defenseless.

For many years, I have watched as young men, mostly black or Hispanic, mostly poor, uneducated and without trade or employment, have been recruited, trained, and encouraged to fight their way out of poverty into the world of boxing. Boxing is their salvation, they are told—it is their road out of the ghetto. Boxing supposedly gives them a reason to stay out of trouble, to have a purpose in life, a future respect. I have watched all this—and listened—and I am impelled now to act. This past weekend in my hometown of San Antonio, two boxers fought—both finished the fight—and both ended up in the hospital. One fell into a coma, from which he has awakened, but he is still in critical condition from swelling of his brain. There is no telling what condition he will be in for the rest of his life because of what happened this past weekend. Those appalled by the bloody display in San Antonio are calling for better equipment—heavier gloves, for instance—but boxing has been around for ages and, consequently, punch-drunk boxers have been around for ages, too. If heavier gloves and more intense medical attention during a fight can turn these beastly displays into "sport," then why haven't they been required by now? The truth is that there is money to be made from the lack of controls, from the bloody thirst for excitement, and no sufficient amount of regulation will ever be imposed or be effective as long as more excitement—translated "more blood"—equals more money.

My bill bans only professional boxing in order to remove the illusory incentives of a professional boxing career. For amateur boxing, my bill would establish a congressional advisory commission. This commission would study amateur boxing and its present regulations, determine the sufficiency of the current safeguards, and make recommendations for future action to be taken to protect the health and potential of America's young boxers. I recognize that amateur boxing provides some limited opportunities fo young men, but prolonged participation in boxing clearly has proven to have harmful effects on the health of fighters. With some safeguards, amateur boxing can be a positive experience—but only if the boxing is carried on with strict safety regulations and for only a short period of time.

But professional boxing is another matter. What kind of opportunities are provided these young men through professional boxing? The opportunities I see all involve violence, personal injury, and massive exploitation. The very goal of a boxer in the ring is to render his opponent unconscious—to fight until only one fighter remains standing. Boxing is a simplistic display of one man's physical prowess prevailing over his opponent's.

But even the victor must share an element of physical defeat, for by the very act of knocking this opponent senseless, he too endures physical abuse. One fighter may prevail over the other, but neither prevails over the limitations of the human body.

Repeated blows to the fighter's head are the most direct means to victory for a boxer—professional boxers are paid to hit and be hit. But just as a boxer is paid, he also pays dearly in return for the sometimes silent but ever present injuries his brain suffers. The American Medical Association has studied the prolonged effects of boxing on a fighter's brain, and has reached the same conclusion as I have—that professional boxing should be banned. Every professional boxer suffers some degree of brain damage—every one. Some of the damage is minimal; some is readily evident; and some does not manifest itself for years, all the while keeping its dreadful consequences hidden from the knowledge of the boxer. We all know the familiar stereotype of the has-been Palooka, the shambling wrecks of fighters who took one, or a thousand, too many punches.

If boxing provides such wondership opportunities, as I am told, then why aren't young men from all walks of life recruited for the sport? Why are educational opportunities, mainstream employment, and long-term beneficial opportunities saved for some of America's youth while boxing and other violent sports seek participants from America's poorer corners? I find it appalling to think that at the expense of a real future—a future of health, of learning, of meaningful work—young men devote their early years to training to become fighters at the expense of their education and time to learn a trade or profession.

Young men are exploited by the boxing profession—the promise of fame and riches is flashed in their eyes so they are blinded to the realities of a fighter's life—a life where few are famous, few are wealthy, but all risk their health. We all know that for every Sugar Ray Leonard or Muhammed Ali there are 1,000 Kims, 10,000 punched-out wrecks. We look in fear at young boxers, wondering how soon it will be until the effects of their boxing careers render their quick minds and sparkling eyes as muddled and dull as Ali's. How long can we continue to encourage young men to become boxers, when we know beyond a doubt that the medical experts are right—that the probability is that these young men whom we admire so much in the ring will some day become as inarticulate and incoherent as the great Ali? For a youngster from a poor neighborhood who has few material possessions, his health may be all he has. Boxing will likely take his health and almost certainly give him nothing in return. How much better it would be to allow him to keep his health and develop his mind and his abilities. How much better it would be to develop his mind than to render it useless through fighting.

Once professional boxing is made illegal, amateur fighters will have no incentive to pursue boxing in lieu of their education and training. There will be illusions of making a living from boxing. Since there will be no monetary rewards from boxing, a boxer's career will be relatively short, and the damage to his health, particularly with the use of safety equipment and stringent safety regulations, will be minimal.

I think we owe all of America's youth equal opportunities for a solid education and useful, financial satisfying employment. It is our responsibility. Each young man has the right to his health, and we owe each young man an education and future—a road out of poverty that does not dead end in boxing, but a mainstream of education and training that leads to a healthy and secure future.

LEAVE OF ABSENCE

Mr. BILBRAY (at the request of Mr. GEPHARDT), for today, on account of death in family.

Mr. SERRANO (at the request of Mr. GEPHARDT), for today and the balance of the week, on account of official business.

Mrs. LLOYD (at the request of Mr. GEPHARDT), for today and the balance of the week, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. WALKER) to revise and extend their remarks and include extraneous material:)

Mr. MCEWEN, for 5 minutes, today.

Mr. DELAY, for 60 minutes each day, on July 9, 10, and 11.

Mr. MCMILLAN of North Carolina, for 5 minutes, today.

(The following Members (at the request of Ms. DELAURO) to revise and extend their remarks and include extraneous material:)

Mr. BACCHUS, for 5 minutes, today and on June 18.

Mr. ALEXANDER, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Ms. OAKAR, for 60 minutes, on July 9.

Mr. FRANK of Massachusetts, for 60 minutes each day, on June 20, 21, and 24.

Mr. RUSSO, for 60 minutes each day, on June 25, 26, and 27.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. DORNAN of California, immediately following Mr. MCEWEN during 1-minute speeches.

Mr. KYL, immediately following the remarks of Mrs. JOHNSON of Connecticut on IRS Small Pension Auditing Program on H.R. 2622 in the Committee of the Whole today.

(The following Members (at the request of Mr. WALKER) and to include extraneous matter:)

Mr. HENRY.
Mr. SOLOMON in three instances.
Mr. GEKAS.
Mr. BUNNING.
Mr. SHUSTER.
Mr. BALLENGER.
Mr. DOOLITTLE.
Mr. CAMP.
Mr. DORNAN of California.
Mr. MCEWEN.
Mr. ROHRABACHER.
Mr. ARMEY.
Mr. HERGER.
Mr. GILMAN in two instances.
Mr. LAGOMARSINO.
Mr. YOUNG of Florida.
Mr. BENTLEY in four instances.

(The following Members (at the request of Ms. DELAURO) and to include extraneous matter:)

Mr. NEAL of Massachusetts.
Mr. YATRON in two instances.
Mr. PENNY.
Mr. ANDREWS of Maine.
Mr. RAHALL in two instances.
Mr. CARR.
Mr. WOLPE.
Mrs. LOWEY of New York.
Mr. MILLER of California.
Mr. AUCOIN in two instances.
Mr. FEIGHAN in three instances.
Mr. MATSUI.
Mr. ROE in two instances.
Mr. SWETT.
Mr. SISISKY.
Mr. MURTHA.
Mr. REED.
Mr. ACKERMAN.
Mr. COLEMAN of Texas.
Mr. LEVINE of California.
Mr. STARK.
Mr. DOWNEY.
Mr. VENTO.
Mr. OBERSTAR.
Mr. SKELTON.
Mr. DURBIN.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 64. An act to authorize appropriations to establish a National Education Commission on Time and Learning and a National Council on Education Standards and Testing, and for other purposes.

ADJOURNMENT

Ms. DELAURO. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 32 minutes p.m.) The House adjourned until tomorrow, Wednesday, June 19, 1991, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1578. A letter from the Chairperson, National Council on Disability, transmitting the Council's annual report covering the period from October 1, 1988 through September 30, 1990, pursuant to 29 U.S.C. 781(b); to the Committee on Education and Labor.

1579. A letter from the Director, Defense Security Assistance Agency, transmitting an addendum to the listing of all outstanding Letters of Offer to sell any major defense equipment for $1 million or more as of March 31, 1991; and addendum to the listing of all Letters of Offer that were accepted, as of March 31, 1991, pursuant to 22 U.S.C. 2776(a); to the Committee on Foreign Affairs.

1580. A letter from the Secretary of Veterans Affairs, transmitting the semiannual report of the inspector general for the period October 1, 1990 through March 31, 1991, and the Department's management report on actions taken in response to audit recommendations, pursuant to Public Law 95-452, section 5(b) (102 Stat. 2526, 2640); to the Committee on Government Operations.

1581. A letter from the Secretary of Housing and Urban Development, transmitting a draft of proposed legislation to amend provisions of the Bankruptcy Code governing the powers of a bankruptcy court and the effect of automatic stays as they relate to certain multifamily liens insured or held by the Secretary of Housing and Urban Development of the Secretary of Agriculture, and for other

purposes; to the Committee on the Judiciary.

1582. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to amend the authority to recall members of the Coast Guard Ready Reserve to active duty for emergency augmentation of regular forces; to the Committee on Merchant Marine and Fisheries.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DINGELL: Committee on Energy and Commerce. H.R. 531. A bill to establish procedures to improve the allocation and assignment to the electromagnetic spectrum, and for other purposes; with an amendment (Rept. 102–113). Referred to the Committee of the Whole House on the State of the Union.

Mr. HALL of Ohio: Committee on Rules. House Resolution 177. Resolution waiving certain points of order during consideration of the bill (H.R. 2621) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1992, and for other purposes (Rept. 102–115). Referred to the House Calendar.

REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

Mr. MILLER of California: Committee on Interior and Insular Affairs. H.R. 429. A bill to authorize additional appropriations for the construction of the Buffalo Bill Dam and Reservoir, Shoshone Project, Pick-Sloan Missouri Basin Program, WY; with amendments; referred to the Committee on Agriculture and to the Committee on Merchant Marine and Fisheries for a period ending not later than June 18, 1991, for consideration of such provisions of the amendments as fall within the jurisdiction of those committees pursuant to clause 1(a) and 1(n) of rule X, respectively (Rept. 102–114, Pt. 1). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BRUCE (for himself, Mr. TOWNS, Mr. ACKERMAN, Mr. LANCASTER, Mr. MOODY, Mrs. JOHNSON of Connecticut, Mr. DURBIN, Mr. COSTELLO, and Mr. BOUCHER):

H.R. 2661. A bill to amend the Public Health Service Act to expand the availability of comprehensive primary and preventative care for pregnant women, infants, and children; to the Committee on Energy and Commerce.

By Mr. CARR:

H.R. 2662. A bill to amend the Internal Revenue Code of 1986 to increase to 100 percent the amount of health insurance costs which may be deducted by self-employed individuals and to make such deduction permanent; to the Committee on Ways and Means.

By Mr. COOPER (for himself, Mr. SYNAR, Mr. STUDDS, Mr. MARKEY, and Mr. BOEHLERT):

H.R. 2663. A bill to amend the Clean Air Act to require the offset of certain greenhouse gas emissions and for other purposes; to the Committee on Energy and Commerce.

By Mr. DANNEMEYER:

H.R. 2664. A bill to amend the Internal Revenue Code of 1986 to clarify the exclusion from gross for amounts received by a policyholder from a State on account of the insolvency of an insurance company; to the Committee on Ways and Means.

By Mr. GEKAS (for himself and Mr. HUGHES):

H.R. 2665. A bill to establish a U.S. Marshals Association; to the Committee on the Judiciary.

By Mr. GEPHARDT (for himself, Mr. FAZIO, and Mr. WISE):

H.R. 2666. A bill to provide for the energy security of the United States; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. GONZALEZ:

H.R. 2667. A bill to establish the Congressional Advisory Commission on Amateur Boxing and to amend title 18, United States Code, to prohibit the participation in and promotion of professional boxing; jointly, to the Committees on Education and Labor, Energy and Commerce, and the Judiciary.

By Mr. HAYES of Illinois (for himself and Mr. YOUNG of Alaska):

H.R. 2668. A bill to amend title 39, United States Code, to provide for the use, without charge, by State voter registration authorities of available post office space for the purpose of making voter registration forms publicly available; to the Committee on Post Office and Civil Service.

H.R. 2669. A bill to amend title 39, United States Code, to provide that the U.S. Postal Service give voter registration forms along with change-of-address forms, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. DREIER of California (for himself and Mr. RIGGS):

H.R. 2670. A bill to amend the Solid Waste Disposal Act to regulate ash from municipal solid waste incinerators as a hazardous waste; to the Committee on Energy and Commerce.

By Mr. OWENS of Utah:

H.R. 2671. A bill to amend the Solid Waste Disposal Act to authorize each State to prohibit the importation of solid waste into the State for incineration or disposal; to the Committee on Energy and Commerce.

By Mr. ROE:

H.R. 2672. A bill to award a congressional gold medal to Secretary of Defense Richard B. Cheney; to the Committee on Banking, Finance and Urban Affairs.

By Mr. SISISKY (for himself, Mr. ALLARD, Mr. ABERCROMBIE, Mr. ACKERMAN, Mr. ALEXANDER, Mr. ANDERSON, Mr. ANDREWS of Maine, Mr. ANDREWS of New Jersey, Mr. APPLEGATE, Mr. ARCHER, Mr. ASPIN, Mr. AUCOIN, Mr. BACCHUS, Mr. BAKER, Mr. BALLENGER, Mr. BARRETT, Mr. BATEMAN, Mr. BENNETT, Mrs. BENTLEY, Mr. BEREUTER, Mr. BEVILL, Mr. BILBRAY, Mr. BLAZ, Mr. BLILEY, Mr. BOEHLERT, Mr. BOEHNER, Mr. BONIOR, Mr. BORSKI, Mr. BOUCHER, Mrs. BOXER, Mr. BREWSTER, Mr. BROOKS, Mr. BROOMFIELD, Mr. BROWDER, Mr. BRUCE, Mr. BRYANT, Mr. BUNNING, Mr. BUSTAMANTE, Mrs. BYRON, Mr. CALLAHAN, Mr. CAMP, Mr. CAMPBELL of Colorado, Mr. CARDIN, Mr. CARPER, Mr. CLEMENT, Mr. CLINGER, Mr. COBLE, Mr. COLEMAN of Missouri, Mr. COSTELLO, Mr. COUGHLIN, Mr. COX of California, Mr. CRAMER, Mr. CUNNINGHAM, Mr. DANNEMEYER, Mr. DAVIS, Mr. DE LA GARZA, Mr. DE LUGO, Mr. DEFAZIO, Mr. DELAY, Mr. DERRICK, Mr. DICKINSON, Mr. DICKS, Mr. DINGELL, Mr. DONNELLY, Mr. DOOLITTLE, Mr. DORNAN of California, Mr. DURBIN, Mr. DWYER of New Jersey, Mr. DYMALLY, Mr. ECKART, Mr. EDWARDS of Texas, Mr. EMERSON, Mr. ENGLISH, Mr. ERDREICH, Mr. ESPY, Mr. FALEOMAVAEGA, Mr. FASCELL, Mr. FAWELL, Mr. FAZIO, Mr. FEIGHAN, Mr. FIELDS, Mr. FISH, Mr. FOGLIETTA, Mr. FORD of Tennessee, Mr. FROST, Mr. FUSTER, Mr. GALLEGLY, Mr. GALLO, Mr. GAYDOS, Mr. GEKAS, Mr. GEREN of Texas, Mr. GILCHREST, Mr. GILLMOR, Mr. GILMAN, Mr. GOODLING, Mr. GOSS, Mr. GRAY, Mr. GUARINI, Mr. GUNDERSON, Mr. HAMMERSCHMIDT, Mr. HANCOCK, Mr. HANSEN, Mr. HARRIS, Mr. HASTERT, Mr. HATCHER, Mr. HAYES of Louisiana, Mr. HEFLEY, Mr. HEFNER, Mr. HENRY, Mr. HERGER, Mr. HERTEL, Mr. HOBSON, Mr. HOCHBRUECKNER, Mr. HORTON, Mr. HOUGHTON, Mr. HUBBARD, Mr. HUCKABY, Mr. HUGHES, Mr. HUNTER, Mr. HUTTO, Mr. HYDE, Mr. INHOFE, Mr. IRELAND, Mr. JAMES, Mr. JEFFERSON, Mr. JENKINS, Mr. JOHNSON of South Dakota, Mr. JOHNSTON of Florida, Mr. JONES of North Carolina, Ms. KAPTUR, Mr. KASICH, Mr. KENNEDY, Mr. KILDEE, Mr. KLUG, Mr. KOLBE, Mr. KOPETSKI, Mr. KOSTMAYER, Mr. LAGOMARSINO, Mr. LANCASTER, Mr. LANTOS, Mr. LAROCCO, Mr. LAUGHLIN, Mr. LEACH, Mr. LEHMAN of Florida, Mr. LENT, Mr. LEWIS of Florida, Mr. LEWIS of Georgia, Mr. LIPINSKI, Mr. LIVINGSTON, Ms. LONG, Mrs. LOWEY of New York, Mr. MACHTLEY, Mr. MANTON, Mr. MARLENEE, Mr. MARTIN, Mr. MAVROULES, Mr. MAZZOLI, Mr. MCCRERY, Mr. MCMILLEN of Maryland, Mr. MCNULTY, Mrs. MEYERS of Kansas, Mr. MILLER of Washington, Mr. MINETA, Mrs. MINK, Mr. MORAN, Mrs. MORELLA, Mr. NICHOLS, Ms. NORTON, Mr. NOWAK, Ms. OAKAR, Mr. OBERSTAR, Mr. OLIN, Mr. ORTIZ, Mr. ORTON, Mr. OWENS of Utah, Mr. OWENS of New York, Mr. OXLEY, Mr. PACKARD, Mr. PALLONE, Mr. PANETTA, Mr. PAXON, Mr. PAYNE of New Jersey, Mr. PAYNE of Virginia, Ms. PELOSI, Mr. PENNY, Mr. PETERSON of Florida, Mr. PICKETT, Mr. POSHARD, Mr. PRICE, Mr. QUILLEN, Mr. RAMSTAD, Mr. RANGEL, Mr. RAVENEL, Mr. RAY, Mr. REED, Mr. REGULA, Mr. RHODES, Mr. RIGGS, Mr. RINALDO, Mr. RITTER, Mr. ROBERTS, Mr. ROE, Mr. ROEMER, Mr. ROHRABACHER, Mr. ROWLAND, Mr. ROYBAL, Mr. SABO, Mr. SANGMEISTER, Mr. SANTORUM, Mr. SARPALIUS, Mr. SAVAGE, Mr. SAXTON, Mr. SCHAEFER, Mr. SCHEUER, Mrs. SCHROEDER, Mr. SCHUMER, Mr. SENSENBRENNER, Mr. SHAW, Mr. SHAYS, Mr. SKELTON, Mr. SLAUGHTER of Virginia, Mr. SMITH of Oregon, Mr. SMITH of Florida, Ms. SNOWE, Mr. SOLARZ, Mr. STALLINGS, Mr. STARK, Mr. STUDDS, Mr. SUNDQUIST, Mr. TAUZIN, Mr. TAYLOR of Mississippi, Mr. THOMAS of Wyoming, Mr. TRAFICANT, Mr. TRAXLER, Mrs. UNSOELD, Mr. UPTON, Mr. VALENTINE,

Mr. VANDER JAGT, Mrs. VUCANOVICH, Mr. WALSH, Mr. WASHINGTON, Ms. WATERS, Mr. WEBER, Mr. WEISS, Mr. WILSON, Mr. WISE, Mr. WOLF, Mr. WOLPE, Mr. WYDEN, Mr. YATES, Mr. YATRON, Mr. YOUNG of Alaska, Mr. YOUNG of Florida, Mr. ZELIFF, and Mr. ZIMMER):

H.R. 2673. A bill to require the Secretary of the Treasury to mint coins in commemoration of James Madison and the Bill of Rights; to the Committee on Banking, Finance and Urban Affairs.

By Mr. SLATTERY:

H.R. 2674. A bill to ensure adequate disclosure of information regarding yields of savings vehicles; jointly, to the Committees on Banking, Finance and Urban Affairs and Energy and Commerce.

By Mr. ACKERMAN (for himself, Mr. HOYER, Mr. WOLF, Mrs. BYRON, and Mr. YOUNG of Florida):

H.R. 2675. A bill to amend title 5, United States Code, to provide for the granting of leave to Federal employees wishing to serve as bone-marrow or organ donors, and to allow Federal employees to use sick leave for purposes relating to the adoption of a child; to the Committee on Post Office and Civil Service.

By Mr. DORNAN of California (for himself, Mr. KENNEDY, Mr. HYDE, Mr. MCEWEN, and Mr. LEWIS of Georgia):

H.R. 2676. A bill to provide educational assistance to law enforcement personnel and to increase the number of police officers; to the Committee on the Judiciary.

By Mr. ALEXANDER (for himself and Mr. ANTHONY):

H.R. 2677. A bill to authorize extensions of time limitations in certain FERC-issued licenses; to the Committee on Energy and Commerce.

By Mr. DURBIN (for himself, Mr. MILLER of California, Mrs. MORELLA, and Mrs. SCHROEDER):

H.R. 2678. A bill to amend the Public Health Services Act to establish a program of grants for providing alcohol and drug abuse residential treatment services to pregnant and postpartum women and their children; to the Committee on Energy and Commerce.

By Mr. HENRY (for himself, Mr. WALKER, Mr. LEWIS of Florida, and Mr. BOEHLERT):

H.R. 2679. A bill to enhance basic science research in automotive technology to increase U.S. competitiveness internationally, and for other purposes; to the Committee on Science, Space, and Technology.

By Mr. TORRICELLI:

H.R. 2680. A bill to impose adequate standards for lead content of water dispensed for human consumption in elementary and secondary schools as a condition of receiving certain Federal financial assistance; to the Committee on Education and Labor.

H.R. 2681. A bill to establish a Universal National Service under which citizens who are 18 through 25 years of age will perform 1 year of either civilian or military service to the United States; jointly, to the Committee on Armed Services, Education and Labor, and Foreign Affairs.

By Mr. VENTO (for himself, Mr. ANNUNZIO, Mr. KLECZKA, Mr. COX of Illinois, Mr. BEVILL, Mr. LEHMAN of California, Mr. SABO, Mr. GLICKMAN, Mr. JONTZ, and Mr. DE LUGO):

H.R. 2682. A bill to abolish the Oversight Board of the Resolution Trust Corporation, provide for the management and operation of the Resolution Trust Corporation independently of the Federal Deposit Insurance Corporation, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. DE LA GARZA:

H.J. Res. 272. Joint resolution to proclaim March 20, 1992 as "National Agriculture Day"; to the Committee on Post Office and Civil Service.

By Mr. HAMILTON:

H.J. Res. 273. Joint resolution designating the month of September 1991, as "National Gymnastics Month"; to the Committee on Post Office and Civil Service.

By Mr. LANTOS (for himself, Mr. CALLAHAN, Mr. CLEMENT, Mr. CRAMER, Mr. HORTON, Mr. MCMILLEN of Maryland, Mr. MANTON, and Mr. SERRANO):

H.J. Res. 274. Joint resolution to designate the week of September 13 through 19, 1991, as "National Ballroom Dance Week"; to the Committee on Post Office and Civil Service.

By Mr. MONTGOMERY:

H.J. Res. 275. Joint resolution to designate the week beginning August 25, 1991, as "National Convenience Store Appreciation Week"; to the Committee on Post Office and Civil Service.

By Mr. LAGOMARSINO (for himself and Mr. VENTO):

H.J. Res. 276. Joint resolution to designate "National Parks Week"; to the Committee on Post Office and Civil Service.

By Mr. GEKAS:

H. Con. Res. 167. Concurrent resolution expressing the sense of the Congress relating to withholding of remedial action funds by the President under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980; to the Committee on Energy and Commerce.

By Mr. PENNY:

H. Con. Res. 168. Concurrent resolution expressing the sense of the Congress that a portion of Iraq's frozen assets be released to UNICEF for the sole purpose of providing medical and humanitarian assistance to Iraqi citizens; to the Committee on Foreign Affairs.

By Mr. RITTER (for himself, Mr. STENHOLM, and Mr. ROHRABACHER):

H. Con. Res. 169. Concurrent resolution to commend Boris Nikolaevich Yeltsin, President-elect of the Russian Republic, for his leadership on behalf of democratic, pluralistic, and free-market principles; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. MARKEY introduced a bill (H.R. 2683) for the relief of Michael Houtmeyers; which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 14: Mr. COSTELLO, Mr. HORTON, Mr. FALEOMAVAEGA, and Mr. GRAY.

H.R. 46: Mr. FRANK of Massachusetts.

H.R. 213: Mr. FRANK of Massachusetts, Mr. LIPINSKI, Mr. ANNUNZIO, Mr. EVANS, Mr. PALLONE, Mr. MCCLOSKEY, Mr. HORTON, Mr. DEFAZIO, and Mr. OBERSTAR.

H.R. 252: Mr. SHAW.

H.R. 303: Mr. HAYES of Louisiana.

H.R. 392: Mr. WISE, Mr. JACOBS, Mr. DERRICK, Mr. HOAGLAND, Mr. NAGLE, and Mr. DE LUGO.

H.R. 543: Mr. ENGEL.

H.R. 548: Mr. RAMSTAD, Mr. ENGLE, and Mr. MFUME.

H.R. 722: Mr. WILLIAMS.

H.R. 723: Mr. WILLIAMS.

H.R. 747: Mr. ARCHER Mr. JONES of North Carolina, Mr. YATRON, Mr. BORSKI Mr. GILMAN, Mr. WOLPE, Mr. LEACH, Mr. TALLON, Mr. JOHNSON of South Dakota, and Mr. NUSSLE.

H.R. 776: Mr. REED.

H.R. 780: Mrs. MORELLA.

H.R. 781: Mr. HUTTO.

H.R. 791: Mr. BUSTAMANTE.

H.R. 799: Mr. BORSKI.

H.R. 801: Mr. BORSKI.

H.R. 802: Mr. BORSKI.

H.R. 803: Mr. BORSKI.

H.R. 846: Mr. GONZALEZ, Mrs. BOXER, and Mr. HUTTO.

H.R. 930: Mrs. MEYERS of Kansas.

H.R. 931: Mr. FISH, Mrs. MEYERS of Kansas, Mr. JOHNSON of South Dakota, Mr. DEFAZIO, and Mr. NEAL of Massachusetts.

H.R. 945: Mr. PARKER, Mr. NICHOLS, Mr. SISISKY, Mr. OWENS of Utah, Mr. EMERSON, Mr. MFUME, Mr. VALENTINE, Ms. NORTON, Mr. STENHOLM, Mr. CLAY, and Mr. DREIER of California.

H.R. 978: Mr. ENGLISH, Mr. AUCOIN, and Mr. HENRY.

H.R. 997: Mrs. BOXER.

H.R. 1077: Mr. OXLEY and Mr. ALLARD.

H.R. 1089: Mr. BATEMAN.

H.R. 1107: Mr. BENNETT, Mr. NATCHER, Mr. PETERSON of Minnesota, Mr. SISISKY, Mr. MARTINEZ, and Mr. NAGLE.

H.R. 1156: Mr. SKAGGS, Mr. JONES of Georgia, Mr. FOGLIETTA, Mr. HUGHES, Mrs. MORELLA, Mr. EVANS, and Mr. LANCASTER.

H.R. 1184: Mr. PETERSON of Florida and Mr. HAYES of Louisiana.

H.R. 1201: Ms. NORTON.

H.R. 1212: Mr. OWENS of Utah, Mr. MACHTLEY, Mr. ENGEL, Mr. TOWNS, Ms. DELAURO, Mr. WALSH, Mr. JEFFERSON, Mr. LANCASTER, Mr. FEIGHAN, and Mr. JONTZ.

H.R. 1213: Mr. MACHTLEY, Mr. ENGEL, Mr. TOWNS, Ms. DELAURO, Mr. WALSH, Mr. JEFFERSON, Mr. LANCASTER, Mr. FEIGHAN, Mr. LEWIS of Georgia, Mr. JONTZ, Mr. KLUG, and Mr. MOODY.

H.R. 1325: Mr. HATCHER, Mr. LANCASTER, Mr. LIGHTFOOT, and Mr. DAVIS.

H.R. 1330: Mr. LIPINSKI, Mr. CONDIT, Mr. MCMILLAN of North Carolina, Mr. BROOMFIELD, Mr. MICHEL, Mr. WYLIE, Mr. HORTON, Mr. ORTON, Mr. JONES of North Carolina, Mr. CAMPBELL of Colorado, and Mr. HUTTO.

H.R. 1346: Mr. JACOBS and Mr. PETERSON of Florida.

H.R. 1356: Mrs. MEYERS of Kansas, Mr. HEFLEY, Mr. HANCOCK, Ms. MOLINARI, Mr. DUNCAN, Mr. YOUNG of Alaska, Mr. DAVIS, Mr. BOEHNER, and Mr. ESPY.

H.R. 1360: Mrs. KENNELLY.

H.R. 1389: Mr. SOLARZ, Mr. TOWNS, Mr. DEFAZIO, and Mr. GOSS.

H.R. 1392: Mr. ECKART

H.R. 1406: Mr. DEFAZIO, Mr. LAROCCO, Mr. RAHALL, Mr. SOLOMON, Mr. BUNNING, Mr. BENNETT, Mr. JONES of North Carolina, Mr. BARNARD, Mr. SHUSTER, Mr. WELDON, Mr. KOLBE, Mr. JONTZ, Mr. MCEWEN, Mr. RIGGS, Mrs. COLLINS of Michigan, and Mr. MORAN.

H.R. 1429: Mr. FISH.

H.R. 1473: Mr. HEFLEY, Mr. NUSSLE, and Mr. MOORHEAD.

H.R. 1527: Mr. OWENS of New York, Mr. MCMILLEN of Maryland, Mr. MCDERMOTT, Mr. TAYLOR of North Carolina, Ms. NORTON, and Mr. OWENS of Utah.

H.R. 1601: Mr. HUGHES and Mr. MCCLOSKEY.

H.R. 1635: Mr. SWETT.

H.R. 1669: Mr. BERMAN and Mr. SANDERS.

H.R. 1691: Mrs. COLLINS of Illinois, Mr. JOHNSON of South Dakota, Mr. TAUZIN, Mr. SHAW, Mr. SANDERS, Mr. PANETTA, Mr. GOSS, Mr. SWIFT, Mr. WYLIE, Mr. JEFFERSON, Mr. ANNUNZIO, Mrs. VUCANOVICH, Mr. ENGLISH, and Mr. HANCOCK.

H.R. 1703: Mr. MRAZEK, Mr. EVANS, and Mr. DYMALLY.

H.R. 1752: Mr. JOHNSON of South Dakota, Mr. MCHUGH, Mr. HUGHES, Mr. HEFNER, Mr. KANJORSKI, Ms. SNOWE, and Mr. ROE.

H.R. 1809: Mr. KANJORSKI, Mrs. PATTERSON, Mr. ERDREICH, Mr. BOEHNER, Mr. RANGEL, Mrs. LOWEY of New York, Mr. ROHRABACHER, Mr. RIGGS, Mr. NICHOLS, and Mr. EMERSON.

H.R. 1898: Mr. COLEMAN of Texas, Mr. DYMALLY, Mr. FROST, Mr. MRAZEK, Mr. PARKER, Mr. RAHALL, and Mr. YOUNG of Alaska.

H.R. 2001: Mr. COBLE, Mr. MACHTLEY, Mr. CONDIT, and Mr. PRICE.

H.R. 2018: Mrs. MINK, Mr. FRANK of Massachusetts, Mr. MCNULTY, Mr. OWENS of Utah, Mr. JEFFERSON, Mr. DEFAZIO, Mr. YATES, Mr. ROE, Mr. FROST, Ms. NORTON, Mr. DWYER of New Jersey, Mr. BEREUTER, Mr. HUCKABY, Mr. WILSON, Mr. MCGRATH, Mrs. JOHNSON of Connecticut, Mr. BACCHUS, and Mr. LEWIS of Georgia.

H.R. 2019: Mrs. MINK, Mr. FRANK of Massachusetts, Mr. MCNULTY, Mr. OWENS of Utah, Mr. JEFFERSON, Mr. DEFAZIO, Mr. YATES, Mr. ROE, Mr. FROST, Ms. NORTON, Mr. DWYER of New Jersey, Mr. HUCKABY, Mr. ACKERMAN, Mrs. UNSOELD, Mr. BACCHUS, and Mr. LEWIS of Georgia.

H.R. 2020: Mrs. MINK, Mr. FRANK of Massachusetts, Mr. MCNULTY, Mr. OWENS of Utah, Mr. JEFFERSON, Mr. DEFAZIO, Mr. YATES, Mr. ROE, Mr. FROST, Ms. NORTON, Mr. DWYER of New Jersey, Mr. BEREUTER, Mr. HUCKABY, Mr. WILSON, Mrs. UNSOELD, Mr. THOMAS of Wyoming, Mr. BACCHUS, and Mr. LEWIS of Georgia.

H.R. 2021: Mrs. MINK, Mr. FRANK of Massachusetts, Mr. MCNULTY, Mr. OWENS of Utah, Mr. JEFFERSON, Mr. DEFAZIO, Mr. YATES, Mr. ROE, Mr. FROST, Ms. NORTON, Mr. DWYER of New Jersey, Mr. BEREUTER, Mr. WILSON, Mr. MCGRATH, Mrs. JOHNSON of Connecticut, Mr. ACKERMAN, Mrs. UNSOELD, Mr. BORSKI, Mr. BACCHUS, and Mr. LEWIS of Georgia.

H.R. 2022: Mrs. MINK, Mr. FRANK of Massachusetts, Mr. MCNULTY, Mr. OWENS of Utah, Mr. JEFFERSON, Mr. DEFAZIO, Mr. YATES, Mr. ROE, Mr. FROST, Ms. NORTON, Mr. DWYER of New Jersey, Mr. ACKERMAN, Mr. LEVINE of California, Mr. JOHNSTON of Florida, Mr. BEREUTER, Mr. WILSON, Mr. MCGRATH, Mrs. JOHNSON of Connecticut, Mr. BACCHUS and Mr. LEWIS of Georgia.

H.R. 2023: Mrs. MINK, Mr. FRANK of Massachusetts, Mr. MCNULTY, Mr. OWENS of Utah, Mr. JEFFERSON, Mr. DEFAZIO, Mr. YATES, Mr. ROE, Mr. FROST, Ms. NORTON, Mr. DWYER of New Jersey, Mr. ACKERMAN, Mr. BACCHUS, and Mr. LEWIS of Georgia.

H.R. 2024: Mrs. MINK, Mr. FRANK of Massachusetts, Mr. MCNULTY, Mr. OWENS of Utah, Mr. JEFFERSON, Mr. DEFAZIO, Mr. YATES, Mr. ROE, Mr. FROST, Ms. NORTON, Mr. DWYER of New Jersey, Mr. MCGRATH, Mrs. UNSOELD, Mr. ACKERMAN, Mr. HAMMERSCHMIDT, Mr. JOHNSTON of Florida, Mr. BACCHUS, and Mr. LEWIS of Georgia.

H.R. 2025: Mrs. MINK, Mr. FRANK of Massachusetts, Mr. MCNULTY, Mr. OWENS of Utah, Mr. JEFFERSON, Mr. DEFAZIO, Mr. YATES, Mr. ROE, Mr. FROST, Ms. NORTON, Mr. DWYER of New Jersey, Mr. WILSON, Mr. ACKERMAN, Mr. BACCHUS, and Mr. LEWIS of Georgia.

H.R. 2026: Mrs. MINK, Mr. FRANK of Massachusetts, Mr. MCNULTY, Mr. OWENS of Utah, Mr. JEFFERSON, Mr. DEFAZIO, Mr. YATES, Mr. ROE, Mr. FROST, Ms. NORTON, Mr. DWYER of New Jersey, Mr. BEREUTER, Mr. WILSON, Mr. ACKERMAN, Mr. BORSKI, Mr. BACCHUS, and Mr. LEWIS of Georgia.

H.R. 2029: Mr. JONTZ and Mr. BROWN.

H.R. 2056: Mr. GAYDOS.

H.R. 2106: Mr. BOUCHER, Mr. HORTON, Mr. WHEAT, Mr. HAYES of Illinois, Mr. PETERSON of Florida, Mr. LEVINE of California, Mr. CONYERS, Mr. MCCLOSKEY, Mr. HUGHES, Ms. NORTON, Mr. ROSE, Mr. LANCASTER, and Mr. ROE.

H.R. 2115: Mr. ESPY, Mr. ZIMMER, and Mr. RIGGS.

H.R. 2152: Mr. GILLMOR.

H.R. 2201: Mr. OWENS of Utah.

H.R. 2235: Mr. WEBER.

H.R. 2248: Mr. MARLENEE.

H.R. 2270: Mr. HOYER and Ms. NORTON.

H.R. 2280: Mr. MCCLOSKEY.

H.R. 2333: Mr. SOLOMON, Mr. JONTZ, Mr. GUNDERSON, Mr. WILLIAMS, and Mr. SHUSTER.

H.R. 2336: Mr. DICKINSON, Mr. KLUG, Mrs. BOXER, and Mr. MILLER of California.

H.R. 2354: Mr. JOHNSTON of Florida, Mr. PERKINS, Mr. FOGLIETTA, Mr. ECKART, and Mr. WHEAT.

H.R. 2368: Mr. DEFAZIO, Mr. WILLIAMS, Mr. LEHMAN of California, Mr. MARLENEE, and Mrs. VUCANOVICH.

H.R. 2374: Mr. MURPHY, Mr. FALEOMAVAEGA, Mr. ABERCROMBIE, and Mr. YATES.

H.R. 2380: Mr. THOMAS of Wyoming.

H.R. 2386: Mr. EVANS.

H.R. 2393: Mr. PALLONE and Mr. LANCASTER.

H.R. 2394: Mr. PALLONE and Mr. LANCASTER.

H.R. 2405: Mr. BRYANT and Mr. FEIGHAN.

H.R. 2406: Mr. ESPY.

H.R. 2489: Mr. ACKERMAN.

H.R. 2515: Mr. MORAN, Mr. HOCHBRUECKNER, Mr. GIBBONS, Ms. SNOWE, Mr. BATEMAN, and Ms. NORTON.

H.R. 2542: Mr. LEVINE of California, Mr. FORD of Michigan, Mr. ACKERMAN, and Mr. GOSS.

H.R. 2560: Mr. BROWN.

H.R. 2566: Mr. BARNARD, Mr. BREWSTER, Mr. JENKINS, Mr. LANCASTER, and Mr. RAY.

H.R. 2572: Mr. ANTHONY.

H.R. 2578: Mr. VISCLOSKY.

H.R. 2579: Mr. WEBER.

H.R. 2584: Mr. RANGEL and Mr. CRAMER.

H.R. 2598: Mr. QUILLEN, Mr. NICHOLS, Mr. KASICH, Mr. SLAUGHTER of Virginia, Mr. STEARNS, and Mr. GOSS.

H.R. 2604: Mr. HORTON, Mr. BOEHNER, Mr. DANNEMEYER, Mr. DOOLITTLE, Mr. GILCHREST, and Mr. GALLO.

H.R. 2645: Mr. JACOBS, Mr. CLAY, Mr. FROST, Mr. HORTON, Mrs. KENNELLY, Mr. KOPETSKI, and Mr. BACCHUS.

H.J. Res. 67: Mr. DURBIN, Mr. TORRICELLI, Mr. BEVILL, Mr. HARRIS, Mr. RAVENEL, and Mr. MACHTLEY.

H.J. Res. 107: Mr. UPTON, Mr. WILSON, Mr. GORDON, Mr. MFUME, Mr. HOCHBRUECKNER, Mr. SAWYER, and Mr. NAGLE.

H.J. Res. 125: Mr. RIGGS, Mr. GUARINI, Mr. MORRISON, Mr. MILLER of California, Mr. PAYNE of Virginia, Mr. RANGEL, Mrs. MEYERS of Kansas, Mr. MCNULTY, Mr. LEVINE of California, Mr. MAVROULES, Mr. BUSTAMANTE, Mr. CARPER, Mr. DYMALLY, Mr. ALEXANDER, Mr. PURSELL, Mr. DE LA GARZA, Mr. LEWIS of Florida, Mr. MCCLOSKEY, Mr. PALLONE, Mr. RHODES, Mr. ROSE, Mr. SMITH of Oregon, Mr. FLAKE, Mr. YOUNG of Alaska, Mr. NATCHER, Mr. YATES, Mr. EVANS, Mr. VENTO, Mr. HALL of Ohio, Mr. PICKETT, Mr. KILDEE, Ms. NORTON, Mr. STOKES, Mr. HERTEL, and Mr. LEVIN of Michigan.

H.J. Res. 183: Ms. WATERS, Mr. KASICH, Mr. LANTOS, Mr. LOWERY of California, Mr. ANNUNZIO, Mr. PARKER, Mr. SAWYER, Mr. SAXTON, Mr. STALLINGS, Mr. BACCHUS, Mr. BREWSTER, Mr. DYMALLY, Mr. BRYANT, Mr. STAGGERS, Mr. TAYLOR of Mississippi, Mr. WILSON, Mr. SMITH of New Jersey, Ms. SNOWE, Mr. WISE, Mr. HERTEL, Mr. MINETA, Mr. SHARP, Mr. MCCLOSKEY, Mr. FROST, Mr. HOBSON, Mr. JOHNSON of South Dakota, Mr. BERMAN, Mr. GRAY, Mr. STOKES, Mr. KANJORSKI, Mr. LAROCCO, Mr. HATCHER, Mr. PURSELL, Mr. ORTON, Mr. PALLONE, Mr. PICKETT, Mr. MARTINEZ, Mr. MILLER of Washington, Mr. SLATTERY, Mr. BRUCE, Ms. SLAUGHTER of New York, Mr. BURTON of Indiana, Mr. WYDEN, Mr. SHAW, Mr. RANGEL, Mr. TANNER, Mr. ABERCROMBIE, Ms. HORN, Mrs. JOHNSON of Connecticut, Mr. CLAY, Mr. EMERSON, Mr. BATEMAN, Mr. BEREUTER, Mr. MCHUGH, Mr. APPLEGATE, Mr. SANGMEISTER, Mr. SARPALIUS, Mr. GEJDENSON, Mr. LEWIS of Georgia, Mr. ROEMER, Mr. OBERSTAR, and Mr. YATES.

H.J. Res. 191: Mr. BROWDER, Mr. SANGMEISTER, Mr. DAVIS, Ms. HORN, Mr. COYNE, Mrs. LOWEY of New York, Mr. DARDEN, Mr. ECKART, and Mr. DOOLITTLE.

H.J. Res. 217: Mr. JONES of Georgia, Mr. VOLKMER, Mr. FISH, Mr. JEFFERSON, Mr. ORTIZ, Mr. DIXON, Mrs. COLLINS of Michigan, and Mrs. VUCANOVICH.

H.J. Res. 229: Mr. WEBER, Mr. CONYERS, Mrs. LOWEY of New York, Mr. LEVIN of Michigan, Mr. FUSTER, Mr. DELLUMS, Mrs. MORELLA, and Mr. BERMAN.

H.J. Res. 252: Mr. WOLF, Mrs. MORELLA, Mr. LAGOMARSINO, Mrs. VUCANOVICH, Mr. PURSELL, Mr. MCGRATH, Mrs. JOHNSON of Connecticut, Mr. WALSH, Mrs. ROUKEMA, Mr. GRADISON, Mr. CLEMENT, Mr. ESPY, Mr. RANGEL, Mr. SERRANO, Mr. FUSTER, Mr. PETERSON of Florida, Mr. LEVIN of Michigan, Ms. NORTON, Mr. OWENS of Utah, Mr. HUGHES, Mr. DWYER of New Jersey, and Mr. MORAN.

H. Con. Res. 79: Mr. WISE.

H. Con. Res. 111: Mr. JONTZ, Mrs. BYRON, and Mr. JONES of Georgia.

H. Res. 131: Mrs. BOXER.

H. Res. 141: Mr. KOLBE.

H. Res. 167: Mr. ANDERSON, Mrs. UNSOELD, Mr. SCHEUER, Mr. JONES of Georgia, Mr. HUGHES, Mrs. COLLINS of Michigan, Mr. VALENTINE, Mr. BARNARD, Mr. KLUG, Mr. CONYERS, and Mr. SISISKY.

EXTENSIONS OF REMARKS

THE ENERGY SECURITY AND PRICE STABILITY ACT

HON. RICHARD A. GEPHARDT
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mr. GEPHARDT. Mr. Speaker, today I am introducing the Energy Security and Price Stability Act to establish a greater degree of domestic price stability, enacted through a floor price for oil of $20 per barrel.

Once again, the United States faces the challenge of reducing the Nation's growing vulnerability to use of the oil weapon. American families, who have seen three oil crises in two decades, who have sent sons and daughters to the gulf twice in just 4 years, rightly question why we have allowed ourselves to become so vulnerable.

Our central security problem has always been how to reduce our reliance on low cost—but potentially high priced—oil supplies from the Middle East. In good times, the market is drawn irresistibly to Middle East supplies. But, as the war and strife in the Middle East have continued to demonstrate, crises in that region can stop the flow at any time, throwing the world economy into a tailspin.

The energy security of our country is a critical component of our national security. When we lose control of our economic security, we lose control of our economic future. If we are to safeguard our Nation's economic strength and freedom of action in foreign policy, the United States needs secure energy sources. That is what an energy security policy in the national interest is all about.

During the 1970's, our country took important steps to reduce our vulnerability. However maligned by two generations of Republican advertising agency executives, Jimmy Carter was more faithful to America's national interest than his movie actor and oil-man free marketeering successors. He understood the critical role energy plays in modern economies. And so, under his leadership, we took important steps to reduce our vulnerability. He decontrolled oil prices. He increased support of conservation and alternative energy sources. And we began to fill the strategic petroleum reserve to provide our economy with back-up supplies.

But in the 1980's and 1990's, the Reagan and Bush administrations forfeited many of these gains. Needed investments were neglected. Domestic energy production was allowed to fall steeply. The Republicans have slashed our conservation programs, allowing our economy's gains in energy efficiency to come to an end. Last summer, the Bush administration threatened to veto congressional attempts to strengthen the strategic petroleum reserve and better protect consumers from price shocks. Then, when the crisis came, and in spite of the fact that we already were in a recession, the President hesitated to use the reserve, our best weapon to dampen price increases. This initial failure to respond cost consumers up to $40 billion in higher oil prices—and contributed to an overall economic loss estimated as high as $200 billion.

Oil imports have surged, and last year's import bill topped $60 billion. Yet the administration's proposed energy strategy, while it makes great claims, sidesteps the most fundamental issue: the need for a greater degree of price stability. As such it lacks the ability to attain its goals. Erratic price swings have prevented us from maintaining a clear and credible focus on our long-run objectives and undermined many of our investments in fuel efficiency, additional production and the use of new fuels. The administration's failure to guard against the future cycle of price shock and price bust virtually guarantee that our economy will remain vulnerable.

The security and long-term economic interests of our country demand that we do better. Our current policies and patterns of energy use, established in the decades when America was self-sufficient in oil, now pose increased risks to our economic security. Our vulnerability forces us to make defense expenditures larger than needed. It constrains our freedom of action in foreign policy. Continuing price volatility exposes our economy to periodic bouts of boom and bust, jeopardizing our control of our economic future.

America needs an energy policy that stands up for American interests—not one that binds us or compels us to act on behalf of others. If we are to retain our freedom of action in foreign policy, if we are to retain control of our economy, we need an energy policy that reduces the security, economic and environmental risks posed by our rising oil vulnerability.

There is no free lunch. America needs to invest in energy security. And we will not achieve the level of investment we need unless we look at the incentives facing consumers—and the issue of price. During the 1980's falling gasoline prices defeated progress on fuel efficiency. If we do not address this issue, another price crash could simply set us back again. I believe we need to take action to reduce price volatility and restore a measure of stability that will benefit both consumers and producers.

The Energy Security and Price Stability Act helps accomplish this. It stabilizes energy prices through enactment of a floor price for oil. Establishing a floor price for oil will help encourage conservation and prevent a backsliding in energy consumption. And by bringing stability to energy markets, it would encourage investments in the development of alternative fuels and in the discovery of new oil supplies, particularly the recovery of additional oil from existing fields.

This legislation also establishes a trust fund, so that any receipts received are used for investments in energy security, including efficiency, home weatherization, and the development of alternative sources of energy or the enlargement of our strategic oil stocks.

In particular, this legislation contemplates the enlargement of the strategic petroleum reserve to the 1.5 billion barrel level to better protect consumers against future price spikes. It also contemplates a regional product reserve containing up to 40 million barrels. But generally, this legislation would collect funds when oil prices are low—the most advantageous time to acquire oil for the reserve and the best time to plan for the day when energy will be more expensive.

It is estimated that the stability provided by a price floor could result in a 30-percent increase in domestic drilling. A stable price also will create incentives for significant new investments in enhanced oil and gas recovery and could increase lower 48 production by 1 million barrels per day beyond the levels in the President's plan. It also may add up to 200,000 barrels per day of production in Alaska—without risking the environment in the Arctic Refuge.

As we move to stabilize prices, we should ensure that our energy policy seek closer cooperation with hemispheric allies like Mexico and Venezuela. For example, Venezuela possesses reserves of heavy oil that rival in size those of Saudi Arabia. Yet in part because its debt-burdened economy has limited domestic production, its production is less than one-third of ours. Venezuela could double its production to 5 million barrels or more per day with new investment, investments that United States companies can help provide.

We should encourage these countries to develop their resources. My legislation therefore authorizes the President to waive substantially any floor price adjustment surcharges imposed under this act on Western Hemisphere production, provided he reports to Congress that this is likely to produce energy security benefits and promote economic and political cooperation between the United States and its allies and create opportunities for U.S. firms.

This bill is not a complete answer to our energy problems. But I am confident that a policy of greater price stability can give our economy more security—consumers greater protection against price spikes and energy producers greater protection against price crashes. Our economy can be made more resilient. With a stronger strategic reserve and a floor price, we can take an important step to enhance our security and restore stability to our economy:

ENERGY SECURITY AND PRICE STABILITY ACT OF 1991

Section 1: Short title.

Section 2: Findings.

The Congress finds that

Volatile pricing has impaired domestic energy production during the 1980s. Since 1985 oil production has fallen twenty-one percent, from approximately 9 million barrels per day

to approximately 7.3 million barrels per day, a decline of almost 20 percent;

Annual energy efficiency gains, which had been averaging over 2 percent in energy expended per dollar of output, have been undermined, and overall oil consumption has increased by over 1 million barrels per day;

Petroleum and petroleum product imports have increased by sixty percent since 1985, to over eight and one-half million barrels per day prior to August, 1990, and at that level account for approximately half of U.S. consumption;

Imports from insecure regions of the world have risen five fold since 1985, from less than 500,000 barrels per day to more than 2,800,000 barrels per day in July 1990, and are projected to continue to increase in the future;

Events following the invasion of Kuwait produced economic damage and jeopardized the national security of the United States, and this damage resulted materially from the failure of the United States to have an effective energy security policy, to have an adequate Strategic Petroleum Reserve and promptly use it, to maintain a core domestic production capacity and to pursue energy efficiency as a national goal; and

An additional duty on petroleum imports will help achieve the market stability necessary to stimulate needed investments in energy efficiency and new energy sources and may provide additional revenues for such investments and for the Strategic Petroleum Reserve.

Section 3: Floor price for domestic oil.

Establishes a floor price for domestic crude oil, accomplished through enactment of a contingent, variable tariff on imported petroleum and petroleum products. This contingent surcharge, determined monthly, is equal to the excess, if any, of $20.00 over the average West Texas intermediate crude oil price of the previous 30-day period. For product imports the assessment is 110% of the assessment on crude.

Definition of crude oil: Subheading 2709 of the Harmonized Tariff Schedule.

Definition of product: Any product listed under subheading 2710 of the Harmonized Tariff Schedule, including distillate and residual fuel oils, motor fuels, kerosene, napthas, and lubricating oils.

Section 4: Energy Security Investment Fund.

Creates an Energy Security Investment Fund from the revenues generated by any collections. This fund shall be used to provide funding for conservation purposes and enhancement of the Strategic Petroleum Reserve. Funds will be made available, subject to authorization and appropriation, for the following purposes:

(1) Acquisition of petroleum to fill the Strategic Petroleum Reserve up to a level of 1.5 billion barrels of petroleum and 40 million barrels of product;

(2) Acquisition of petroleum products for storage. The Secretary of the Treasury shall calculate the revenues that resulted from imposition of the assessment on home heating oil. These funds shall be available for acquisition of petroleum products and storage capacity, particularly for home heating oil in regions particularly dependent upon heating oil. If the Secretary of Energy determines that the product reserve contains 40 million barrels, these funds shall be dedicated to conservation programs in regions particularly dependent upon heating oil.

(3) Low income home weatherization;

(4) Promotion of energy efficiency and the commericialization of energy efficient technologies and those based on the use of environmentally-sound, domestically-produced fuels, and

(5) The enhancement of domestic oil and gas recovery.

Section 5: Cooperation with hemispheric allies to enhance energy security.

The President, initially and in any fiscal year, may waive any duties imposed under this Act on oil produced by western countries, provided he certifies to Congress that doing so would—

(1) enhance the energy security of the United States and make available additional energy supplies;

(2) promote economic and political cooperation with these countries, and

(3) such cooperation offers the prospect of increased economic opportunities for U.S. firms.

The waiver may be made on amounts up to the annualized average levels that prevailed during the last six months of 1990. The President may also provide such access for oil produced as a result of the development of new production capacity.

Requires the President to report to the Congress on the ways in which the countries of the Western Hemisphere can cooperate in matters regarding energy production and conservation. The Report shall contain recommendations on how to expand petroleum production and methods (including credit assistance) by which the United States could assist these countries increase the production of petroleum.

A TRIBUTE TO DORIS ANDERSEN

HON. LES AuCOIN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mr. AuCOIN. Mr. Speaker, I rise today to recognize an outstanding Oregonian, Doris Andersen. Honored by her peers, Doris was selected last fall as the 1990 Realtor of the Year by the Oregon Association of Realtors and was singled out in this June 1991 article in Oregon Business magazine as an Oregon business leader who defines the word "success." Working with her on issues vital to maintaining the dream of home ownership in this country, I am fortunate to come to know her as a friend. I ask that my colleagues join me in congratulating Doris Anderson on her achievements and commending her contributions to her family, community, and profession.

The article follows:

A STATEWIDE REALTOR

(By Brian White)

During a 23-year career selling residential real estate, Doris Andersen has managed to juggle more than a few pressing priorities.

She's handled those priorities quite well, thank you.

Andersen, selected last fall as 1990 Realtor of the Year by the Oregon Association of Realtors, has managed to stay atop a fiercely competitive, up-and-down field while maintaining her family and community roots.

Active for many years in the Portland-area residential real estate scene, Andersen now resides in the small southwestern Oregon community of Shady Cove with her husband DeLaire. She's sales manager for the Ashland headquarters office of Van Vleet & Associates Inc., supervising 12 real estate agents. In Portland, she was the first woman to serve as president of the Portland Board of Realtors (1982). She later became president of the 9,000-member Oregon Association of Realtors and regional vice president of the National Association of Realtors.

Aside from her impressive professional dossier, Andersen has managed to help raise seven children, conduct motivational and educational seminars, and participate in volunteer work with such organizations as the Oregon Commission for the Blind.

"The balance in her life is absolutely phenomenal," says Ruby Brockett, owner-broker of Brockett Real Estate in Eugene and a 1986 Oregon Realtor of the Year winner. "She's been active in professional circles while enriching young people's lives, and is always willing to help others. She's a very caring, sharing person."

Andersen, who prefers to list her age as "sixty-plus," entered the real estate field in 1968. Her husband already had his real estate broker's license and "talked me into it," says Andersen. With a house full of kids the work was to be, of course, part-time.

"I geared my schedule so I could still be involved in trips to the orthodontist, PTA meetings and Little League," Andersen recalls. "That meant I did a lot of weekend and evening work at home. For the first few years I thought it was a part-time job, but I was really working more hours than full-time agents."

In Rose City, Andersen specialized in residential properties in the Portland Heights and West Hills areas. Andersen and a partner ran Portco Properties for a number of years before she launched her own firm, Doris Andersen & Associates.

Early on she became active in a slew of real estate industry groups and has become something of an expert on issues facing realtors across the state and nation. For seven years she's been on the board of the National Association of Realtors, attending legislative conferences and keeping Oregon realtors and legislators abreast of key housing issues.

Andersen moved into the southwest Oregon real estate market "by chance," via her husband's work.

The couple moved to Ashland in 1986 and eventually settled in Shady Cove. Andersen continued to operate her business but by this time had become more involved with realty industry issues. She cut back on her successful sales work to concentrate on motivational speaking seminars and educational endeavors. Her stint as regional vice president for the National Association of Realtors took her on the road to Alaska, Montana, Idaho, Washington, and throughout Oregon, and Andersen served as a liaison between state and national realtors associations. She remains active in the Salem-based Oregon Association of Realtors, helping staff members there deal with inquiries from special interest groups and the media.

Last January Andersen relinquished control of her business to her husband, who sold his other business. At Van Vleet, Andersen's job is to train, guide, and inspire real estate agents.

In the early 1990s, at least, the Ashland-area residential real estate market is lively, as many California retirees seek bucolic properties. "And Ashland is a college town with quite a cultural community. It really has beckoned them," says Andersen.

In her newly adopted Jackson County surroundings she plans to build on her educational and community service.

After all, there's more to a real estate career than selling real estate.

TRIBUTE TO NORMAN ADAM

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mr. YATRON. Mr. Speaker, I rise today with great pride to honor a man by the name of Norman E. Adam of Maxatawny Township, PA, for his tremendous courage and heroism. I am pleased to come before the House today to tell you about this man's incredible actions.

On the morning of Monday, May 27, 1991, Jeffrey Sharp was flying a plane over Maxatawny Township when it suddenly nosedived and crashed in a field near the home of Norman Adam. Mr. Adam ran to the scene of the accident as soon as he saw the plane go down. When he arrived, he quickly surveyed the situation and found that the pilot had broken both his legs in the crash yet was still desperately trying to crawl away from the flaming wreckage. With the helpless Sharp writhing in pain and in flames, Mr. Adam immediately began his heroics. He threw soil onto Sharp to put out the fire and thoughtfully dialed 911 on the nearest phone to call in assistance. To stave off further trauma, Mr. Adam stayed with Jeffrey Sharp, keeping him calm and cool until emergency personnel arrived. Norman Adam's bravery and selfless compassion for his fellow man was vital in saving Jeffrey Sharp's life. Citizens everywhere should attempt to emulate these heroic traits, as Mr. Adam has provided a shining example for all of us to respect and follow.

Mr. Speaker, it is indeed a great honor to rise before you and my colleagues here in the House of Representatives today to acknowledge this great deed performed by Norman Adam. Mr. Adam's actions went above and beyond the normal call of duty, and I am sure you will join me in offering congratulations to Norman Adam for his dedication to humanity.

PANCYPRIAN ASSOCIATION OF AMERICA AWARDS 1991 FREEDOM AWARD TO GEORGE E. PARASKEVAIDES

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mr. FEIGHAN. Mr. Speaker, George E. Paraskevaides, O.B.E. was honored on May 18, 1991, by the Pancyprian Association of America. George Paraskevaides' dedication to the service of others, his profound belief in human values, and his proud commitment to his Cypriot heritage made him truly deserving of the Pancyprian Association's 1991 Freedom Award.

Soon after his birth in 1916, George Paraskevaides moved with his family from Athens to Cyprus, where he excelled in his studies at the Pancyprian Gymnasium of Nicosia. He completed his formal education in architecture at the Milan Polytechnic, Italy, upon the outbreak of World War II. Despite the minimal construction activity carried out in Cyprus during the war, George Paraskevaides formed the contracting and civil engineering firm Joannou & Paraskevaides, in association with Mr. Stelios Joannou. Today, Joannou & Paraskevaides is the leading contracting company in Cyprus, with approximately 30 subsidiaries and associated companies.

The technical management skills of George Paraskevaides have also served to propel his international building and engineering contracting company to become one of the leading companies in the Mideast and the world, with over 20,000 personnel and nearly $1.5 billion in annual contracts. Mr. Paraskevaides' diversity may be seen in his establishment of numerous enterprises in several different countries, such as the Ledra Marriott and Intercontinental Athenaeum in Athens. He has served on the boards of many organizations, companies, and banks.

The wonder of his illustrious career is further magnified by Mr. Paraskevaides dedication to the service of others. He has continuously demonstrated his care for his fellow citizens through his financial aid for medical treatment, his promotion of Cypriot culture, and his establishment of the International Sports Center in Cyprus. The George and Thelma Paraskevaides Foundation has formed links with Shriners Hospital in Springfield, MA, and Children's Heart Fund Hospital in Minneapolis and has provided numerous scholarships for less fortunate Cypriots. Mr. Paraskevaides founded the Cyprus Kidney Association, the Surgical and Transplant Foundation and, most recently, the Cyprus Heart Association.

Mr. Paraskevaides has received several prestigious honors from sources throughout the world, including the Order of the British Empire (O.B.E.) by Queen Elizabeth II, the Order of Oman III, Class Civil by Sultan Qaboos of Oman, the Rotary Foundation Medal, and the Medal of Merit of the Lions International Club of Nicosia, the St. Paul's Medal by the Greek Orthodox Archbishop of North and South America, and the St. Marcus Medal by the Pontifice. He is an honorary citizen of Nicosia and received the Golden Apple Award from Mayor Edward Koch, of New York. He was awarded the Aristotelian Award by the Greek-American Organization AHEPA, the Person of the Year for 1986 by the Hellenic-American Neighborhood Action Committee, and Distinguished Hellene Award by the Hellenic Medical Society of New York. Together, Thelma and George Paraskevaides were awarded the Great Benefactor Decoration of the Society of Cypriot Studies in recognition of their philanthropic and cultural service.

Mr. Paraskevaides has often been offered highest official positions in Cyprus but has continuously refused them because of his belief that he can better serve his country through his business associates and his international relations. His idea that his Cypriot employees overseas constitute ambassadors of their country is a lesson for all of us interested in fostering international cooperation and good will. And it is our fervent hope that the message they bring about Cyprus will educate more people and help to create an atmosphere that will soon end the tragic division of that beautiful island.

It is with great pleasure that I congratulate George Paraskevaides and the Pancyprian Association of America for awarding him the 1991 Freedom Award.

HISTORIC WATERFORD, NY, TO CELEBRATE 175TH ANNIVERSARY

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mr. SOLOMON. Mr. Speaker, among the many communities in upstate New York which I have the privilege of representing is one which is proudly commemorating the 175th anniversary of its town government, the town of Waterford.

Actually, this anniversary is a little deceptive in terms of telling the full story of Waterford's history, which dates back to the very earliest days of America. Indeed, the town was actually the nothernmost point of Henry Hudson's explorations in 1609, and received its first development of American commerce, helping to give birth to the American industrial revolution and lying at the gateway to New York's great Erie and Champlain canal system.

Through all of these years, Waterford has always been an active and ready part of every facet of our Nation's history, including the proud participation of its citizens in every struggle for liberty from the American Revolution to Operation Desert Storm. Indeed, the timing of this celebration, which focused on a parade and festival on June 15, couldn't have been more appropriate. It was a well-attended event, and I was proud to be the guest speaker.

I ask my colleagues to join me in congratulating the town of Waterford on this special anniversary, and in thanking the citizens of that historic community for all of their past and continuing contributions to our Nation's freedom, prosperity, and greatness.

UNITED STATES FIRM OUTPACES JAPAN RIVALS

HON. LES AuCOIN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mr. AuCOIN. Mr. Speaker, I bring to my colleague's attention to an article that appeared in the June 14, 1991, edition of the Wall Street Journal. At a time when the technological competitiveness of U.S. firms is in doubt, it is heartening to read about an American company fighting to regain a market lost to international competitors.

Founded in 1946 by two Oregonians, Howard Vollum and Jack Murdock, Tektronix now employs 7,000 in Oregon and another 5,000 worldwide. After suffering severe business setbacks in the late 1980's, the company is making a comeback to again be a premier technology leader in the electronics industry.

The challenges Tektronix faces highlight the need for the U.S. Government and the private sector to work together in developing coherent

policies to ensure U.S. leadership in the development, use and commercialization of technology. Competitors in Japan and other major industrialized countries are benefiting from their government's systematic pursuit of leadership in critical technologies. By raising the priority given to technology and competitiveness in our R&D, tax, trade, and regulatory policies, we can help American firms regain their competitive edge.

[From the Wall Street Journal, June 14, 1991]

COLOR PRINTER GIVES TEKTRONIX JUMP ON CANON

(By G. Pascal Zachary)

A U.S. company has leapfrogged Canon, a Japanese electronics giant, in the burgeoning field of color printing on plain paper.

Tektronix Inc., a company based in Beaverton, Ore., that is best-known for its electronic instruments, plans to introduce a printer on Monday that uses a new type of ink and promises high-quality prints on plain paper—and many other materials ranging from cardboard to tissues. The printer, which carries a list price of $9,995 and will be available in July, uses a solid, wax-based ink that is safer and easier to handle than coventional printer inks.

Today, high-quality color printers are mainly used by graphic artists to prepare packaging and advertisements. They are a rarity in business offices, where black-and-white printers are as common as telephones and faxes. Besides being expensive, today's sophisticated color printers require messy inks and special paper.

Some analysts think the shift to ordinary paper could ignite demand for color printers, transforming office documents in the process.

"Plain paper is really the key for the office market to take off," says Donna Wheatley, a marketing director at Data-products Inc., Woodland Hills, Calif., which plans to introduce a solid-ink printer later this year. InfoCorp estimates unit sales of the printers should double by 1995 to nearly 100,000.

The emergence of a U.S. company at the forefront of color printing is something of a surprise. Computer printing is one of a number of high-tech niches pioneered by U.S. companies but best exploited by the Japanese. Hewlett-Packard Co., the biggest name in computer printing, dominates the estimated $4 billion a year market for high-end laser printers, but the guts, or "engines," of Hewlett-Packard's machines come from Canon. Canon also supplies the "engines" for Apple's big-selling family of laser printers.

Canon wants to gain the same sway over the color printer market as it holds over the black-and-white market. So far, however, the company offers only a combination plain-paper printer-copier whose list price starts at $22,500. And the output of these laser printers is considered less sharp and vivid than pages produced by Tektronix's printer.

But it isn't clear how long Tektronix can hold onto the lead. On the minus side: Tektronix's printer is slow, taking several minutes to produce a single full-color page.

COMPETITORS' PLANS

Competitors hope to do better. Canon says it will show a new color printer at the Comdex computer show this fall that may be comparably priced. It won't say when it will ship the product, which is expected to use a laser engine. Meanwhile, Dataprod-ucts Inc., a Japanese-controlled company, promises to deliver a plain-paper color printer later this year for less than $10,000.

The printer from Dataproducts will also use solid ink. Dataproducts holds a patent on aspects of solid ink, purchased from a former unit of Exxon, which first developed the ink. While Tektronix acknowledges licensing this technology, the company says its own technology is home grown and that it struck a deal with Dataproducts only to pre-empt a legal action.

The crucial innovation embedded in its printer, Tektronix says, involves its own proprietary method of converting solid ink into a liquid using heat, shoving it through the printer onto the page and fusing it back into a solid by applying 3,000 pounds of pressure to the page.

"This is a significant piece of American technology," says Edward Pullen, an InfoCorp analyst. He says the technology is "scalable," meaning the basic design is simple enough that it should result in color printers priced below $3,000 by the mid-1990s.

MARKETING SAVVY

Whether Tektronix succeeds in bringing color printing into the mainstream of office life, however, also depends on its marketing savvy, a knack Tektronix didn't display much in the 1980s, when its sales stagnated. "Certainly, this technology has the potential to become pervasive, but that depends on how quickly Tektronix can bring the price down and improve the speed of its printer," says Angele Boyd, an analyst at International Data Corp.

Ms. Boyd notes that for color documents to really catch on, computer software must be adapted to take advantage of the capability.

In the end, Tektronix could become another U.S. company that has pioneered a technology only to have a Japanese concern—Dataproducts, for instance—capitalize on the innovation.

There is even a chance that Hewlett-Packard will improve its home-grown inkjet technique so that its low-end color printers will be able to satisfy quality demands. Hewlett-Packard and others sell color printers for less than $1,500, but these machines still require special clay-coated paper to prevent colors from losing definition and vividness.

RAHALL EXPRESSES HIS APPRECIATION FOR THE GIBRAN MEMORIAL

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mr. RAHALL. Mr. Speaker, on Friday, May 24, 1991, President Bush dedicated the Kahlil Gibran Memorial Garden, which is located in the 3100 block of Massachusetts Avenue, across from the British Embassy. The Memorial Garden is composed of 2 acres of trees, a host of plants, a green lawn, and a fountain.

Kahlil Gibran was a mystical poet of Arab and Lebanese descent, who lived most of his life in the United States, where he died in 1931. He worked in great cities in the United States and the Middle East; therefore, the memorial includes architectural designs from Western and Arab cultures.

Because I am a Lebanese-American, this memorial has a special meaning to me. I am pleased that it was created for Gibran, a man who is a popular poet among Americans. Gibran is a good example of what Arab-Americans and Lebanese-Americans have contributed to the United States.

I feel what is even more poignant, that the dedication was made in the aftermath of the Persian Gulf war. Because of the war and various problems we have had in previous years with the Middle East, many people tend to characterize the Arab world as the leader of dissension. But this characterization is not true. We had and still are having conflicts with certain leaders in the Middle East, but not with the entire Arab world. The majority of the Arab people want peace. Even President Bush stated, "Gibran sought a kinder, gentler world".

Also, the Gibran Memorial only cost $1 million, which is a modest amount when compared to other proposed expenditures for upcoming memorials. We should take this example into consideration when making plans for new memorials, because it is not the amount that is spent which makes a memorial great, but the person whom it honors.

TRIBUTE TO NICOLE DAVIS

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mr. YATRON. Mr. Speaker, I rise before you today with great pride to recognize the achievements of a young lady by the name of Nicole Davis from Pottsville, PA. Although only 11 years old, this sixth grade student at the D.H.H. Lengel Middle School has done an exceptional job for both her community and State as a member of the Drug Abuse Resistance Education [DARE] Program.

Nicole, the daughter of Henry and Judith Davis, Pottsville, will be the sole representative of her State at the graduation ceremonies of this very prestigious program, which will take place on Wednesday, June 19, 1991, in Washington, DC. Despite her youth, she has become an active and important participant in our country's war on drugs with her selection to this very competitive program. The leadership that Miss Davis has displayed at such a young age provides an excellent example for all of us to recognize and appreciate, and I am sure that she will continue to take the initiative in her community by performing services as significant as those accomplished by DARE.

Mr. Speaker, it is indeed a tremendous honor for me to familiarize you and the rest of my colleagues here in the House of Representatives with the outstanding accomplishments of Nicole Davis. Her work in the fight to cure our country's drug problem has been extraordinary, and I hope you will join me in offering Miss Davis congratulations as she graduates from the Drug Abuse Resistance Education Program and wishing her continued success in the future.

WILLIAM EATON—AN ENTREPRENEUR

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mr. FEIGHAN. Mr. Speaker, Mr. William Eaton was a prominent entrepreneur in Greater Cleveland. Under his leadership, the Knall Beverage Co. prospered and thrived as one of the few remaining Greater Cleveland beverage firms. He was a great salesman, promoter, and was proud of the fact that he knew all of the tavern owners and people at the breweries.

Bill Eaton was a graduate from old West High School. During World War II, he was a B–24 bomber pilot. After the war, he graduated from Western Reserve University and also became involved in his wife's family beverage business.

Mr. Eaton was very active in community affairs in addition to his business activities in the beverage industry. In the late 1940's, he served a term as commander of an American Legion post. Although he was not a singer, Mr. Eaton was on the board of directors of the West Shore Chorale. He was also a volunteer at St. John and West Shore Hospitals and donated time to help elderly people fill out tax forms for the Internal Revenue Service.

Mr. Speaker, that's not all. He was a member of the Western Reserve Kennel Club, competed in Kerry Blue terriers, and belonged to the Cleveland Yachting Club. Mr. Eaton was also a Mason and taught Sunday school at Bethany English Lutheran Church.

If one looks at the contribution Bill has made to his community and to his neighbors, and if we measure his accomplishments against how he has affected the lives of so many people, he will surely be missed.

FEDERAL SUBSIDIES FLOW TO RURAL PHONE FIRMS THAT HAVE LOTS OF CASH

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mr. SOLOMON. Mr. Speaker, once again the American taxpayer is footing the bill for a Federal program that has lost its original reason for being. I am talking about the Rural Electrification Administration.

In 1949, the REA was given a mission to spread telephone service to the scarcely populated hinterlands where it did not pay for the big companies to go. Through REA loans, at taxpayer subsidized interest rates of 2 percent and 5 percent, small local telephone companies have been able to provide service to the most desolate outreaches of the country.

Unfortunately, there is no discretion on who is able to receive these loans. For example, telecommunications giant GTE Corp. borrowed $42 million from the REA for one of its subsidiaries even though they ended up with $431 million in cash on hand after paying $1.1 billion in 1990 dividends. Meanwhile a small company in Flatrock, IL had to wait another year to receive a $428,400 loan because the REA ran out of 1990 funds.

The list of companies getting rich while using taxpayer subsidized REA loans is growing. Last year, $163 million in REA loans, almost half the total, were captured by just five companies, including four listed on the New York Stock Exchange.

I am not calling for the dismantling of the REA, but enough is enough. The American taxpayer should not have to subsidize businesses that reap huge profits on their investments while saving on the REA low interest borrowing costs.

We need to revamp the REA and set conditions on just who is allowed to use these funds and stop the abuses that are going on.

[From the Wall Street Journal, May 23, 1991]

FEDERAL SUBSIDIES FLOW TO RURAL PHONE FIRMS THAT HAVE LOTS OF CASH

(By Bruce Ingersoll)

Back in 1949, when two-thirds of the nation's farmers didn't even have a handcrank telephone on a party line, Congress gave the Rural Electrification Administration a new mission: Using subsidized loans, spread phone service into the thinly populated hinterlands where it didn't pay for big companies to go.

Dell Telephone Cooperative Inc., an REA borrower in remote West Texas, is still "struggling," its manager says, to keep 772 customers in 10,500 square miles of "cactus, rattlesnakes and scorpions" in touch with the Information Age. To hear June Barker, its assistant manager, tell it, though, she has a bigger challenge; how to invest the little co-op's mounting pile of cash—$5.8 million, at last report.

"I was trying to keep it local, but there weren't enough banks. Now I have two stockbrokers, good ones," she says. Result: While still paying off $13.9 million in REA loans at taxpayer subsidized interest rates of 2% and 5%. Dell Telephone is ringing up big bucks on high-interest brokered deposits and mutual funds.

MANY FLUSH FIRMS

Scores of nonprofit co-ops and family-owned telephone companies in rural areas are similarly flush with cash. In addition to the subsidy program, they are benefiting from a modern system of pooling telephone-network access charges and long-distance toll revenues. Many are diversifying into lucrative sidelines, including cable-television and cellular-telephone franchises. One go-go cooperative even considered a plunge into Texas banking.

Lured by the riches, big telephone holding companies are swallowing up many of their plump little country cousins. In the past three years, they have taken over more than 50 phone companies—and happily taken on their low-interest REA debts while going back for more. Last year, $183 million in REA telephone loans, almost half the total, were captured by just five companies, including four listed on the New York Stock Exchange.

Telecommunications giant GTE Corp., for example, borrowed $42 million at 5% interest for its Micronesian subsidiary in the South Pacific—even though GTE wound up with $431 million in cash on hand after paying out $1.1 billion in 1990 dividends. The other big borrowers: Alltel Corp., Century Telephone Enterprises Inc., Telephone & Data Systems Inc. and Pacifi-Corp. Meantime, the two-employee Flat Rock Mutual Telephone Co. in Flat Rock, Ill., had to wait another year for its $128,000 loan, as did other small systems because the REA ran out of 1990 funds.

MEANS TEST RESCINDED

For many years, the REA had what amounted to a means test, denying of limiting loans to companies and co-ops that had excessive "general funds." But in 1987, industry lobbyists prevailed on Congress to rescind the policy, forbidding the REA to differentiate between the rich and the poor. Result: Holding-company borrowing surged to last year's $183 million from just $21 million in 1967.

"It's first come, first served," says Robert Peters, the REA's top telephone lender. "If you're a company with unlimited resources, you normally can get your requests in a lot quicker than a Ma-and-Pa type operation." And REA Administrator Gary Byrne says the agency hasn't any choice: "By law, we can't treat a GTE subsidiary or an Alltel subsidiary any differently than a small rural cooperative out in northeastern Montana."

Bush administration officials decry the subsidization of big holding companies and other affluent borrowers as "distorting" the original phone mission of the REA, which was created in 1935 to bring electric power to the American outback. Some critics also say the electric subsidies are no longer needed, particularly in once-rural suburbanized areas. At the very least, administration officials argue, that REA money should be meted out on the basis of need, with most of it going to small fry in rural backwaters that can't obtain credit elsewhere. But efforts to reinstate the old phone policy have failed to win support in Congress.

A major reason, according to former Agriculture Department official Robert Richards: "No one was willing to go toe to toe with [Rep.] Glenn English." The Oklahoma Democrat, a power on the House Agriculture and Government Operations committees, has received thousands of dollars in campaign contributions from telephone political-action committees over the years. Rep. English argues that administration efforts to curtail lending to wealthy companies and co-ops is a subterfuge for gutting a program that it can't kill outright. He calls REA Administrator Byrne "a wolf in sheep's clothing."

Growing competition for credit, coupled with shrinking pots of loan dollars, is splitting the REA's 1,000 telephone borrowers into the have-a-lots and the have-nots. Most small borrowers favor banishing big holding companies from the loan program and subjecting cash-rich co-ops and independents to strict eligibility tests. "It wasn't the intent of Congress to help them make bales of money, and that's been forgotten by some people, including friends of mine," asserts Clifton Guffey, manager of Wilkes Telephone Membership Corp., a co-op in Millers Creek, N.C.

But the four rural telephone groups, despite differences in their members' interests, have closed ranks against the administration's assault on "profane profits" at many REA borrowers. John O'Neal, a National Rural Telecom Association lobbyist, accuses administraiton "bomb-throwers" of trying to conjure up "perceptions of abuse in a program that has an impeccable record, unmarred by a single loan default. Holding-company units, he adds, aren't getting "a disproportionate share" of the loans and shouldn't be discriminated against because of their percentage.

After four decades and $9 billion in direct and guaranteed loans, the communications landscape has changed drastically. All but a

few deserts and mountain hollows have been hooked up to the realm of touchtone phones, fax machines and computer modems. Moreover, scores of rural companies and co-ops have grown and prospered as suburbs, resorts and retirement communities entered their areas.

Big Borrowers

[Principal amount owed on Rural Electrification Administration loans by telephone holding companies, in millions[1]]

Contel[2]	$211
Alitel	206
Telephone & Data Systems	199
PacifiCorp	88
G-Tec	87
Century Telephone Enterprises	69
Rochester Telephone	45
Citizens Utilities	42
GTE	40

[1] As of Jan. 31, 1991.

[2] Acquired by GTE in March.

Source: Rural Electrification Administration.

[From the Wall Street Journal, May 23, 1991]

OPEN LINE: SUBSIDIES FLOW TO RURAL PHONE FIRMS WITH AMPLE CASH; BIG COMPANIES OFTEN BENEFIT

But even low-density phone systems are thriving. Under industry pooling arrangements, systems with the fewest customers per line mile can tap the pools for the fattest revenue shares because they have the highest per-customer costs. A rich revenue stream doesn't deter them from tapping the REA till, though.

In West Texas, Dell Telephone borrowed $703,000 at 5% interest two years ago to bring radio-telephone service to an isolated reach of the Rio Grande Valley. One new customer: a 103-year-old woman rancher. At the time, Dell had a hoard of $5.6 million in cash—$7,200 per customer.

UNUSUAL FIGURES

How does Dell do it, serving a desert domain bigger than Vermont and charging residential customers only $19.40 a month for local service? "We get money out of the pools and use that to invest and keep struggling along," says Dale Flach, its manager. For every $1 in local-service revenue, Dell gets $22 in network-access and long-distance toll revenue. (Typically in the boondocks, it's $4 long-distance for every $1 local.) "They could give local service away free!" an REA official exclaims.

Nonetheless, Mr. Flach insists Dell isn't ready to be weaned from subsidized credit. "It's desolate out here. If I'm going to put in new service," he says, "I'm going to have to borrow more money from REA."

Other REA borrowers sound a similar theme. "We're grass-roots America," says Lyndell "Pete" Hurt, general manager of Craw-Kan Telephone Cooperative Inc., of Girard, Kan. "We operate in a depressed area [along the Missouri border]. We just want to get our fair share of the crumbs from Southwestern Bell and AT&T."

Some crumbs. After dickering with big carriers over access charges and toll revenues, the little co-op wound up 1990 with $14.2 million in cash and investments, including $7.4 million in banks and thrift institutions from New York to Butte, Mont., to Santa Barbara, Calif. "Those S&Ls have been paying good returns," exults Mr. Hurt.

TEXAS-SIZE AMBITIONS

Few REA borrowers can match Guadalupe Valley Telephone Cooperative Inc., which still owes the government $5.4 million, for entrepreneurial verve and grandiose ambition. It has flourished without raising its local rate of $7.25 a month in 18 years, as commuters from growing San Antonio moved into the goat pastures and live-oak groves in the central-Texas Hill Country.

Toll revenues have so enriched Guadalupe that its money managers must be on guard—against making too much money on investments. Otherwise, Guadalupe might, as a co-op, lose its tax-exempt status. At year end, its portfolio included $5.5 million in mortgage-backed securities and $3.4 million in bank deposits. To hold down taxable income, the managers put $6.7 million in tax-free bonds and stashed another $3.1 million in noninterest-bearing checking accounts.

Tax considerations, however, don't stifle entrepreneurial impulses at Guadalupe's posh headquarters on a hillside outside New Braunfels. The latest plan: Take over a failed $210 million savings and loan, cherry-pick its real-estate assets and leave the duds to the government. "Everything in the world revolves around finances," says Guadalupe's personable president, Kenneth Brannies. "I think it's a good time to get involved."

George Pratt, deputy REA administrator, offers another view: "They had $19 million burning a hole in their pocket." The notion of an REA borrower becoming a money lender irritates agency officials, though they can't forbid it. Federal bank regulators can, however, as Mr. Brannies discovered. Undaunted, he is lobbying for repeal of a law barring corporations from owning large stakes in banks or thrifts.

Meanwhile, Guadalupe's board has a fallback plan: share the wealth with its 15,000 member-customers as never before. Last year, it doled out $3 million in so-called patronage credits; one customer with multiple access lines reaped an $8,000 windfall. This year will bring a $4.5 million bonanza, which averages out to $300 per customer, more than enough to cover the basic monthly rate. Some people who seldom call long-distance will dial for free.

SHARP PROFIT GAINS

Many telecommunications holding companies are faring as well as Guadalupe, partly because their newly acquired subsidiaries remain eligible for REA credit under a once-a-borrower, always-a-borrower ruling. The last half of the 1980s was a period of booming profits for holding companies, an REA analysis shows. Century Telephone's profits shot up 117% between 1985 and 1989, and Telephone & Data Systems posted a 93% increase. Thanks to REA subsidies, the holding companies, administration officials contend, are draining dollars out of rural America while saving on borrowing costs. In 1989 alone, the companies collected $439 million in dividends from their rural subsidiaries. GTE's Contel Corp. unit took $70 million out of a large California subsidiary.

"For every dollar we send to Main Street, these holding companies take $2.40 [in dividends] back to Wall Street," REA administrator Bryne complains.

Holding-company officials deny converting REA dollars into dividends: they say they're using them to improve service without big rate increases. "It's our obligation to provide telephone service at the lowest possible cost," says Anthony Hamilton, a RTE spokesman. "Therefore, we utilize REA loans wherever the circumstances justify."

So far this fiscal year, big holding companies already have applied for half the money in the $364 million REA loan pot, which is $51 million smaller than in fiscal 1990. Most of the money is for direct loans at 5%—appreciably less than the government's own borrowing cost. Companies also can seek guaranteed loans at 8.5% interest, but nobody does. "They refuse to take guaranteed money," the REA's Mr. Pratt says. "Would you at 8.5% when you can get direct loans at 5%? They can wait until their turn comes in the queue."

But while many smaller REA borrowers clamor to restrict the big and the rich, some people abhor the notion of a means test—and denounce any ban on holding-company borrowing. "There's no reason why rural customers of Century should be discriminated against," asserts Stewart Ewing, chief financial officer for Century, based in Monroe, La., which led all borrowers last year with $82.6 million. "The cost of 10 miles of cable is the same for Century as it is for anybody else."

The REA-loan beneficiaries aren't the borrowers but the customers, adds the United States Telephone Association, the big companies' lobby. Recently, the USTA, a powerful ally of the rural phone lobbies, entertained lawmakers and top aides at the tony Virginia Gold Cup steeplechase, pouring out the champagne beneath a sundappled tent after the running of the U.S. Telephone Cup race.

One suggested compromise that some holding companies may be willing to accept: Dispense with the once-a-borrower, always-a-borrower rule and go back to the original REA guideline: Funds can be borrowed only to serve a community with a population of less than 1,500.

"We should be considered ahead of the big boys, simply because of our limited [profit] margins," says Benjamin Vigil, manager of La Jicarita Rural Telephone Cooperative, which serves Mora County, N.M., one of the nation's poorest regions. "REA stands for rural," he says. "It isn't being run as it was meant to be."

HONORING LT. COL. ED HIESTAND, USAF RESERVES

HON. BOB McEWEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mr. McEWEN. Mr. Speaker, I rise today to recognize and honor the outstanding service of Lt. Col. Ed Hiestand, USAF Reserves, a navigator of the highly effective C–130 transport planes with the 907th Tactical Airlift Group.

Colonel Hiestand, a tremendous asset to the U.S. Air Force who has served for the past 28 years, was activated to full-time active duty status on January 21 of this year. The transport planes of the 907th Tactical Airlift Group were needed to accomplish the historic movement of American troops, equipment, and supplies to the Persian Gulf.

The airlift accomplishments of our Air Force during Operation Desert Shield and Desert Storm are unparalleled in military history, playing a vital role in allowing the American Armed Forces to utterly dominate the fourth largest military in the world. Colonel Hiestand has earned our heartfelt thanks for contributing his invaluable skills to the 907th TAG and helping the Air Force accomplish this logistical miracle.

Mr. Speaker, I have the pleasure of considering Ed Hiestand a friend. Along with his

service to the country, Ed is a proud father and devoted husband. Ed and his wife, Helen Hiestand, have been leading members of the First United Methodist Church in Hillsboro, OH, for years. His two children, Joe and Janis, have each followed in their father's footsteps, becoming proud members of the Armed Forces Reserves.

Colonel Hiestand's devotion and loyalty to our country can be seen in his distinguished Air Force career. 1990 and 1991 were not Colonel Hiestand's first years of service to America during wartime. Like many servicemen who took part in Operation Desert Storm, he proudly and honorably served his country during the Vietnam war. He spent 6½ years on active duty as an electronic war officer, and flew on a number of rotations in Southeast Asia during the Vietnam war.

After completing his active duty service in 1970, he entered the reserves and became a navigator of C–123's in the Buckeye Wing of Clinton County. Due to the introduction of the new C–130's in 1981, Colonel Hiestand was required to learn an entirely new navigation system. His significant peacetime service included running a rotation out of Panama and making Embassy runs out of Howard Air Force Base.

During wartime, Colonel Hiestand has served the United States with distinction and valor. During peacetime, he has personified the vigilant professionalism that protects the freedom and values the American people hold so dear.

Mr. Speaker, Colonel Hiestand's contributions to the Air Force will continue to benefit the Nation well into the 21st century. As the 907th Tactical Airlift Group is one of the last reserve outfits to leave the Persian Gulf, I'm sure my colleagues join me in commending and thanking Ed Hiestand and the 907th for their service to America, and their dedication to the principles of freedom and democracy.

CHEMICAL FIRMS FIND THAT IT PAYS TO REDUCE POLLUTION AT SOURCE

HON. HOWARD WOLPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mr. WOLPE. Mr. Speaker, I commend to my colleagues the following article on waste reduction which appeared in last week's Wall Street Journal.

Wall Street Journal reporter Scott McMurray's article highlights the private sector's discovery of the win-win strategy of reducing pollution at the source: It's good for business and good for the environment.

Source reduction—by cutting material and energy costs, curbing pollution and making operations more efficient—makes good economic sense for all enterprises, but particularly for the 10 companies producing over 25 percent of the 5.7 billion pounds of U.S.-generated toxins.

As costs of waste disposal and cleanup increase, it is critical that we shift the focus from pollution control to preventing the creation of pollution in the first place. As Congress begins the RCRA debate, I urge my colleagues to consider the significant advantages of a greater emphasis on incentives for source reduction.

[From the Wall Street Journal, June 11, 1991]

CHEMICAL FIRMS FIND THAT IT PAYS TO REDUCE POLLUTION AT SOURCE—BY ALTERING PROCESS TO YIELD LESS WASTE, THEY MAKE PRODUCTION MORE EFFICIENT—DOW REUSES A TOXIC SOLVENT

(By Scott McMurray)

The chemical industry's record on the environment has been a sorry one. Despite tougher regulation and pressure from public interest groups, it still accounts for nearly half of all the toxic pollution produced in the U.S.

Yet lately, a new force has been driving the industry to clean up its act: economics.

In a major shift, chemical companies are viewing waste not as an unavoidable result of the manufacturing process, but as a measure of its efficiency. The more unusable byproducts a process creates, the less efficient it is—and the more economic incentive there is for making it better.

That's what Du Pont Co. discovered at its Beaumont, Texas, plant, which makes products for plastics and paint. For years, the facility had been spewing out a staggering 110 million pounds of waste annually. Du Pont engineers argued that reduction the pollution would be too expensive.

NOT WASTE AFTER ALL

But when they took a second look last year, they found just the opposite was true. By adjusting the production process to use less on one raw material, they were able to slash the plant's waste by two-thirds. Yields went up and costs went down. The savings: $1 million a year.

"When I heard about it, I just said: 'That's amazing,'" says Edgar Woolard, Du Pont's chairman and chief executive officer. He says the company now even sees waste reduction as a way to achieve a competitive advantage.

Environmentalists heartily support this view. Slashing toxic waste production "is very similar to energy conservation in the 1970s: There is a potential for massive savings," says David Roe, a lawyer with the Environmental Defense Fund.

The entire chemical industry, says Environmental Protection Agency administrator William Reilly, is "getting religion" about the benefits of cutting wastes.

Other industries, from semiconductor makers in Silicon Valley to metal processing companies across the Rust Belt, are also beginning to focus on toxic waste reduction as a way to cut costs, curb pollution and make operations more efficient. But it's the chemical industry that has the most to gain from waste reduction savings simply because it churns out so much.

According to the EPA, in 1989, the last year for which figures are available, the industry produced nearly half of the 5.7 billion pounds of toxins generated nationwide and tracked by the EPA. Chemical company officials say that, since then, the proportion has stayed roughly the same, though the total amount of toxins released in the country is believed to have declined. Some environmentalists have argued, however, that the EPA significantly understates the total amount of toxins discharged into the environment.

A BIGGER PICTURE

Richard Mahoney, Monsanto Co.'s chairmand and chief executive officer, estimates that there is $125 million worth of material that currently isn't recovered from the waste that leaves the company's plants. What's more, other costs associated with waste are rising. They include processing, disposal and cleanup, not to mention lawsuits and government fines when those jobs don't get done right.

Dow Chemical Co., for instance, recently spent $30 million building a waste incinerator and dump to handle toxic materials at its plant site in Midland, Mich. And, earlier this year, Monsanto paid the state of Massachusetts $1 million to settle claims that its Everett, Mass., plant didn't report certain waste-water discharges. It paid another $192,000 to a trust fund that supports the cleanup of Boston harbor. Last year, it forked over $27 million to clean other sites. At year end, it had an accrued liability of $120 million on its balance sheet to cover certain future cleanup costs.

Chemical companies, however, might have made substanital cuts in toxic emissions sooner had they recognized some of the potential economic advantages, such as lower materials costs. "One of the differences is that we're now putting some of our best people into this area," says Robert Luft, Du Pont's senior vice president. "When you do that, you can start making some fast progress."

THE LEGACY OF BHOPAL

In the past, chemical companies used to focus merely on complying with federal and state pollution laws for specific chemicals or plants. They didn't pay much attention to the aggregate amount of waste they produced each year, or the future liability it represented. Waste disposal costs were low, and the typical approach to pollution often was the dilution solution: Dilute wastes in massive amounts of air up a smokestack or water out the end of a sewer pipe. More-permanent solutions were unattractive. They almost always involved adding equipment, which meant higher costs, and, thus, intense corporate resistance.

That began to change after the deaths of more than 3,800 people in Bhopal, India, following the release of a cloud of toxic gas at a Union Carbide Corp. subsidiary in 1984. The disaster led to U.S. legislation in 1986 directing the EPA to compile and publicize a survey of toxic emissions, which put pressure on big polluters to do more than just meet minimum government standards.

In the process, companies began to discover economic advantages, as well. Some came from increasing production efficiency, while others came from finding other uses for some of the byproducts. Along the way, companies began to conclude that pollution was a sign of a bad manufacturing system. "When you make a lot of waste you know you don't have control of your operation," says Mr. Woolard, Du Pont's chairman.

Dow Chemical has been applying the same philosophy to its operations. For example, it estimates that, by recycling a toxic solvent used to make its Verdict herbicide, it is now saving about $3 million a year, and halving the amount of solvent going out the door as waste.

At its Plaquemine facility near Baton Rouge, LA., Dow spent $15 million on waste reduction projects last year that it says have already saved $18 million in toxic waste disposal and raw material costs. The company promotes these projects internally with the acronym WRAP: Waste Reduction Always Pays.

Monsanto says that is nylon fibers plant in Pensacola, Fla., has cut its toxic air emissions by about 90% since 1987, and saved a

few million dollars a year in raw materials expense. The plant is capturing a toxic solvent in a mineral-oil bath before it escapes up a smokestack. It then recycles the solvent back into the production process. The mineral oil isn't wasted either: It is returned to the plant, where it captures more solvent.

CAPTURING A CARCINOGEN

Monsanto says, it's Sauget, Ill., plant, across the Mississippi River from company headquarters outside St. Louis, cut its air and water emissions of PDCB, a carcinogenic chemical used in making mothballs, by 90%, or one million pounds. The company cooled the plant's waste vapor and captured the crystallized chemical for reuse before it was emitted. Loading the product directly into tank cars under sealed conditions cut vapor emissions even further.

In some cases, the industry is constructing new plants that incorporate the latest waste reduction technology. A new Du Pont herbicide plant, near Dunkirk, France, is expected to produce 90% less pollution than an existing facility. Among other things, it will distill and recyle solvents.

In other cases, chemical companies are tying together production processes at different plant sites to cut waste and save on raw material costs. Last fall, a Du Pont plant in Mobile, Ala., that makes herbicides and insecticides began tapping into the waste stream leaving the plant, pulling out solvents and titanium byproduct that it used to incinerate. The solvents get recycled into the plant's own operations, while the titanium is treated and shipped to a Du Pont plant in DeLisle, Miss., where it is used to make paint pigments. By integrating production this way, the Mobile plant cut its annual toxic emissions by about 25 million pounds, nearly 20%.

GETTING ALONG

Besides cutting costs, these waste reduction programs help companies earn public good will, as well as meet demands from regulators and environmentalists. Arco Chemical Co. is using several waste reduction processes to meet the stiff environmental standards that apply to the expansion of its Channelview, Texas, propylene oxide plant just east of Houston. The Arco Chemical plant, where 17 workers died in an explosion last July, is in an area of back-to-back oil and chemical plants that parallels the ship channel leading to the Gulf of Mexico.

"Roll down your car window and the aroma will knock you over," is how George Smith, of the Sierra Club's Houston chapter, describes the area.

The environmental group feared Arco Chemical's plant expansion would fill the air with an excessive amount of benzene, so it threatened to put the plan through a lengthy public hearing process. In response, Arco Chemical agreed to install a distillation process to recover benzene from liquid waste at the plant. The process keeps much of the benzene from reaching the plant's water treatment unit, where it could partially evaporate into the air before decomposing.

As it turns out, the added cost of the distillation process is largely offset by savings from the benzene that's recycled, says John Evans, environmental superintendent for the plant. And when all waste processes are in place, including catalytic converters that break down hydrocarbons before they go up the smokestack, the expanded facility will emit substantially fewer toxic chemicals than the original plant, even though production will have increased 200%, Mr. Evans says.

Environmentalists say the chemical industry still has a long way to go before it gets unqualified praise. But chemical companies contend that both regulators and the public will continue to see a substantial reduction in their output of toxic wastes. Monsanto, Dow and Du Pont all say their emissions have declined by between 30% and 50% in the past four years. They add that the numbers will continue to drop in the years ahead. The EPA is providing additional incentive: Last month, the agency proposed extending the deadline for required pollution controls at plant sites if companies speed up voluntarily cuts in their emissions.

Even though some of the short-term costs for the new waste reduction programs have been high—more than $200 million a year at the largest chemical companies—Monsanto's Mr. Mahoney says it is money well spent. "Our initiative and commitments to environmental protection will, over the long term, make us more efficient, more cost effective and more competitive," he predicts.

THE TOXIC TOP 10 U.S. COMPANIES RANKED BY THE AMOUNT OF TOXIC WASTE PRODUCED BY THEIR VARIOUS FACILITIES [1]

Company	Facilities	Toxic waste (in millions of pounds)
Du Pont	85	348.40
Monsanto	33	293.83
American Cyanamid	29	202.09
BP America	18	123.66
Renco Group	2	119.08
3M	51	106.04
Vulcan Materials	2	93.15
General Motors	133	87.87
Eastman Kodak	23	79.48
Phelps Dodge	19	77.42

[1] 1989 figures (latest available).

Source: Environmental Protection Agency.

PRESIDENT BUSH'S REMARKS AT STEALTH DAY

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mr. DORNAN of California. Mr. Speaker, I would like to share with you President Bush's outstanding remarks on the F–117 and B–2 bomber. He delivered these remarks on June 11, 1991, to the distinguished visitors to "Stealth Day" at Andrews Air Force Base.

Every President since Harry S. Truman has dealt with the critical issue of nuclear deterrence. President Bush continues this awesome resonsibility which is embodied in the Strategic Air Command. We must not lose sight that the primary mission of the Strategic Air Command is deterrence—conventional as well as nuclear. The Soviet Union, with its robust strategic program and massive array of air defense systems, still represents the primary strategic threat to the United States. East-West tensions have abated for the time being, but we must remain vigilant and ensure an effective deterrent.

The age of the current United States bomber fleet and the continued improvement of Soviet and regional defenses make bomber modernization even more imperative. The B–2 is the ideal choice. The B–2's long range, large payload, efficiency, and revolutionary stealth technology will allow it to penetrate heavily defended areas to reach its target. Compared to its value and the unsatisfactory alternatives, the B–2 is worth the cost.

I urge you to take the time to read the President's outstanding statement and support this important defense program:

REMARKS BY PRESIDENT GEORGE BUSH

Thank you all very much. And I hope everybody's enjoyed this tour as much as I have. And first, let me pay my respects to the men and women of the US Air Force. I was telling General McPeak and the Secretary that I am always so impressed by you all's dedication, certainly service, and I'm just delighted to be here with those that have made this exhibition possible from the research stage and right on up to now. I want to salute Dick Cheney, of course, our leader—one of our leaders. Bob Dole is with us today. Don Rice, of course, our Secretary. General McPeak, you've heard me speak about him. And members of the Senate who took the time to come out here today, our chairman, Sam Nunn, and others. And I'm just delighted you all are here.

Senator Warner, Senator Nunn, and the members of the committee have been strong supporters of stealth technology, even before the first prototype F–117 in 1977. And we've now seen the promise of stealth fulfilled with the remarkable success of the F–117 in Desert Storm. The F–117 carried a revolution in warfare on its wings over Baghdad. And these remarkable aircraft flew only about 2 percent of the combat sorties, but struck over 40 percent of the strategic targets. The success of the 117 is a tribute to those men and women who could see, even in the '70s, the potential of stealth, the need for stealth, and had the strength and perseverance to see it through.

Among those who deserve special credit for this accomplishment are the members of this committee who gave that plane, the F–117, their strong and continuous support. And there now is no question stealth works. And it's been proven in combat, and it broke the Iraqis' back and it saved precious American lives. It flew hundreds of sorties through the most heavily defended areas without a scratch.

And the B–2 takes the next generation of stealth and applies it to a strategic bomber. This leap in technology will make a unique contribution to nuclear deterrence and will deliver the enhanced conventional capability that F–117 pilots say they'd most like to have—more range, more payload. The B–2 has five to six times the range and 10 times the payload, 10 times the payload of the F–117.

Some claim they don't understand the mission of the B–2. Well, let me try to clear it up. The mission of the B–2 is deterrence, nuclear deterrence, conventional deterrence, a deterrence all across the spectrum. And with the smaller forces and budgets that we're looking at in the '90s, that's the kind of flexibility and value that America needs. We need the B–2 bomber. We cannot allow the House actions that would terminate this vital program to stand.

Partners with the B–2 in deterrence are the new Cruise missiles that also embody stealth technology, and they will provide a cost-effective way to keep some of older bombers viable and they add a unique capability to even our modern systems. No student of the Gulf War can doubt how combination of Cruise missiles and manned aircraft can overwhelm an enemy's air defenses.

And finally, Desert Storm should have made the importance of control of the air crystal clear to all. Air superiority—air su-

periority enabled the allied forces, air and surface, to operate with an effectiveness that amazed the world, and thank God, to operate with allied casualties as low as possible.

Today's generation of fighters drove the Iraqi Air Force from the skies. The F-22 that we see here, the prototype of the next air superiority fighter, combines stealth and maneuverability in a way that ensure the American forces in the next century will be able to count on control of the air. Stealth has really brought a revolution to air power. It is a leap in technology. It comes from American genius and ingenuity. It works and it's needed.

And it's an edge that can help guarantee our security in the ever more complex world that we will face in the future, and it's an edge that I want to give our country, and an edge that America's fighting men and women deserve to have should they ever be called on again. I'll fight for Stealth and I will fight for the B-2, and I appeal to the leaders here today and to others in the Congress to step up to the challenge and give it full support and full funding this year.

And I want to thank you again, everybody from the Senate that took the time to come out here today, and for those that are committed, let me tell you, please let us know what we can do, because this is priority, not simply to the administration, but in my view, to the country.

Thank you all very much for taking the time to join us. (Applause.)

CALIFORNIA WATER POLICY

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mr. MILLER of California. Mr. Speaker, as many of us know, the State of California is in the middle of one of the worst droughts in the State's 150-year history. There are many ways in which we can work together to solve the problem that knows no district or constituent boundaries. Something that I and others of the California delegation have been working on is reforming the water policy that governs the State in order to better use the precious and limited quantities of the resource that we have.

I would like to take this opportunity to share with my colleagues an article from the June 1991 issue of the California Republic. This article points to some of the challenging problems California faces with water supplies. This articles also shows solutions that will possibly create more efficient water use. Experimentation such as the University of California at Riverside's breeding of water-thrifty grain is the type of project that allows us to adapt to the changing times and bring about a more conservation-minded solution to the problem. I encourage my colleagues to keep the following article in mind when they think of the solutions to reform the policies that control California's, as well as our Nation's, water.

[From the California Republic, June 1991]

DRY UP!

(By Mark Thompson)

California wheat could learn a few things from some distant cousins growing in a field on the outskirts of Riverside. The scrappy crops at a University of California agricultural experiment station are primitive strains grown for millennia by farmers in the hostile terrain of Iranian Baluchistan. Agronomists at UC Riverside are trying to breed some of their water-thrifty ways back into high-yielding modern varieties that have long since forgotten the art of producing grain with little water.

Don't look for Baluchi wheats to sweep across the Central Valley any time soon. The varieties in the experimental plot still need work. A commercially viable cultivar instilled with the ancient genetic wisdom is many plant generations away. Yet for now, work on the wheat isn't even funded, its last grant having recently run out. As for farmers, most haven't even begun to consider that their crops might need an overhaul. They scoff at the notion that if they lose their cheap water, they could find salvation in the likes of primitive wheat.

They may be in for a surprise. It is increasingly evident that the California agricultural establishment will have to relearn how to make do with less water. Today's farming practices are products of the revolution in pumping technology that began a century ago, and the completion of massive dams and aqueducts after World War II, when it became a matter of faith that modern technology could conjure endless supplies of water for a pittance. Perry Stout, director of the Kearney Foundation of Soil Science at UC Davis, was one apostle of this way of thinking. On a trip to India's Ganges Valley in the 1960s, he recommended building "a nuclear-power agro-industrial complex" that would make fresh water from the sea and nutrients for the soil. This "marriage of agricultural technology and atomic power would turn the valley of the Ganges into a rival of the lush San Joaquin Valley of California," Stout proclaimed.

It is not clear whether Stout believed the peasants of the Ganges plain would enjoy such prosperity that they could shoulder the costs of such a system. But it is clear that while California farmers have been extremely productive—generating a $17 billion harvest, including half of the nation's fruits, nuts and vegetables, each year—they haven't come close to paying their share of water's true costs. Farmers take from 80-85 percent of California's developed water supply. Yet to date they have paid for only 5 percent of the federal Central Valley Project, while city dwellers pay up to 50 times more for their water.

So far, urban legislators have been willing to indulge agriculture with the illusion of cheap water because of an "enormous reservoir of good feelings and nostalgia for farmers," says Assemblyman Phil Isenberg, a Democrat from Sacramento and a leading advocate of water policy reform. But the mounting cost of drought in the cities is rapidly changing psychologies. For the $680 billion off-farm economy, water shortages could be costly indeed. According to a recent survey, major manufacturers would lose $8 billion in just the first year after a 30 percent cutback in their water supply, with ripple effects provoking even more devastation thereafter.

Two bills in the U.S. Congress would start nudging farmers off the dole. One, sponsored by Rep. George Miller, D-Martinez, would pervent farmers from receiving federal subsidies for both their crops and their water; it breezed through the House Interior Committee May 1 on a 38-2 vote. Sen. Bill Bradley, D-New Jersey, is in the midst of hearings on another more sweeping reform bill that gives a green light to sales on Central Valley Project water, as long as 25 percent of the proceeds is devoted to repairing environmental damage.

To hear spokesmen for the agricultural establishment tell it, an urban raid on farm water will spell doom for California farmers, and for all the farm dependent towns in the state's vast agricultural valleys. But while it is true that farmers are instinctively tradition-bound—disinclined to dump crops this year that paid their bills in the last—they surely are more flexible than the doomsayers think. The cities will not need that much of their water to begin with. A reasonably enterprising farmer could find ways to deal with that. Plenty of available crops produce more valuable harvests on less water than cotton, alfalfa, rice or pasture land: grape, for example. Or farmers could switch to winter vegetables instead of low-value, summer commodity crops. Or they could simply check to see that their fields need it before they apply more water, something remarkably few farmers have done to date. All it will take to kick start these new crops and new practices is a change in a century's worth of policies that have made water seem so much cheaper than it actually is.

Going into the fifth year of drought, saving water remained among the least of California farmer's concerns. And how can you blame them? The commodity has been so cheap and so abundant for so long that farmers would be fools to spend much on new equipment—or risk everything on a new crop—just to reduce consumption. "Farmers are business people. They like to make a profit," explains Blaine Hanson, an irrigation specialist with the Cooperative Extension Service, a UC program offering technical advice to farmers. "Right now, if you implement water conservation, it will actually cost you more money than you'll realize from saving water."

The relative lack of interest in saving water is reflected in the research budget of the state university's Division of Agriculture and Natural Resources, Henry Vaux Jr., director of the UC Water Resources Center, the office that serves as a clearinghouse for all water conservation research in the UC system, estimates that no more than 15 percent of the university's agricultural research budget is spent on water conservation; that would mean less than $12 million of the UC experiment station's $79 million budget is spent on learning how to save water. Water conservation projects get much smaller contributions from a number of special units within the division, such as the Sustainable Agriculture Research and Education Program, which has dealt out a total of about $1.5 million in grants over the past 4½ years. Federal agencies, such as the U.S. Department of Agriculture and the U.S. Geological Survey, chip in a few million dollars more in California each year.

The budget levels seem penny-wise and pound-foolish in light of the $640 million that Richard Howitt, an agricultural economist at UC Davis, says the agricultural economy stands to lose this year for lack of water—and his prediction is by far the rosiest of loss estimates, with others going as high as $2 billion for the year. Yet funding for water conservation is going down. "We're getting killed this year," says Vaux, whose center will have to absorb a second successive 5 percent budget cut.

That water conservation research gets such seemingly short shrift has never troubled California's farmers. They have been happy to see the focus on problems for more vital to their livelihoods; beating back the latest aphid or weevil, harvesting tomatoes

with the least amount of labor, getting the cotton out of the fields before it rains. "Most California farmers have established conservation measures," insists Bob L. Vice, president of the California Farm Bureau Federation. Indeed, some recent advances *have* saved water. But that has usually been an unintended side-effect.

For example, most rice farmers in California now plant a semi-dwarf variety that is ready for harvest up to one month earlier than strains used before. That saves a month's worth of water. But of much greater interest to the farmers is the new varieties' 20-percent higher yield. One quarter of all rice farmers in the Sacramento Valley also have recently installed tailwater recovery systems to clean and recycle field water. This saves too, but has nothing to do with why farmers have gone to the trouble and expense; they were simply complying with regulations prompted by outcries a decade ago from downstream Sacramento residents about the noxious odor of their tapwater. Keeping the water on their fields longer gives the offending herbicide time to dissipate.

Some farmers across the state also are installing costly networks of pipes and drip lines, replacing the leaky earthen ditches that still are the most popular means of moving water around California farms. The most progressive farmers also use soil-moisture sensors, estimates of the evaporation rate available by phone from UC Davis, and computers to crunch the data. The information frees them from the old expedient of irrigating by the calendar whether their fields need it or not. These systems also save large amounts of water. But farmers are far more impressed with the drop in their utility bill.

Neal Johnson, an almond and citrus grower near Reedley, described his results with a sensor-monitored drip system in a recent article in *California Farmer* magazine. He cut his electric bill by a third and his water consumption by nearly a quarter. "I used to water every other week. Now I might go every week, but for only 12 hours, rather than 24. That lets me irrigate during nonpeak hours, and when you're talking an electric bill of $15,000 a year, that's a huge savings," Johnson said. "I never realized how much you can overwater."

While soaring electricity rates are pushing farmers to use more efficient irrigation techniques, a sharp hike in water rates should prompt many others to do the same. But can farmers adjust quickly enough to survive?

"They're probably more prepared scientifically and economically than they are emotionally," says Assemblyman Isenberg. Adjusting to expensive water "requires shift in mindset." Assemblyman Jim Costa, a Democrat from Fresno and a vocal defender of California agriculture, disagrees. He insists farmers will need more than a new attitude to survive with any less water than they now get. "Some of these farmers can't switch crops so easily. They can't just grow anything in their soil," Costa asserts. "I think it's simpleton thinking to say we can just take a percentage of agriculture's water, give it to the cities and it will solve all our water problems. This would cause tremendous disruption."

California agriculture has weathered big changes in crop patterns many times before, Isenberg says. Before rice farmers moved into Glen and Colusa Counties in the Sacramento Valley, for example, wheat held sway. "Rice farmers drove the wheat farmers out of business," Isenberg says. "I bet the wheat farmers then said the same thing rice farmers are saying now: you'll destroy the economy, the world will come to an end, people will die in the streets in the big cities because they can't buy any bread. And of course none of that happened."

It is certainly in the best interest of cities to help farmers change their habits. Defraying the cost to farmers of installing new equipment will expand the supply of available water in the state without new multibillion dollar aqueducts and dams.

Pacific Gas & Electric, the utility serving much of the state's agricultural heartland in the Central Valley and the Sacramento River Delta, is pioneering energy conservation subsidy programs that water agencies could adapt. Farmers are consuming soaring amounts of electricity to pump water from aquifers that are sinking deeper by the day. Yet PG&E wants to hold down demand so that it won't have to build more power plants. So last year, the utility began offering farmers a rebate to reimburse them for part of the cost of replacing ditches with pipes. Seven hundred miles of pipe qualified for the subsidy last year. This year, PG&E is paying for a drip irrigation trial on a tomato farm outside of Davis. If the farmer saves water, thus energy as well, the utility may offer rebates for drip lines in the future.

The State Water Bank represents the most promising big step towards injecting market forces into the farm-water system. This spring the bank paid $125 an acre-foot to farmers who signed over a share of their water. The bank amassed 800,000 acre-feet before it stopped buying more. That water, the equivalent of a full year's supply for the city of Los Angeles, is now available for sale to cities and to other farmers who are happy to pay a good price to water orchards and high-value crops.

These trades seem like a fair deal, but farmers have been staunch opponents of water marketing schemes. Instead, the farm establishment is banking on big-time precipitation during the next rainy season to turn city heads away from all thoughts about farm water. "The issue of how much water farmers use is only an issue during a drought year," suggests Mary-Ann Warmerdam, natural resources director for the California Farm Bureau Federation.

In fact, the state's existing water collection system would be stretched to its limits even with no drought. And the cities aren't going to pay to capture more. Urban taxpayers won't serve as "quiet doormats" for rich farmers anymore, as Democratic Assemblyman Richard Katz, of Los Angeles, recently put it. "The thing that would really force farmers to change is another year of drought," says Isenberg. "Then you would see major changes in the way water is used in this state. And that would benefit both cities and agriculture in the long run."

Giles Waines, a UC Riverside agronomist who is working with the wheat from Baluchistan, hopes to see some more immediate benefits from the continuing drought. Now, some grant-making agency might pay attention to his proposal for further research on drought-tolerant wheat. Farmers, too, might see the wisdom of the ancient strains' water-thrifty ways. A bit more drought might make them see the light. "We all react to an outside stimulus," says Waines. "Farmers will do what they want to do until they have to change."

CONGRESSIONAL SALUTE GIVEN TO JEREMIAH DEMATTEO, WORLD WAR II VETERAN

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mr. SOLOMON. Mr. Speaker, as you know I like to give recognition to vetarans who have served their country so unselfishly and who often have incredible stories to tell. Such is the case today with Jeremiah DeMatteo of Saratoga Springs, NY.

Private First Class DeMatteo was serving with Company G, 310th Battery, 78th "Lightning" Division of the U.S. Army when the Battle of the Bulge began. On December 18, 1944, his unit was engaged with enemy forces, suffering many casualties. The Germans surrounded and captured Mr. DeMatteo's outfit, marched them to a railroad siding 4 or 5 miles away in heavy snow and loaded them into freight cars.

Mr. DeMatteo and the other prisoners were taken to Stalag 12A just east of Berlin and remained there until liberated the following May 2, by the arriving Russian forces. Several days later, the Russians returned them to United States forces. They were then transported to American hospital ships at LeHarve, France. Aboard that ship they received their first shaves, showers, hot meals, and physicals since their capture.

Then it was back home to the States to be discharged.

Mr. DeMatteo also served in the Battle of St.-Lo in northern France, central Europe, and the Rhineland. He was awarded the Combat Infrantryman Badge, European Theatre Ribbon with Four Battle Stars, American Theatre, and Victory Medals.

After the war, Mr. DeMatteo worked for 30 years as an ironworker, foreman, general foreman, and superintendent on various construction projects in the Capital District, Glens Falls, and Saratoga areas. He was active in Albany Local 12, Ironworkers Union, in Albany.

He and his wife Alice have 3 daughters and a son, 10 grandchildren and 2 great-grandchildren. He has lived in Saratoga all his life.

Mr. Speaker, there are many stories like this, stories of good, patriotic men and women who serve their country, work hard, and raise families. They form the backbone of this great country of ours.

And so, I would ask all Members to join me in saluting Jeremiah DeMatteo of Saratoga Springs, whom I am very proud to represent.

SALUTE TO HERBERT O. REID, SR.

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mr. CLAY. Mr. Speaker, I would like to insert for the RECORD, an article paying tribute to a longtime political and civil rights activist that appeared in the June 15, 1991, edition of the Washington Post. Herbert O. Reid, Sr.

was a former acting dean and constitutional law professor at Howard University Law School. Mr. Reid participated in several landmark civil rights cases that helped dismantle racial segregation in public facilities.

[From the Washington Post, June 15, 1991]

HERBERT O. REID, LAWYER, KEY ADVISER TO BARRY, DIES—EX-HOWARD PROFESSOR NOTED FOR RIGHTS CASES

(By Bart Barnes)

Herbert O. Reid Sr., 75, legal counsel and key adviser to former D.C. mayor Marion Barry and a former acting dean and constitutional law professor at Howard University law school, died of cancer yesterday at George Washington University Hospital.

Reid also was a leading civil rights lawyer who participated in several landmark cases that helped dismantle racial segregation in public facilities. Those included the 1954 Brown v. Board of Education case in which the Supreme Court declared segregation in the nation's public schools to be unconstitutional.

He helped argue then-Rep. Adam Clayton Powell's case against his 1967 exclusion from the House of Representatives, winning a 1969 ruling from the Supreme Court that the barring of the Harlem Democrat from the House was unconstitutional because he met all legal requirements for the post and had been duly elected.

But in recent years, Reid was best known as a major player in the Barry administration and the mayor's foremost personal trouble-shooter. The two men met during the 1965 civil rights demonstrations in Selma, Ala., and they became close friends when Barry came to Washington as an organizer for the Student Nonviolent Coordinating Committee soon after.

"I guess it's a son-teacher relationship," Reid once said. "The one thing that's always been very exciting about Marion is that he's interesting. We share a tremendous enthusiasm that life can get better . . . . Marion was one of the few young civil rights activists who had some tolerance for the advice of those over 40."

As an influential figure in Barry's inner circle, Reid served as point man for the mayor in several sensitive areas. He was acting corporation counsel from 1989 until Barry's final term as mayor ended in January.

As the mayor's personal counsel, he looked after Barry's interests during investigations that led to the convictions of high-ranking and mid-level D.C. government employees, including former deputy mayor Ivanhoe Donaldson, of crimes related to their official duties.

In this role Reid often clashed with the U.S. Attorney's Office, angrily accusing prosecutors of leaking to the news media information derogatory to the mayor. But he did not represent the mayor in his trial last summer on drug charges. That defense was handled by R. Kenneth Mundy.

Yesterday, Barry described Reid as "a brilliant lawyer and an unsung hero of the civil rights and human rights movement. This community and a lot of us who were close to Herb will miss him."

Reid, who lived in Washington, was born in Wilson, N.C., and graduated from Howard University. He served in the Army during World War II and received a law degree from Harvard University law school. He joined the law faculty at Howard in 1947, and held an endowed chair there as the Charles Hamilton Houston distinguished professor of law. He was acting dean of the law school from 1972 to 1974. He retired from the Howard faculty in 1988.

His years at Howard covered a period in which top black law students came to be aggressively recruited by the nation's prestigious mainstream law schools, which previously had been cool toward the admission of minorities and women. He was acting dean during a time of student protests and a boycott that followed an increase in failing grades. In the face of this development, Reid insisted that Howard should continue to maintain high academic standards, despite the loss of some top-ranking students who might otherwise have enrolled at Howard.

In the late 1950s, one of his law students at Howard was a young Army veteran of the Korean War from Richmond named L. Douglas Wilder, now governor of Virginia. Once, when Wilder showed up for class hung over from a night on the town, Reid called him aside.

"You've got a good mind, but I'm going to fail your little ass," the professor said. "You're lazy, you're not productive, and you're not going to cut it."

Thereafter, Wilder buckled down and passed all his courses including Reid's.

While on the Howard faculty, Reid also was special counsel for the NAACP. In this capacity he took on a variety of civil rights cases that included defending the rights of poor tenants to improve their living conditions through rent strikes and the defense of seven persons arrested in a 1966 White House sit-in to protest racial injustices in Selma. He served on a private commission that investigated relations between the nation's police department and the Black Panther Party during the early 1970s.

Reid also serve on the board of trustees of the University of the District of Columbia. In this role he undertook the defense in 1985 of then-UDC President Robert L. Green, who was under fire for misuse of university funds for travel, consulting and sending flowers to personal friends. Green eventually resigned.

Reid's marriage to Ann Thompson Reid ended in divorce.

Survivors include his companion, M.L. Carstarphen, and a daughter, Carlene Reid Funn, both of Washington; and a grandchild. A son, Herbert O. Reid Jr., died last month.

MATERNAL AND EARLY CHILDHOOD HEALTH CARE ACT OF 1991

HON. TERRY L. BRUCE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mr. BRUCE. Mr. Speaker, many Members of this body talk about investing in our future, whether through infrastructure development, big science projects or better education. We often forget, however, that one of the best ways to invest in our future is to invest in prenatal care and infant health care. I rise today to introduce the Maternal and Early Childhood Health Care Act of 1991, which will help pregnant women and small children in medically underserved areas gain better access to health care. I am joined by my distinguished colleague Congressman ED TOWNS, in introduction of the legislation as a companion to legislation introduced by Senator KENNEDY.

Thirty-seven million Americans have no health insurance and one-third of them are children. More than 53 million insured Americans are underinsured, and 14 million women of child-bearing age are uninsured for obstetrical care.

In 1955, there were only five countries with better infant mortality rates than the United States. Today, with access to health care deteriorating, the United States ranks 21st in infant mortality.

In 1989, 33 million Americans were living in designated health manpower shortage areas, half in rural and half in urban areas.

This year, the President's budget includes funding for the implementation of a "healthy start" program, which would establish a new program to improve access to health care for pregnant women and children. This program would essentially take money away from already existing programs which have proven to be effective and implement a new program.

The Maternal and Early Childhood Health Care Act of 1991 will incorporate the President's request for funding into existing programs by making available grants for community and migrant health centers in medically underserved areas. The legislation would authorize funds for the development of new comprehensive prenatal, perinatal, and early childhood health programs in medically underserved areas where such programs do not exist. The funds would also be used for expanding the capacity of services provided for pregnant women and children up to the age of 3 in medically underserved areas where community and migrant health centers are currently operating comprehensive perinatal care programs. Services would also be developed for homeless individuals.

These programs would be designed to provide coordinated health care and support services to pregnant women and young children to increase positive birth outcomes, reduce infant mortality, and support healthy child development.

Since their beginning, community and migrant health centers have provided comprehensive health care to millions of low-income and medically underserved children and their families. Sixty percent have families below 100 percent of the Federal poverty level; most patients have incomes below 200 percent of the Federal poverty level. Nearly 50 percent are uninsured and more than 50 percent of homeless persons are served by these health centers. In 1987, Congress responded to an increase in the number of poor and uninsured families with children, a decrease in available obstetricians, and eroding maternal and infant health care by appropriating funds to establish the Comprehensive Perinatal and Early Childhood Programs.

In the first year of operation, health centers served 1 out of every 30 women who gave birth that year. Forty-five thousand low-income infants received better care, providing significant savings in health care, education, and other programs these children would have required if given poor perinatal care. As a result of these programs, 47 percent of the health centers served additional patients, 58 percent added new services, and 66 percent reported the availability of more health personnel.

These programs have gotten off to a good start. The first report, however, determined that an expansion of funding was needed to be able to fill the needs facing millions of low-income pregnant women and infants.

The bill also includes funding for vaccines for the health department of each State or

large city that is operating an immunization program. Grants would also be available to provide immunizations for vaccine preventable diseases to children under 2 who reside in communities whose population includes a significant number of low-income individuals. This will increase the capacity of public health departments to deliver vaccines and facilitate outreach activities to improve the percentage of fully immunized children.

We know that measles was a very serious disease back in the 1940's. What many people do not know is that measles cases are on the rise and that the children in medically underserved areas are suffering the most. This must not be tolerated.

The Maternal and Early Childhood Health Care Act of 1991 is medically and fiscally sound. It provides for healthier infants, who become healthier, better-educated adults.

H. CARL McCALL: AT THE HEAD OF THE CLASS

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mr. RANGEL. Mr. Speaker, I call the attention of my colleagues in the House to a rare and special man from New York, my good friend and colleague, Carl McCall. Last week, teachers and children in New York woke up to a particularly pleasing and hopeful piece of news: Mr. McCall had been appointed by Mayor David Dinkins to the city's board of education.

Mr. McCall will bring a needed shot in the arm to the board of education and its 900,000 public school children. He is known throughout New York as a firm and decisive leader keenly interested in the future of the city's children.

The board of education will become only the latest entry in a long record of distinguished service. Mr. McCall has previously served as a New York State senator, a member of the American mission to the United Nations under President Carter, and the director of the New York City Council Against Poverty.

Local educators and political leaders throughout New York have hailed Mr. McCall's nomination. Bronx Borough president Fernando Ferrer has called it "a first-rate appointment" and Manhattan Borough president Ruth Messinger praised Mr. McCall as "a spectacular choice."

Mr. Speaker, I invite my colleagues to read the attached New York Times article, "Grass-Roots Minister of Education," and to join me and the rest of New York in welcoming Mr. McCall to the board of education.

[From the New York Times, June 12, 1991]

A GRASS-ROOTS MINISTER OF EDUCATION: H. CARL MCCALL

(By Joseph Berger)

H. Carl McCall, Mayor David N. Dinkins' candidate for president of the Board of Education, once taught for six months in a Boston high school, and the experience, he said, soured him on a career in teaching.

Even his hiring, he recalls, was disillusioning. A recruitment official took one look at his tall frame, and without checking his credentials, said: "You're just what we need at Jamaica Plain High School. You're big and you can keep order."

"It says a lot about a system and how they look at kids," Mr. McCall said in an interview today, laughing at the recollection. "I hope the New York City system is better.

Mr. McCall has spent most of his career as a politician and banker in New York. Still, his ability to keep order may be just what the Mayor wants in a board whose unruliness has sometimes embarrased him and whose members were about to depose the president he had orginally chosen, Dr. Gwendolyn C. Baker.

COMPETITION FOR THE JOB

The Mayor's first test is whether he can turn his appointment of the 54-year-old Mr. McCall to the board into an accession to the presidency July 2. Ninfa Segarra, the board's Bronx representative, has disclosed her intention to seek the job.

In that contest, Mr. McCall will be able to help his own cause, given his long history, often at Mr. Dinkins' side, in the fray of both New York City and New York State politics.

Mr. McCall, one of six children in a welfare family, is now a vice president for governmental relations at Citibank, a job he will keep while he manages the theoretically part-time, $15,000-a-year board post ($20,000 if he wins the presidency). His job at the bank is to explain its position on financial regulation to legislators and municipal officials, many of whom are former colleagues. Making the case for the school board's policies, and its efforts to halt the shrinking of its budget, would be a change of content, not technique.

If elected, Mr. McCall would become the third black president of the school board. He was a state senator from 1974 to 1979, representing the relatively liberal West Side of Manhattan and Harlem. He was a member of the American mission to the United Nations under President Carter, and then ran unsuccessfully for lieutenant governor in 1982.

KNOWS GRASS-ROOTS POLITICS

Unlike Dr. Baker, Mr. McCall knows politics from the grass roots. He wistfully tells how he and Mr. Dinkins, then a Manhattan district leader, spent Saturdays registering Harlem residents to vote. Every signature had to be observed by a Democrat and Republican, so Mr. Dinkins and he gathered up a wizened Republican whose name they do not remember and sat him by their side so he could certify the signing of Democrats.

As a result of the experience, he successfully worked for registration by mail.

While Mr. McCall's career, in contrast to Dr. Baker's, has not been primarily in education, officials on the staff of Schools Chancellor Joseph A. Fernandez were pleased with the clout Mr. McCall would give a board that has struck some politicians as well-meaning but sometimes amateurish.

"He's a smart guy, he's got good political senses, lots of friends, and he commands the respect of the board," said one top official who spoke on the condition of anonymity. "He would be clearly a leader. He's got a pedigree."

FELT BENEFITS OF SCHOOL

Mr. McCall, a sometime tennis partner of the Mayor's, was born October 17, 1936 in the Roxbury section of Boston. His father left home when he was 9 and his mother, Carolesa, raised the six children with help from "a lot of caring people" in a local United Church of Christ parish.

"When I went to school it was clear that those people who were going to school were doing one thing and those who didn't were doing something else," Mr. McCall said.

The benefits of staying in school are a lesson he feels the school system needs to get across forcefully to its legions of dropouts.

ORDAINED AS MINISTER

With some help from his Sunday school teacher, Mr. McCall was admitted to Dartmouth on an academic scholarship. After graduation, he attended Andover Newton Theological School and was ordained as a minister in the United Church of Christ.

His ministry took him into mission work with the poor in New York City; he never held a pulpit. Boston, he implies, was not then a place for a young black man to get ahead.

In New York, Mr. McCall quickly immersed himself in the administration of Mayor John V. Lindsay and became head of the New York City Council Against Poverty, a training ground for many black officials.

Mr. McCall is married to Dr. Joyce F. Brown, a vice chancellor for urban affairs at the City University of New York. He has a daughter, Marci, 24, from an earlier marriage.

He says he chose to send her to such private schools as Bank Street and New Lincoln because "I was in a position to have that choice." He adds that he feels better about the public schools now than when she was growning up.

TRIBUTE TO JOEL McDONALD

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mr. OBERSTAR. Mr. Speaker, it is a pleasure for me to rise today in honor of a remarkable young man from my hometown of Chisholm, MN. His name is Joel McDonald, and he has recently been named Mr. Basketball in Minnesota, an honor bestowed upon the best male high school basketball player in the State.

Joel's basketball accomplishments are legendary. Starting with his first varsity game as an eighth grader for the Chisholm Bluestreaks, Joel dominated basketball in northern Minnesota as no one ever has. During his career, Joel scored 3,292 points, breaking the all-time State boys' scoring record set by Norm Grow of Foley High School in 1958. This year he averaged 40 points per game as Chisholm finished the year with 29 wins and one loss. He capped his phenomenal career by leading the Bluestreaks to the 1991 Minnesota Class A State championship, giving his father Bob McDonald his third State title as Chisholm's head basketball coach.

Although his accomplishments on the court are unprecedented, Joel McDonald is more than simply one of the greatest basketball players in the history of Minnesota. Despite his grueling athletic schedule, Joel has maintained an A average with a difficult courseload. Through years of hard work and dedication, he has shown that difficult goals can be achieved in the classroom as well as on the basketball court.

More important than anything else, Joel is known by everyone acquainted with him as an outstanding young person who others throughout northern Minnesota look up to as a positive role model. It is with the greatest pride

and adulation that I stand here today to extend my congratulations and appreciation to Joel McDonald of Chisholm High School, Minnesota's Mr. Basketball for 1991.

ILL WIND IS BLOWING FROM FRANCE

HON. RICHARD K. ARMEY

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mr. ARMEY. Mr. Speaker, at a time when freedom is in the air across the globe, even behind the once impenetrable Iron Curtain, an ill wind is blowing from, of all places, France, our Nation's original ally in our quest for freedom.

Yet today, in France, the Honorable Jean Pierre Bequet, a Socialist member of the National Assembly, has introduced a bill to establish absolute state control over voluntary civic associations which receive contributions from the general public.

And, unfortunately, all the indications show that this bill, due to the backing of the Socialist government, has a real chance of passing.

Among its onerous stipulations, this Socialist proposal mandates that these associations submit to the government, in advance, their plan of action for each and every fundraising project.

However, such stipulation could easily turn into mandatory prior government approval for any drive soliciting voluntary contributions from the public.

The state would require separate accounts for each specific project and audit them to enforce its edict that not a single cent given in response to a specific appeal be used for any other purpose no matter how directly related.

This big brother bill being pushed by the Socialists constitutes a nearly total nationalization of what are not the free associations of the French people and the demise of two of the fundamental freedoms of the French citizen, the right of the people to assemble peaceably, and, of course, their freedom of speech.

Mr. Speaker, as I noted at the outset, it is particularly disturbing that just as the former satellites of the Communist bloc are looking to the West as a model of liberty, such a sorry example would be given by the French Government. Especially so, when this same Government has just celebrated the bicentennial of the Declaration of the Rights of Man.

For all these reasons, the elected representatives of the French people in voting on this antidemocratic measure should reject resoundingly its abusive abridgment of their legitimate right as free men.

RESOLUTION TO RECOGNIZE THE 75TH ANNIVERSARY OF THE NATIONAL PARK SERVICE

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mr. LAGOMARSINO. Mr. Speaker, it gives me great pleasure to introduce today along with my colleague and esteemed chairman of the National Parks and Public Lands Subcommittee Mr. VENTO, a resolution recognizing the 75th anniversary of the National Park Service.

As a long time supporter and advocate for our national parks, I am pleased to be able to participate in the celebration of this great American institution. Although the agency which we are celebrating with this resolution is just 75 years old, national parks themselves are an idea the American people brought to the world 119 years ago. Since the American people first endorsed the concept of national parks at Yellowstone, over 100 other countries have implemented park programs based on this model.

America's park program continues to be recognized as a world leader. Our park professionals are frequently called upon to lend assistance to such internationally important sites as the Taj Mahal and the great wildlife parks of Africa.

When established in 1916, the Park System consisted of 33 areas, primarily large and spectacular landscapes in the American west. Since those early years, the Park Service has evolved to include 357 different units. Responsibilities of the agency now range from large natural areas such as Yellowstone and Grand Canyon, to urban and non-urban recreational areas and such cultural sites as Independence Hall and the Washington Monument. This diversity of park areas has become woven into the cultural fabric of the American people. Since the early part of this century when President Theodore Roosevelt proclaimed the Grand Canyon as the one great sight that every American should see. Units of the National Park System have become the number one destination for American vacationers. Last year parks recorded about 265 million visitors.

When the Park Service was established in 1916, the agency was given a dual mission of resource protection and providing for visitor use. Different interests promoting each of these sometimes competing missions have been attempting to define the direction of the agency since that time.

While reflecting on the accomplishments during the first 75 years of the National Park System, we cannot help but examine the challenges of the future. The future of our parks will be determined by how we are able to answer two fundamental questions: First, how NPS manages and protects parks already in the Park System and second, what additional responsibilities and resources the agency will be charged with protecting.

I look forward in this diamond anniversary year of the National Park Service to beginning to address these important questions. I hope that all members will join with the chairman and myself in supporting this resolution and working to answer these questions which will decide the future of this American institution.

CHOICE OF LIBERTY AND DEMOCRACY

HON. TOM DeLAY

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mr. DELAY. Mr. Speaker, last Saturday, June 15, 1991, Russian citizens announced to the world their choice of liberty and democracy by electing Boris Nikolaevich Yeltsin, President of the Russian Republic.

We, as American citizens, should look at this election as a new hope for all peoples currently under the government called the Soviet Union.

The Russians have claimed their right to private property, to free enterprise, to civil liberty—rights that we claimed more than 200 years ago as we battled another imperialist government.

We looked for support then, which we received. We should offer support now. Let's demonstrate our love of freedom for all peoples by showing our support for the newly elected Russian President, Boris Yeltsin.

Mr. Speaker, I submit for the record a copy of a letter I have sent to President-elect Yeltsin, congratulating him and offering my encouragement and support for Russia's fledgling democracy.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, June 18, 1991.

Hon. BORIS N. YELTSIN,
President-Elect, Russian Soviet Federated Socialist Republic.

DEAR MR. YELTSIN: The recent developments in the Russian Republic and the Soviet Union generally, including your election, have given hope to many of us here that the Russian people will at last have a government worthy of them. After centuries of authoritarian rule, freedom and democracy finally appear to be gaining strength in Russia.

My purpose in writing to you is very straightforward. First, I wish to congratulate you for responding to the demands of the people for democracy and free market reform. You have repeatedly and courageously defied pressure from the central government, a pressure to sell out the Russian people and abandon their freedom.

I am certain that influence will continue and, perhaps, intensify. I urge you to resist such pressure and, instead, remain sensitive to popular appeals. Above all, remain steadfast in cultivating political and economic freedom for your people.

I greatly admire your courage, your persistence, and your vision for the future of Russia. Two hundred years of democracy and a free market economy have brought America peace, plenty, and—perhaps most precious—individual liberties.

My earnest desire is for you and your people to enjoy the same, and I am one American who stands ready to assist and support you in this historic effort.

Sincerely,

TOM DELAY,
Member of Congress.

A TRIBUTE TO THE 1176TH U.S. ARMY TRANSPORTATION UNIT

HON. HELEN DELICH BENTLEY

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mrs. BENTLEY. Mr. Speaker, it is with great respect and admiration that I recognize the 1176th U.S. Army Transportation Terminal Unit, of Baltimore, MD, for their hard work and dedication in support of Operation Desert Storm.

The 1176th Reserve Transportation Unit was activated on August 27, 1990, when our involment in the Persian Gulf was called Operation Desert Shield, and they still are working today. The unit has been working grueling hours, usually in excess of 12 hours a day, and only receive about one weekend a month to return home and visit family. With this in consideration, I am pleased to say that they have been tentatively scheduled for deactivation on June 30. I am certain their family and friends are very pleased to learn that their loved ones will be coming home.

The role of this unit is of utmost importance and was vital to the success of Operation Desert Storm. It is the responsibility of this unit to supervise the loading, and now the unloading, of ships carrying a wide variety of military hardware and supplies. The unit's responsibilities include the creation of stow plans, documentation, safety, and security of the cargo. They coordinate work with stevedore operations, account for all cargo, provide legal support, and perform contracting and administration functions. What makes the unit even more unique is that it has no counterpart in the active military.

Since August 1990, the members of the 1176th have worked feverishly to support Operation Desert Storm and hold the distinction of being the longest serving Reserve unit in the United States. I am also proud to say that, this year, the Army ranked the 1176th the No. 1 Reserve transportation unit out of 14 similar units across the United States.

Comprised of teachers, lawyers, and other civilian occupations, the men and women of this Reserve unit have performed remarkably and are a credit to their training. This unit of approximately 80 members, primarily from Maryland, Virginia, Pennsylvania, and the District of Columbia, is bringing its monumental task to a close. The members' awesome responsibility serves to highlight the importance of adequate sealift capability, of which I have been a strong advocate.

Unless we can move men and material quickly and safely in large quantities, we can never support a protracted conflict. Our military sealift ability is the first step and foundation for any military involvement. We cannot neglect the importance of sealift capability.

As we fast approach the Fourth of July and anticipate the celebrations and parades, we should be mindful of the sacrifices others have made on behalf of our freedom. While we rejoice in the return of our troops from the Persian Gulf, I ask that we also remember those who have fallen in the line of duty, as they deserve our utmost respect. We should also be thankful for those who made such a stunning victory possible, the families and loved ones of servicemen, those who are still in the Persian Gulf, and those who, like the 1176th still are working to bring the tons of equipment and supplies home.

Mr. Speaker, my fellow collegues, I am proud to recognize the 1176th U.S. Army Reserve Transportation Unit. I look forward to the unit's return and welcome its members. They have served our Nation well, and I ask you to join me in paying tribute to these fine individuals.

BILL WOODS' OFFICE GOT TOO BIG

HON. J.J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mr. PICKLE. Mr. Speaker, years ago I worked alongside Bill Woods when he was a dynamic member of the Austin American Statesman. He was a very respected and recognized journalist, and a good friend.

Bill left the newspaper because it was getting too big, and he took a position with the new State Department of Public Welfare in 1969, which is now called the Texas Department of Human Services. Now he is retiring from that office because it has become too big.

Recently, the Austin American Statesman submitted a special article about Mr. Woods, and I am pleased to insert it in the RECORD.

COMPLEX MAZE AT DHS EVEN AWES SPOKESMAN

(By Mike Ward)

With its webwork of programs, the Texas Department of Human Services is the kind of place that drives Capitol budget-writers crazy and makes lawmakers see red.

Even its own board members sometimes can't translate the official double-speak in its $4 billion operations. Now, the agency's public relations guy for 22 years, William "Bill" Woods—the person responsible for making this mammoth state bureaucracy comprehensible to the average Texan—is retiring.

And guess what?

Woods, 62, says the place almost has become too complex for him.

"When I first came here, there was a one-page monthly statistical report that summarized everything—how many clients came on, how many went off, what the agency was doing," Woods said.

"Now that would take hundreds of pages. I really don't understand how they manage the complexity of this agency anymore," he said. "It amazes me."

At a time when the Legislature is considering breaking up DHS into smaller agencies, to lessen its complexity and improve its management, Woods' words may find sympathetic ears at the statehouse.

As Sen. Chet Brooks, D-Pasadene, summed it up at a recent hearing: "Complex is too simple a word" for DHS.

Woods became the agency's first public information officer in 1969, when it was called the State Department of Public Welfare and had fewer than 4,000 employees—one-fifth the number it has now.

"The place needs someone who can tell people what it does," Woods said he was told when hired to work for then-Commissioner Burton Hackney. "Up until that time it had been an agency known primarily for old-age pensions."

It was new territory for Woods, a longtime newspaperman and the son of a newspaperman. "Hell, I'd never even heard of the agency myself," he said.

Then-managing editor of the Midland Reporter-Telegram, Woods had worked previously as city editor and a reporter at the Austin American-Statesman. It was there, while covering Austin City Hall in the 1950s, that he was credited with naming Town Lake.

When Woods joined the welfare agency, there were four assistance programs. Now there are dozens. Back then, its entire headquarters staff was housed in a portion of the Reagan State Office Building; its central offices now fill three office towers covering more than a city block.

The bureaucracy was blossoming. By the early 1970s, federal programs enabled the agency to add a prescription medicine and child protective programs. Medicaid and Medicare were greatly expanded. Food stamps were offered in all 254 counties. Welfare eligibility and health programs grew.

"The board meetings used to be simple meetings—discussion about specific policies, who needed to be helped, how we could do it," Woods said. "But as the programs grew, things got more and more complex. One program was added on to another, one rule changed here and another added there, until it grew slowly to where we are today."

Like others, Woods believes that the complexity of the agency—most of it through federal rules and mandates—is its worst enemy. That has become especially true at the Legislature, which has become increasingly short-tempered with the labyrinthine programs and constant demand for a bigger budget.

Mike Jones, 32, who is replacing Woods as DHS public information director, agrees. It will take years to learn the programs, he said.

"There may be other agencies that are more politically sensitive, but I don't know of any more complex," said Jones, who spent seven years at the Texas Department of Agriculture before joining DHS.

One example, from a recent board meeting agenda: "Redetermination of cost-finding methodology and reimbursement rate structure."

Translation: Nursing home payments may be changed.

As one of his last chores at DHS, Woods has been working for several months to compile the agency's history. To be published later this year, it's now 827 pages thick and, like its namesakes, growing.

Woods, known for his trademark pipe and affable manner, is to be feted today at a DHS reception. He will officially retire from the $48,000-a-year position at the end of the month, taking with him the old, black Royal manual typewriter that sits in a corner of his office—the mark of a simpler, bygone era.

"Not only can I not name all the programs that the agency has now, I can't think of anyone who could tell me that," Woods said.

"When I started, I could count them all on one hand."

THE EXPORT OF CALIFORNIA ALMONDS TO THE SOVIET UNION

HON. WALLY HERGER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mr. HERGER. Mr. Speaker, the President has recently extended $1.5 billion of credit through the GSM–102 Program to the Soviet Union, which has been an important customer of agricultural products. This credit extension will enable it to continue making purchases of agricultural commodities from the United States.

Mr. Speaker, California almonds have long enjoyed a good market in the Soviet Union. The U.S.S.R. is presently planning to purchase almonds for shipment later this year so that they may be available for the Christmas trade. I support this trade between our two countries.

Blue Diamond, the major almond exporter in California, has often told me of the successful relationship it has with the Soviet Union. I support and encourage this.

NEW MEXICO SCHOOL WINS DOE CONTEST

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mr. RICHARDSON. Mr. Speaker, it gives me great pleasure to advise my colleagues that a small elementary school in my district has won the Department of Energy's National Poster Contest. The 12 students attend Las Conchas Dam Elementary School, a 1-room schoolhouse in rural northeastern New Mexico near Las Vegas, NM.

I ask my colleagues to join me in congratulating these outstanding young people for creating the winning poster in a nationwide contest promoting our Nation's energy strategy. I am most proud of these students—they deserve our unconditional support and congratulations. I invite my colleagues to read more about them in the following release provided by the Los Alamos National Laboratory.

NEW MEXICO STUDENTS WIN DEPARTMENT OF ENERGY NATIONAL CONTEST

LOS ALAMOS, NM, June 6, 1991.—Twelve elementary school students from a one-room schoolhouse in rural northeastern New Mexico were recently honored at Los Alamos National Laboratory for winning the Department of Energy's National Poster Contest.

The students, kindergartners through sixth graders from Las Conchas Dam Elementary near Las Vegas, came to the Laboratory May 30 to receive individual medals and certificates signed by Energy Secretary James Watkins.

Nevada Grassi, the only fourth grader at Las Conchas Elementary said, "We're usually not even put in contests, so winning this one was pretty neat."

"The kids were very excited and surprised to win," said Sue Gabbert, who teaches at the school. "I don't think they really expected it since we're such a small school."

The winning poster, titled "Stepping Into a Better World," depicts alternative energy sources less harmful to the environment than traditional sources. For example, it showed electric and solar cars as alternative transportation sources and hydro- and wind-powered devices as alternatives to electricity. The students also targeted recycling and energy research as important for the country's future.

"This brings a nice end to the school year," said John Foley, the Laboratory's Director of Human Resources. "We at the Lab are most impressed with the energy alternatives the students came up with. That's what DOE is all about—coming up with ways to provide energy that protect the environment and the people in it."

The students developed the concept for the poster from a brochure that explains President Bush's views about the National Energy Strategy. Although this brochure was somewhat advanced for elementary school students, Gabbert explained the information on a level the students could understand and spent a week covering the material.

DOE laboratories from around the country sent out the brochures and information about the poster contest. The theme for the contest was "Building a National Energy Strategy for Our Earth" and was held in conjunction with National Science and Technology Week. Los Alamos National Laboratory's Educational Outreach Group sponsored a preliminary contest with schools from northern New Mexico and the final judging of the posters was held March 26 in Washington, D.C.

While the children at Las Conchas Dam Elementary will not have their poster returned to them, they can feel good in knowing that it will be on permanent display in the DOE Forrestal Building in Washington, D.C.

"I was really surprised we won," said Jamie Jenkins, a fifth grader. "We're really a little school."

Gabbert said that she didn't think winning the contest really sunk in until the kids came to the ceremony in Los Alamos. She added that the Laboratory is very helpful in providing interesting and current science material for her classes.

"The kids really enjoy all of the science information that I get from Los Alamos. Winning this national contest is a way of giving something back," Gabbert said.

Los Alamos National Laboratory is a multidisciplinary research organization which applies science and technology to problems of national security ranging from defense to energy research. It is operated by the University of California for the Department of Energy.

FORCED PRISON LABOR IN THE PEOPLE'S REPUBLIC OF CHINA

HON. DICK SWETT

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mr. SWETT. Mr. Speaker, today the congressional human rights caucus held a hearing on a most distressing and important topic—forced prison labor in the People's Republic of China. It has been only a few weeks since the anniversary of Tiananmen Square, yet once again we must focus our attention on the wrongdoings of the People's Republic of China. This time it is on the products being made by forced prison labor in China that are making their way into this country. These allegations, made in the Asian Watch report, deserve serious investigation, and if true, those products are not only enriching a totalitarian regime, but could be depriving many of our own citizens of gainful employment.

Not only does our country have a trade deficit of $15 billion; not only are our own textile and shoe industries in a critical state; but our own legislation, in particular the McKinley Act, which dates back to over a century ago, explicitly states that no product that is the result of forced labor should be traded in the U.S. marketplace.

It is disgraceful that we should openly engage in the trade of products fashioned by an imprisoned an labor force made up, in part, of those who were at the forefront of the struggle for democracy just a little over 2 years ago.

I recognize that not all of those engaged in the production of these products are political dissidents. But many are. Do we really want products made from the forced labor of imprisoned Chinese patriots to be sold in the United States to improve the balance of payments of a regime whose human rights policies we abhor? I think not.

Nor does the argument stop here. Mr. Speaker, any student of economics can tell you that cheap labor, or free labor, is a great way to cut costs, and if the costs are low enough, you can undersell any competitor who must pay fair labor costs. Given the fact that our shoe and textile industries are so fragile, and given the fact that shoes and textiles make up a considerable bulk of these Chinese products, I would argue that sales of these products clearly constitute unfair trade practices.

Therefore, Mr. Speaker, I urge my colleagues to support the investigation of the allegations that products from forced prison labor have found their way into our marketplace. We owe it to workers in our own country. As a nation founded on the concept of freedom and human rights, we owe it to ourselves. And we owe it to the brave activists who, 2 years ago paid the final price for freedom and democracy. Furthermore, I believe the results of our inquiry should weigh heavily in the balance as we later take up the issue of extending most-favored-nation status to this country.

HEROES BEHIND THE LINES

HON. HELEN DELICH BENTLEY

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mrs. BENTLEY. Mr. Speaker, I rise today to recognize two very special men who gave the ultimate sacrifice in the service of their country as part of Operation Desert Storm although in the United States of America.

On March 15, 1991, Norman Barcase and John Zielenski tragically lost their lives in an explosion at a munitions-testing facility at Aberdeen Proving Grounds. Hard working and dedicated to their jobs, Norman and John worked here at home while Operation Desert Storm raged a half a world away. The importance of their jobs was highlighted by the success of Operation Desert Storm. The men and

women of our Armed Forces depend heavily upon the work of men like Norman and John. In fact, their lives depend upon it. Thanks to testing facilities such as Aberdeen Proving Grounds, our troops use equipment and munitions with the confidence that it has been thoroughly tested before it is used in combat.

Although John and Norman did not lose their lives on the frontlines in a foreign land, they fell in service to their country. They are, indeed, heroes who gave their lives to the country they loved and served.

There is no doubt that they will be sorely missed by all those whose lives they touched. I have had the pleasure of meeting Norman and feel deeply for the two daughters he left behind. Likewise, John was a loving father and husband whose absence will always be felt.

As we fast approach the Fourth of July and anticipate the festivities and parades, I ask that, while we celebrate our freedom, we take time to remember those who have made such a celebration possible. Our Nation is truly blessed with individuals such as Norman and John. While some, unfortunately, define a hero as a warrior or legendary leader, I consider men such as Norman and John as the most accurate definition of a hero. Dedicated to their families, jobs, and country, they personify what makes America great.

Mr. Speaker, my fellow colleagues, it is with great respect and admiration that I recognize John Zielenski and Norman Barcase. It was with great remorse and sorrow that I learned of the accident that cut their lives short. We need not look very far from our own communities to find heroes who quitely contribute so much to our lives and to our Nation.

BAKER'S FALLACIOUS LOGIC

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mr. LEVINE of California. Mr. Speaker, an outstanding editorial in the New Republic, June 17, 1991, highlights Secretary Baker's erroneous assumptions regarding the peace process—that Israeli settlement policy in the West Bank and Gaza is the impediment to the peace process. Such fallacious logic will not lead to peace in the Middle East and will only embolden the Arab States to continue their belligerency and rejectionist policies toward Israel.

Such statements by the Secretary erode the confidence of our only democratic ally in the region and consequently, undermine the peace process when it is at an extremely delicate and sensitive stage.

I strongly urge my colleagues to review this insightful analysis of Secretary Baker's dangerous conclusions regarding the peace process.

[From the New Republic, June 17, 1991]

THE BAKER FALLACY

Apparently Secretary of State James Baker no longer believes that the building of settlements by Israelis in the occupied territories is the biggest "obstacle to peace" in the Middle East. He had dolorously informed the House Foreign Affairs subcommittee of this on May 23, but on the very next day, stung by criticism, he judiciously confided to a member of the Senate Appropriations subcommittee that "there are other obstacles that are every bit as big."

This quintessential—and hasty—Baker positioning should not, however, be taken seriously as an index of what in the deep recesses of his mind he really thinks about the tangled conflict between Arabs and Jews. His May 23 statement was not, after all, his first churlish comment against Israel, but just one in a long series of outbursts that more accurately reflect his settled convictions on this historic dispute. Coming to his job without really knowing anything in particular about the region, it is these preconceptions that have dominated his diplomacy ever since.

Take the questions of the settlements. We have never thought that Jewish habitations in thickly populated Arab areas are politically wise or even strategically necessary. But the enlightened orthodoxy in this country that no Jews should be permitted to live among the Palestinian Arabs is a strained conceit. Would the same people be arguing that Palestinian Arabs be similarly banned from living in Israel? The settlements are, to be sure, an annoyance, even an affront—to the Arabs and to Mr. Baker. But it is absurd to believe that their existence is the linchpin to progress in the region, and that if they were to disappear tomorrow, all problems would be easier to solve.

"Nothing has made my job of finding Arab and Palestinian partners in Israel more difficult [than the settlements]," claimed Secretary Baker. Nothing. Is he suggesting that in the absence of settlements, the finding of such partners would be a simpler task? Does he believe that merely because Israel has increased the Jewish population in the territories from 5 percent to 6 percent of the total, otherwise eager Arab negotiators are suddenly reluctant to come forward? If anything, the opposite is the case: the trauma wrought upon these political interlocutors by Jewish mobile homes dotting the landscape should heighten their eagerness for a deal, spur them to come forward sooner rather than later in order to put an end to their peril.

The truth is, of course, that these would-be interlocutors would rather let Washington negotiate the settlements away for them, without the exacting and reciprocal concessions that face-to-face peace talks with Israel require. For Mr. Baker, the settlements are a convenient alibi for his failure to produce any Arabs at all for serious negotiations. Indeed, the settlements are for him an indispensable hypothesis. Without the settlements to point to, he would have to accept the grimmer truth: that the Gulf states—Saudi Arabia and Kuwait in particular—are still unwilling to break the taboo against sitting down with representatives of a Jewish state to hash out anything, let alone a regional peace. Mr. Baker is left with the unelevating task of insisting that an observer delegated from the Gulf Cooperative Council to talk about the environment or water scarcity at some future conference is the moral equivalent of the House of Saud negotiating peace with Israel. At best he would have to accept that Saudis have little incentive to offend their Muslim fundamentalists by dealing with Israel in order to win something for the Palestinians about whom, especially after the Gulf war, the kingdom cares a fig.

Messrs. Baker and Bush, of course, are no novices in misreading the Middle East. The two of them were long convinced of Saddam Hussein's moderation, before their August surprise of last year. In fact, the secretary seemed to think that Saddam was amenable to reason right up until January 15. Undeterred by his calamitous misreadings, Mr. Baker now ignores—and our emissary in Beirut has been complicit in—Hafez Assad's recent de facto absorption of Lebanon into Syria. Mr. Baker shows no understanding of Israel's concern about Assad's still ravenous appetite, or of the Israelis' consequent reluctance to restore the ridges above the Galilee to Assad's control.

And in all this—especially on the matter of those stiff-necked Israelis—Mr. Baker knows he has the sympathetic but undiscerning ear of the president. That is why this slow learner—or rather willful innocent—at State condones every Arab excuse for holding back from his negotiations, but constructs Israel's reasons, and Israel's alone, as obstructionist.

Once not so long ago, James Baker was said to have forsworn the endless shuttle diplomacy through which Henry Kissinger carried the antagonists past the impasse after the Yom Kippur War. George Shultz, slightly green at the beginning, also tried to see through the contrived ambiguities of regional politics to what is possible, and what is not. Both of Mr. Baker's predecessors finally had a firm grasp of the intrinsic limits of politics in the Middle East. Not so Mr. Baker himself, who wants to impose his own vision on the protagonists, come what may.

Of course, his vision really asks nothing of the Arab states. They are beneficiaries in his scenario—and it is a screenplay in which the Israelis will understandably refuse star billing. They do not expect that the hatred for Jews in the Arab world will be excised by diplomacy. But they will insist that diplomacy actually recognizes this hatred as a fact of life that makes it more than imprudent for Israel to make itself vulnerable. In the meantime, every skewed and petulant reproach of Israel by Mr. Baker only enhances the power of the growing minority in that country which takes this hatred as an excuse to do everything that exacerbates it.

THE POSTAL SERVICE VOTER REGISTRATION FACILITATION ACTS OF 1991

HON. CHARLES A. HAYES

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mr. HAYES of Illinois. Mr. Speaker, Representative DON YOUNG and I today, introduced two bills which shall comprise the Postal Service Voter Registration Facilitation Acts of 1991. The bills would expand the role of the Federal Government in efforts to increase voter registration, and therefore, voter turnout. The first bill provides that the U.S. Postal Service shall make available space at post offices for the State voter registration authorities to place voter registration forms for the public. The second bill provides that a voter registration form be given to each postal patron to whom a change-of-address form is given.

The United States chronically experiences one of the lowest records of voter participation among the industrialized countries. The national voter turnout has been steadily declining since 1964 in both Presidential and non-Presidential election years. In 1990, a non-Presi-

dential election year, 34.4 percent of the national voting age population voted. In 1988, a Presidential election year, 50.15 percent of the Nation's voting age population voted. These figures are distressing. If one-half, and sometimes more than one-half of the people do not vote, then the meaning of our mandate is called into question.

A valid argument, frequently used, is that some people, by not voting, exercise their right to free choice. In order for this argument to be meaningful, every individual who does not vote must at least be registered. This would clarify whether these people are in fact choosing not to vote, or whether they are simply unable to register. The fact is that voter registration has remained steady at about 70 percent of the voting age population. This percentage is unsatisfactory. The Federal Government must pursue this problem and implement measures which strive to achieve voter registration figures as close to 100 percent as possible.

Voter registration should be facilitated in order to ensure that each and every individual of voting age has a reasonable opportunity to register. This can be accomplished effectively by making voter registration forms available at U.S. post offices, which can be found in every town and corner of our great Nation. There are between 30,000 and 40,000 post offices in the United States. Individuals can easily locate the post office which is in his or her area.

A second reason for establishing the post office as a location for voter registration forms is consistency. Much of the confusion and frustration which some people experience in connection with registering can be resolved by informing everyone that the forms may be obtained at the post office.

RELEASE IRAQI ASSETS FOR MEDICAL ASSISTANCE

HON. TIMOTHY J. PENNY

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mr. PENNY. Mr. Speaker, medical personnel from the United States recently visited the war-devastated hospitals of Iraq. The conditions they found there are truly horrifying. A medical team from Harvard that visited Iraq in April estimated that 170,000 children will die of gastrointestinal disease complicated by malnutrition before summer's end. A group of Arab-American physicians who also visited the country have determined dysentery to be the No. 1 killer in Iraq at this time. Related diseases such as typhoid fever and cholera, all the result of consuming contaminated food and water, are an even greater threat than malnutrition. The ability of medical personnel to combat these conditions has also been hampered, if not made virtually impossible.

The principal victims of disease and malnutrition are the most vulnerable of the society—the Iraqi children. These children have no source of help or healing. Since many of the country's resources have been destroyed and its assets remain frozen, Iraq's ability to respond to its own children is terribly limited.

In response to this crisis, I am proposing the following course of action: That a portion of Iraq's frozen assets be released to UNICEF for the sole purpose of providing medical and humanitarian assistance to Iraqi citizens. UNICEF control over the funds would ensure that the medical and public health needs of the civilian population, especially the children, would be met. If the Iraqi Government wishes to use these assets to help their country's children, then they must agree to U.N. oversight and control. The following is the concurrent resolution:

CONCURRENT RESOLUTION

Whereas medical teams from the United States have reported conditions in Iraq to be a "public health catastrophe";

Whereas widespread and severe malnutrition currently exist in Iraq due to an acute food shortage that, if not relieved, could become a famine;

Whereas infant and child mortality are expected to double, and if conditions remain unchanged, at least another 170,000 Iraqi children under age five will die this year in addition to the 55,000 who have already died;

Whereas cholera, dysentery, typhoid and gastroenteritis are at epidemic proportions and incidence of all forms of water-borne diseases will increase during the summer months;

Whereas the Iraqi health care system is operating at a fraction of its former capacity;

Whereas basic infrastructure necessary to meet public health needs—water purification, sewage treatment and electrical power—has been substantially reduced;

Whereas the condition of the children of Iraq are an international humanitarian concern that must be addressed immediately: Now,

therefore, be it

Resolved by the House of Representatives (the Senate concurring),

That it is the sense of the Congress that the United States should ask the United Nations to release through UNICEF a portion of Iraq's frozen assets for the sole purpose of providing medical and humanitarian assistance to the Iraqi people, particularly children, with release of the funds contingent on Iraqi government acceptance of United Nations' oversight and control.

TRIBUTE TO FRANCIS "HAWK" CONNERY A MAN FOR ALL SEASONS

HON. RICHARD E. NEAL

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mr. NEAL of Massachusetts. Mr. Speaker, it is with great pride that I pay tribute to Francis "Hawk" Connery, a man who has dedicated his life to the molding of literally thousands of student athletes at Cathedral High School. For the past five decades, Hawk has set an example of dedication and inspiration, and I ask my colleagues to join with me in recognizing his many achievements here today.

In 1952, Hawk Connery returned to his alma mater, Cathedral High School, to begin a dual career as both a teacher and a coach. He introduced cross country, soccer, and track to Cathedral, coached varsity basketball, and taught social studies and driver's education. During his tenure he led the Panthers to numerous city titles including 5 consecutive years as basketball champions, 3 years as track champs, and 1 year as city soccer champs.

Although he continued to coach at Cathedral through the 1966 soccer season, he left the school in 1964 and went to Commerce where he taught English, world history, and geography until his retirement in 1980. He returned to Cathedral in 1978 as an assistant track coach, and he has remained with the sports program ever since.

Mr. Speaker, while Hawk Connery's name has now become synonymous with coaching, during his years at Cathedral, he enjoyed a reputation as a gifted athlete. A member of the class of 1930, Hawk played the outfield for Coach Billy Wise's first championship baseball team in 1929. His talent and natural ability caught the attention of sportswriter George Springer who said the young man moved like a flyhawk. Hence, he earned the nickname that stayed with him for a lifetime.

Hawk Connery's philosophy has always been a model of simplicity: Work hard—play fair—do your best; win with humility and lose with grace.

These are the ideals which he instilled in his athletes, and these are the values which have carried these young men and women into positions of leadership in law, medicine, business, and the religious life.

Mr. Speaker, I would like to take this opportunity to extend a well deserved thank you to Coach Francis "Hawk" Connery, and to say that I feel privileged to represent him in the U.S. Congress.

BOY SCOUTS OF AMERICA, BALTIMORE AREA COUNCIL, PRESENT DISTINGUISHED CITIZEN AWARDS

HON. HELEN DELICH BENTLEY

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mrs. BENTLEY. Mr. Speaker, I rise today to recognize two very special men who will be honored by the Boy Scouts of America, Baltimore Area Council, with the Distinguished Citizen Award.

Tomorrow evening, I will have the honor and pleasure of attending the award ceremony honoring Mr. William H. Cowie, Jr., and Mr. George V. McGowan. Each year, the Distinguished Citizen Award is presented by the Baltimore Area Council to those "extraordinary community leaders in recognition of their outstanding contributions to improve the quality of life in metropolitan Baltimore and who best exemplify the precepts found in the Scout Oath and Law." I had the privilege of being so honored in 1989.

Retired president and chief executive officer of Signet Bank/Maryland, William Cowie Jr. is a graduate of Power Memorial Academy in New York, University of Pennsylvania's Wharton School, and the Harvard Business School's Advanced Management Program. During the early 1950's he served in the U.S. Marine Corps. Mr. Cowie is on the board of directors and is a member of numerous professional and civic organizations.

Mr. George V. McGowan is currently chairman of the board and chief executive officer of the Baltimore Gas & Electric Co. Mr. McGowan is a graduate of the Baltimore Polytechnic Institute and the Universtiy of Maryland where he obtained a degree in mechanical engineering. He served as a Major in the U.S. Army during the early 1960's and is also involved in a variety of professional and civic organizations literally too numerous to list.

Aside from their obvious professional success, the most impressive characteristic I find with Mr. McGowan and Mr. Cowie is their sense of commitment and dedication to the community and their fellow man. I truly believe that success cannot be measured by only professional or academic achievements.

Unfortunately, it is all too easy to judge individuals by their material or monetary wealth. However, individuals such as Mr. McGowan and Mr. Cowie have demonstrated many more desirable traits than simple material possessions. What they have demonstrated is a wealth of character and spirit. They have shown that success carries more than a professional connotation.

Indeed, these are two very special men who personify the very characteristics that have made this Nation great. Likewise, I can think of no other organization which better represents these characteristics than the Boy Scouts of America. The Boy Scouts of America play a vital and important role in laying down a foundation of honor, duty, and integrity for countless young men throughout the country.

I cannot help but be reminded of American statesman John C. Calhoun when he described the people and formation of the New England colonies. Mr. Calhoun spoke of the insurmountable difficulties the colonies faced. However, he continued to say that their strength could be found in the "high moral and intellectual qualities of the Pilgrims: their faith, piety, and confident trust in a superintending Providence; their stern virtues; their patriotic love of liberty and order; their devotion to learning; and their indomitable courage and perseverance. These are the causes which surmounted every obstacle, and which have led to such mighty results."

There are no doubts that John C. Calhoun recognized the traits that brought this Nation from its humble beginnings and I see the very same traits in men such as George McGowan and William Cowie, Jr. They share a strong commitment: not only to their work, but to their community, Nation, and fellow man. Thanks to their efforts, not only has the Boy Scouts of America benefited, but our Nation has as well.

Mr. Speaker, my fellow colleagues, again, it is with great respect and admiration that I commend George V. McGowan and William H. Cowie, Jr. upon being honored with the Distinguished Citizen Award. May they have continued success and happiness in the years ahead.

HONORING OLD GLORY

HON. C.W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mr. YOUNG of Florida. Mr. Speaker, Flag Day has been established by Congress as an annual national observance to honor the stars and stripes, our banner of freedom and liberty.

The American flag has flown over our Nation during some of our greatest moments, but none more triumphant than the swift and complete allied victory in Operation Desert Storm. Our pride in the skill and professionalism of our troops has stirred a renewed sense of patriotism throughout our country and is reflected in the tremendous number of American flags that now fly daily over homes and businesses representing the dedication and honor of the American people to the ideals upon which our country was founded and to which we continue to be devoted. This rejuvenation of pride in our flag is borne of the pride and respect we feel for the men and women of our Armed Forces who performed so gallantly in the Persian Gulf so that another sovereign nation might enjoy the fruits of freedom.

As a member of the House, I have had the privilege to have thousands of American flags flown over our Nation's Capitol and they now adorn the streets of Pinellas County, FL, which I represent. The same sense of pride and patriotism which wells up inside those who raise the American flag over their homes and businesses each morning also generates a sense of security for people in all corners of the world. For many peoples of oppressed lands, the sight of the American flag in their homeland has represented a symbol of their new found freedom and liberty. We will forever remember the sight of the Kuwaiti people rejoicing as American troops, flying the American flag, triumphantly entered a newly liberated Kuwait City and hoisted the flag over the American Embassy. As has happened so many times throughout the past 200 years, another nation has been set free from war and oppression and the confirmation of that freedom has been the hoisting of an American flag.

Throughout our Nation, ceremonies will be held to commemorate Flag Day, and I reflect with pride on the many occasions that I have participated in these events. In fact, it was on this day 10 years ago that I had the pleasure to take part in the raising of the stars and stripes at the dedication ceremony of a beautiful flag pole in Belleair Bluffs. It is upon this pole that the American flag flies high above the community and is a landmark for thousands of boaters passing along the Intercoastal Waterway.

As I stood and watched the flag waving in the breeze that day and listened to the national anthem, I remembered and gave thanks, as I do now each time I drive by it, for all the Americans who fought the gallant fight and paid the ultimate price in order that others might know what it means to be free.

The American flag will forever stand for freedom and liberty. It provides a sense of strength and security not only for Americans, but for the people of every nation where it flies over an American Embassy or military facility. It represents America's commitment to this generation and all future generations that we are the world's peacemaker and peacekeeper. There is no grander symbol anywhere and it is most appropriate that we take this special time today to pay tribute to its beauty and meaning.

VETERANS ARE PATRIOTS, NOT GRIPERS

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mr. SKELTON. Mr. Speaker, this past Friday, I had the opportunity to speak at the State convention of Missouri Veterans of Foreign Wars in Kansas City. This was indeed an honor and I felt that I was with an exceptional group of Americans, all of whom served honorably in the foreign wars of our country.

I mention this, Mr. Speaker, because while there with the Missouri Veterans of Foreign Wars, I felt that I was truly with a distinguished group of American patriots. My remarks were on our national defense. The comments that I received from members after my speech were positive.

I mention my experience with these Missouri veterans because of the recent testimony before the House Budget Committee of Edward Derwinski, Secretary of Veterans Affairs. In his testimony concerning veterans, Secretary Derwinski said, "What you hear from them are the gripers. You will never hear from the satisfied person." This statement couples with other negative comments about veterans' organizations and leaders, were improper, and I take issue with them.

Through the years, I've found that working with veterans' organizations, such as the VFW, has been a positive experience, whether attempting to help a needy veteran or whether discussing the national security of our future.

May I remind those who hear me today that it was the VFW and other veterans' organizations who kept patriotism alive during the dark days of the Vietnam conflict. I find the VFW and its companion organizations looking out for the veterans who were willing to give the last full measure of devotion to their country. I find that they have a continuing interest in the national security of our country and that patriotism is their byword—not gripes.

Soon, the VFW and other veterans' groups will have an influx of a new generation of veterans—veterans of Operation Desert Shield and Desert Storm. All Americans know how well these men and women performed in the Middle East—magnificently—are these young troops to be called gripers too?

Let's recognize our veterans for what they are—Americans who have served our country ably and honorably. In a word, I call them patriots, not gripers.

ANDREW R. GASPAR ATTAINS RANK OF EAGLE SCOUT

HON. THOMAS H. ANDREWS

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mr. ANDREWS of Maine. Mr. Speaker, it is with great pride that I rise today to salute a distinguished young man from my district who will be attaining the noteworthy rank of Eagle Scout in the Boy Scouts of America this month. His name is Andrew R. Gaspar and he resides in North Berwick with his family.

To earn this prestigious award takes a commitment to excellence that demonstrates the outstanding nature of this young man. Less than 2 percent of Boy Scouts ever achieve this award. To earn this award a Boy Scout must fulfill requirements in the areas of leadership, service, and outdoor skills. He must earn 21 merit badges, 11 of which are required to be in areas such as citizenship in the community, citizenship in the Nation, citizenship in the world, awareness of safety, environmental science, and first aid.

A Boy Scout must demonstrate an increasing level of leadership by holding specific youth leadership positions in his patrol and/or troop. He must also show an ability to participate in increasingly more responsible service projects. Andrew has admirably demonstrated each of these criteria.

Andrew has held the positions of patrol leader, assistant senior patrol leader, and senior patrol leader. He was elected to the Order of the Arrow in 1989 and earned the Arrow of Light Award when he was in Cub Pack 312.

For his Eagle Scout project, Andrew constructed a train for the children's room of the D.A. Hurd Library of North Berwick. This train has already proven to be beneficial—it is well built and has delighted the children as a receptacle for their books.

As a Scout, Andrew has always been an active participant, whether in camping activities, shows, or other scouting functions. He has also been an involved student. He is currently a junior at Noble High School, where he is a member of the National Honor Society and the math team. And where he has demonstrated his athletic ability as well, as a cross-country runner and junior varsity basketball player.

Mr. Speaker, I ask you and my colleagues to join me in saluting Eagle Scout Andrew Gaspar. In turn, we must also salute the Boy Scouts of America for establishing the Eagle Scout Award and the character building criteria its recipients must meet. It is a real chance for young boys to gain a sense of accomplishment and develop a feeling of responsibility to their communities, which in turn gives them a base upon which to build their adult aspirations.

I am proud to have Andrew R. Gaspar in my representative district and add my voice to the family and friends who will be saluting him this month.

TRIBUTE TO GEMMA HOSKINS

HON. HELEN DELICH BENTLEY

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mrs. BENTLEY. Mr. Speaker, today I rise to salute Mrs. Gemma Hoskins, a teacher, for her outstanding efforts in the field of education. Mrs. Hoskins recently was recognized as "Teacher of the Year" in the Harford County school system.

Mrs. Hoskins, a fifth-grade teacher at Jarrettsville Elementary School in Jarrettsville, MD, is a product of Catholic education and a teaching veteran of 17 years.

Her commitment to teaching our young is invaluable. At a time when Americans are beginning to realize the importance of a good basic education, Mrs. Hoskins stands as a model for all teachers. Her teaching philosophy should be utilized not just for my district but throughout the entire Nation. Mrs. Hoskins is exemplary as a teacher-citizen model for the President's Education 2000 Program and his 1,000 Points of Light.

Mrs. Hoskins' philosophy is basic in principle but essential for learning excellence—to make learning fun.

"Children have to feel comfortable to be able to learn," Mrs. Hoskins said.

Her style is a mixture of traditional and modern teaching methods. Mrs. Hoskins' gift for giving time, love, and respect to her students is a quality from the timeless basic principles of all great teacher's. The unorthodox ways she uses to involve her students in practical situations and lessons are a revelation that needs no large sums of money—just the commitment and talent of the true teacher.

Mrs. Hoskins' children went to the school board to have Jarrettsville declared the first smoke-free school in Harford County, and, in turn, they learned well a lesson on the democratic process.

Besides teaching, Mrs. Hoskins is a volunteer with the Harford Spouse Abuse Center Help-Line, spending her spare time answering calls from grieving victims. She also is involved in the Big Brother/Sister program. Volunteering represents another act Mrs. Hoskins believes is a vital teaching tool for everyone.

Mr. Speaker, as you can see, Mrs. Gemma Hoskins is a rare individual whose contributions have made a difference in the community and in the lives of her students. At a time when this country is beginning to realize once more just how important a strong educational system is to America's future, we can pray that more educators and citizens of Mrs. Hoskins caliber come to the fore. For this reason I ask my colleagues to pay tribute to Gemma Hoskins.

SALUTE TO MICHAEL C. RUDOLPH, OF WAYNE, NJ, WINNER OF THE ROTARY CLUB'S PAUL HARRIS FELLOW AWARD

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mr. ROE. Mr. Speaker, it is my distinct pleasure to take this opportunity to pay tribute to yet another man of exceptional abilities, who has a history of public service to the citizens of the Eighth Congressional District in New Jersey. Mr. Michael C. Rudolph, recipient of the 1991 Wayne Rotary Paul Harris Fellow Award.

The Rotary, an organization of business and professional men and women, is united worldwide to provide humanitarian services. Mr. Michael C. Rudolph, of Wayne, NJ, will be honored for his great service and volunteer work within this organization. The Paul Harris Fellow Award is the highest honor a Rotarian can achieve. Considering the scope of community service that Rotary Clubs provide around the world, I am certain that you, Mr. Speaker, and our colleagues will agree that the honor being accorded Mr. Rudolph is one of the greatest magnitude.

Mr. Speaker, Mr. Rudolph's extraordinary skills and abilities were evident as he suggested the pledge of some $150,000 to the Polio-Plus program. The Rotary program was set up to help eliminate polio in the world by their 100th anniversary, the year 2005, in cooperation with the international health agencies in the immunization of all the world's children. This large pledge suggested by Mr. Rudolph made Wayne Rotary's pledge the highest in their Rotary district. The ability to raise these funds was generated by the TV charity auction directed under Mr. Rudolph's great efforts. The Rotary was able to raise not only the moneys for the Polio-Plus program but to help raise additional money for the Foundation for the Handicapped.

His commitment to the Rotary and the service of others is obvious by the extent of his accomplishments. I know that his wife, Pina, will be especially proud of all he has achieved, as will the rest of his family, his children Jonathan, Steven, Deborah, Kim, and Stacey, and his many friends and colleagues.

Mr. Speaker, Michael Rudolph was born in Passaic, NJ, and attended local schools in Passaic. A graduate of the New York University School of Commerce, he received a bachelor of science degree in banking and finance. He later attended the New York University School of Law and served as a clerk to Nicolas Martini, the prominent Passaic attorney. After passing the New Jersey Bar examination he began working for the attorney general of New Jersey and was soon appointed as the deputy attorney general under Attorney General Arthur J. Sills in February 1965.

He later opened his own successful law practice on a part-time basis in Clifton, NJ. This lead to his leaving the attorney general's office and his joining of several law firms where he specialized in labor relations after continued studies at New York University.

His numerous memberships and affiliations include the Foundation for the Handicapped,

Temple Beth Tikvah, the Passaic County Bar Association, the Passaic County Legal Aid Society, the United Way, and of course, the Wayne Rotary Club which he joined in 1983. He has served many important roles in the Wayne Rotary including secretary, vice president, and his most notable interest as chairman of the Wayne Rotary's TV Auction Committee.

Mr. Speaker, it is clear that Michael C. Rudolph has continued to strive for excellence regardless of his field of endeavor, whether it be as a member of the Rotary Club or a citizen of New Jersey. He has served an important role model and influence on the members of the Wayne Rotary and has truly made his community and State, and our Nation a better place to live.

INTRODUCTION OF THE CARBON-DIOXIDE OFFSETS POLICY EFFICIENCY ACT [COPE] DEALING WITH GLOBAL WARMING

HON. JIM COOPER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mr. COOPER. Mr. Speaker, the legislation that Representatives MIKE SYNAR, GERRY STUDDS, ED MARKEY, and SHERWOOD BOEHLERT, and I are introducing today is an innovative, cost-effective, free-market way to limit CO_2 and other greenhouse gas emissions. The recent National Academy of Sciences report on global warming did not specifically endorse our approach, but its emphasis on mitigation of global warming by using gradual, comprehensive, low-cost, incentive-based measures fits very well indeed with our approach.

We introduced an earlier version of this bill at the end of the last Congress. We have made several important refinements to the legislation. We would like to urge our colleagues to take a serious look at cosponsoring this bill because we feel that it is the cheapest, most reasonable step that we can take to slow global warming.

If you care about global warming, and you should, this may be our best chance to mitigate a major environmental problem before it becomes a disaster. As the NAS said, "[G]reenhouse warming poses a potential threat sufficient to merit prompt responses."

We would like to gratefully acknowledge the help of Dr. Daniel Dudek at the environmental defense fund in both formulating and refining this legislation.

THE LEGISLATION

Everyone wants to have jobs without pollution, economic growth without global warming; the question is how best to reconcile these seemingly conflicting interests. Since almost all fossil fuel combustion adds to CO_2 emissions, how do you make sure that new combustion resulting from economic growth does not add to the heavy burden of CO_2 gases that we have alrady placed in our atmosphere?

Not many Americans realize that we are adding 6.14 tons of CO_2 to our atmosphere per person every year in America as a result of our electrical generating, refining, transportation, and manufacturing processes.

This man-made burden to our atmosphere is not the inevitable result of progress; it is the result of wasting carbon. In Japan, for example, comparable emissions are only 2.5 tons per person, or less than half of our emissions. These are 1988 figures from the Organization for Economic Cooperation and Development, as quoted in the Washington Post of October 24, 1990.

The first step is to slow or halt the growth of our emissions, at least on a per capita basis. Japan has indicated that within the next 10 years it will freeze its CO_2 emissions at 1990 levels, only allowing for population growth. This is an ambitious program for a nation that could have followed our example and doubled its pollution beore thinking of controlling it. Apparently Japan is planning to have an industrial policy that relies heavily on nuclear power, mass transit, and other means of reducing their per capita tonnage emissions. Japan seems to be relying on a centralized, command-and-control approach to the problem.

Our legislation begins to brake U.S. CO_2 emissions growth by requiring new large sources of CO_2 to find offsets to their emissions before they increase net pollution. Put more simply, we are asking large industries to do some environmental good for every bid of environmental harm that they are intending to cause. We don't necessarily ask industry to clean up after itself, but at least after some other industry. It is the environmental equivalent of pay-as-you-go budget legislation.

This is very different from command-and-control regulation such as is practiced in Japan or even under our older environmental laws. It is also very different from the tax approach discussed below, which allows some industry discretion but which lacks the flexibility of this approach. Under our bill, Government sets broad parameters but industry is free to operate within those parameters. This approach is encouraged by the 1990 Occasional Paper of the Brookings Institution entitled, "Controlling the Greenhouse Effect: Five Global Regimes Compared" by Epstein and Gupta. It also seems popular with the editorial staff of the Wall Street Journal as evidenced by their June 6, 1991, editorial entitled "Pollution's Progress."

HOW TRADING WORKS

It is helpful to think of industry as divided into two groups, although many individual firms will actually fall into both categories. One group needs to be able to build new factories, burn more fossil fuel, and emit more CO_2. The other group is able to reduce its carbon dioxide emissions, it just hasn't bothered to or been allowed to yet. Perhaps this second group is already improved with incentives. Or it could even begin to take CO_2 out of the atmosphere by planting trees that soak up CO_2 in photosynthesis.

Our proposal allows both groups to do business with each other, for their own good and for the good of the Nation and the planet. A new industry could offset its pollution by giving older industry an incentive to clean up its act. In this way the older industry can also perhaps become a growth industry by using its great unrecognized and unused resource, the capacity to reduce CO_2 emissions. Their balance sheets will contain a new marketable asset.

The possibilities for tradeoffs are almost endless. Industries which need to burn more carbon can work with industries that can:

First, switch to low-carbon fuel—for example oil or natural gas,

Second, burn high-carbon fuel more efficiently—clean coal technology, or

Third, use less fuel period—conservation, plant retirement, et cetera.

Sometimes huge offsets are available from industries that could reduce their CFC or methane emissions, gases which are many times worse for our atmosphere than simple CO_2. Some estimates indicate that the amount of CFC's which are already contained in rigid foams such as home insulation are the equivalent of 800 million tons of CO_2. These CFC's must be destroyed and not discharged to the atmosphere; they will be if people have an incentive to do so.

Other offsets are available from industries that can improve on current Government efficiency standards—such as CAFE or NAECA for automobiles and appliances—and yet have no commercial incentive to do so. Once they win their Government label they have nothing to sell to most of their customrs in a more advanced product. This offset bill would give them something valuable to sell, and thus a powerful incentive to produce these super-advanced products.

Still more offsets are available from cogeneration facilities, nuclear and hydro plants, and other types of energy technology.

Finally, forest preservation and reforestation are additional ways that net CO_2 emissions can be reliably offset. Trees are a wonderful sink of CO_2 in addition to their many other benefits.

The only Government role in all this is to keep the trading honest. The Federal Government should set guidelines for the States so that they can tell how much new CO_2 is really going to be emitted from a new plant and, therefore, how much of an offset is required. The Government should also be able to tell whether the offset is real, not just a temporary or illusory decrease.

No Government bureaucrat, whether in Washington or in a State capital, will be able to impose a rigid cleanup technology on new industry. Industry itself will come up with the imaginative and cost-effective solutions. Sometimes the offset may be preserving a neighboring forest; sometimes the forest may be across the Nation. Ultimately, that forest may be in a distant country, such as the Guatemalan forest that was recently planted by an enterprising Connecticut utility. It has now made plans for a second international forest. Since the environmental benefits are worldwide, the market for offsets is worldwide; the only administrative problem is verifying compliance in another sovereign nation.

THE BOTTOM LINE

The fundamental principle of the legislation is that current industry is not paying the full cost of its pollution when it sells its products. That cost is imposed on world climate, and we all end up suffering. Economists call that hidden cost an externality and it is hard to quantify and trace. The anwer is not simply to penalize industry, however, since we depend on

it for jobs and products. The anwer is to encourage industry to find ways to reduce CO_2, ways that they haven't implemented yet. Using this approach, value is discovered in unlikely but deserving places. The hidden cost of pollution is no longer hidden; it is no longer externalized; it is offset by simultaneous reductions in kind.

There are many advantages of this approach over simply taxing CO_2 emissions, which is superficially appealing and which also seems to be a free-market reform.

One advantage is that the price of the offset is not fixed as it is with a tax. An offset is not a rigid and bureaucratic tax formula which tries to approximate the cost of marginal environmental damage and which may be affordable to some industries but not to others. The price of these offsets is determined by the ingenuity of both the buyer and seller of the offsets.

A further advantage is that Government's hunger for revenue is not a factor with offsets as it is with taxes; industry is paying for pollution reduction and only for pollution reduction.

Another advantage of offsets over taxes is that the behavior of both the buyer and seller of offsets is altered, not just the behavior of the excise taxpayer. Why not have everyone involved with CO_2 contribute to a solution?

And the environmental benefit is exact because you are dealing in the proper currency: CO_2 reductions, not dollars and cents. You don't need to worry about undertaxing or overtaxing the polluting source.

Finally, a tax on CO_2 is really a tax on growth whereas an offset system is more like a tax on inefficiency. Since it is almost impossible for Government to measure and tax inefficiency, it is handy for industry to expose and reduce it for us by means of the offset mechanism.

In short, this is a type of regulation which is still fairly new in the environmental area but which seems to provide multiple benefits. A version of it is being tried in the acid rain title of the recently passed Clean Air Act. The Energy Daily reports on June 7, 1991, very favorable results from an Electric Power Research Institute study of the cost savings of the acid rain trading system. To be sure there are flaws in the approach. Industry sometimes prefers the certainty of bureaucratic regulation to having to dig up offsets somewhere around the country, especially when long-term projects are involved. Conversely, environmentalists want the certainty of real CO_2 reductions, with a minimum of gaming by industry.

The theory is very powerful, however, and I believe it is worth giving it a try. To fall back on old-fashioned command-and-control regulation for a global problem of this magnitude could mean wasting tens of billions of dollars. To tax CO_2 emissions begins solving only half the problem and in a crude and cumbersome way. The better plan is to require offsets, as this legislation does, so that everyone is involved in the search for the cheapest, most efficient, most reliable solution to the problems.

I urge my colleagues to take a look at this legislation and to consider cosponsoring this new type of environmental approach in the 102d Congress.

BANKAMERICA TAKES STEPS TO HELP SAVE RAIN FORESTS

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mr. STARK. Mr. Speaker, I want to commend BankAmerica Corp. for being a leader among lending institutions in working to solve the deforestation problem. BankAmerica Corp. was the first lending institution to announce that they will forgive outstanding loans to debtor nations providing those nations would use the amount forgiven to fund efforts to conserve rain forests. On June 11, 1991, BankAmerica Corp. announced that they will forgive up to $6 million in loans to Latin American countries. Debt payments will instead be made to the World Wildlife Fund, Conservation International, and the Smithsonian Institution. These institutions would use the money to fund activities that conserve rain forests.

Mr. Speaker, BankAmerica's action is an important step. Often, countries where large areas of rain forests are destroyed every year are heavily indebted nations that exploit their rain forests to pay debt owed to international banks. Debt forgiveness will help ease the tremendous economic pressure that leads them to condone activities that destroy their rain forests.

The depletion of rain forests affects all of us. Tropical rain forests are home to over half ot the world's plant and animal species. Over 1,400 plants having anticancer properties can only be found in rain forests. Furthermore, the primary ingredients of over 25 percent of medical drugs are found in rain forest plants.

Biological diversity is important in preserving viable ecosystems. Due to the interdependence of various microorganisms, plants, and animals, the loss of certain habitat through deforestation would result in a series of extinctions of species, thus further damaging the delicate balance of the affected ecosystems. The existence of organisms in tropical forests known to be very useful to humankind depends on appropriate environments created by biological diversity.

Deforestation also contributes to the greenhouse effect. Smoke from burning forests emits 2.8 billion metric tons of carbon dioxide into the atmosphere annually. Eighty-two percent of this comes from 11 countries, all of which are Third World debtor countries.

Mr. Speaker, we must try to stop the destruction of our world's precious rain forests. The actions of BankAmerica are a significant step in this direction.

TRIBUTE TO ART PRICE

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mr. MURTHA. Mr. Speaker, this Saturday, the community of Nanty Glo, PA, will turn out to honor one of western Pennsylvania's finest citizens. I am proud to call Art Price a longtime friend, and I plan to join with many citizens of our area to salute him on his many years of service to the community.

Art has been the mayor of Nanty Glo since 1970, and his work for the people of Nanty Glo in the last 21 years has made this town a better place to live. I know that I have worked closely with Mayor Price, and there is no stronger advocate for his community than he. But his terms as mayor barely scratch the surface of Art's work for the people of Nanty Glo and the United States.

Art served as the post commander of American Legion Post 619, was the senior vice commander of the Nanty Glo VFW, served on the Nanty Glo Borough Council, and was the president of the Cambria County Boroughs Association just for starters. His work as a teacher's aide at Woodvale school for exceptional children is remembered by many former students and parents in the area. And his military record in World War II and the Korean conflict shows his strong sense of partriotism as a proud marine.

Mr. Speaker, there are so many local officials around our great Nation who work very hard to keep small communities functioning in these days of tight budgets and economic difficulties. Among these many hard-working people, some stand out as shining examples to other public officials. Art Price is one of the standouts. I've benefited by his friendship and advice, and I'm pleased to be a part of the salute to this very worthy man.

JAMES MADISON AND THE BILL OF RIGHTS

HON. NORMAN SISISKY

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mr. SISISKY. Mr. Speaker, this year we honor the bicentennial anniversary of the ratification of the Bill of Rights. James Madison, the Nation's fourth President, was the principal author of the Bill of Rights. For 200 years, these first 10 amendments have withstood time's scrutiny and remain the cornerstone of basic human rights and liberties in this country.

In honor of James Madison and the Bill of Rights, I ask that you join in cosponsoring the James Madison-Bicentennial of the Bill of Rights Commemorative Coin Act which I have introduced today. This legislation, coauthored by Mr. ALLARD of Colorado, directs the Secretary of the Treasury to mint coins to honor and commemorate James Madison for his authorship of the Bill or Rights.

This legislation provides for gold and silver coins to be issued by the U.S. Mint in 1993. This minting program will be operated at no net cost to the Federal Government, and the sale price of the coins will include a surcharge to be paid to the James Madison Memorial Fellowship Foundation.

The James Madison Memorial Fellowship Foundation was established by Congress as part of the bicentennial commemoration of the U.S. Constitution. This federally sponsored program will award fellowships nationwide to outstanding graduate students preparing to becoming secondary school teachers in the

fields of American history and government, and to experienced high school teachers seeking to strengthen their knowledge in the same area. Madison fellows will agree to teach full time in secondary schools for at least 1 year for each year of assistance. In their teaching, they will emphasize the U.S. Constitution.

Along with Mr. ALLARD, I hope that you will join us in support of this appropriate and worthwhile commemoration of James Madison and the Bill of Rights. The Madison Fellowship Program fosters greater awareness and understanding of the rights and responsibilities of citizens under the Constitution, particularly among educators and students. We strongly believe that this program which emphasizes the Constitution and higher education is deserving of our support.

DAVID E. SANDERSON HONORED

HON. JACK REED

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mr. REED. Mr. Speaker, I rise today to salute a distinguished young man from Rhode Island who has attained the rank of Eagle Scout in the Boy Scouts of America. He is David E. Sanderson of Troop 28 in Providence, and he is honored this week for his noteworthy achievement.

Not every young American who joins the Boy Scouts earns the prestigious Eagle Scout Award. In fact, only 2.5 percent of all Boy Scouts do. To earn the award, a Boy Scout must fulfill requirements in the areas of leadership, service, and outdoor skills. He must earn 21 merit badges, 11 of which are required from areas such as citizenship in the community, citizenship in the Nation, citizenship in the world, safety, environmental science, and first aid.

As he progresses through the Boy Scout ranks, a Scout must demonstrate participation in increasingly more responsible service projects. He must also demonstrate leadership skills by holding one or more specific youth leadership positions in his patrol and/or troop. These young men have distinguished themselves in accordance with these criteria.

For his Eagle Scout project, David Sanderson led a group of Scouts in planting crops for the South Side Community Land Trust in the center of Providence.

Mr. Speaker, I ask you and my colleagues to join me in saluting Eagle Scout David Sanderson. In turn, we must duly recognize the Boy Scouts of America for establishing the Eagle Scout Award and the strenuous criteria its aspirants must meet. This program has through its 80 years honed and enhanced the leadership skills and commitment to public service of many outstanding Americans, two dozen of whom now serve in the House.

It is my sincere belief that David Sanderson will continue his public service and in so doing will further distinguish himself and consequently better his community. I am proud that David Sanderson undertook his Scout activity in my representative district, and I join friends, colleagues, and family who this week salute him.

IN HONOR OF THE ROSA GUERRERO INTERNATIONAL BALLET FOLKLORICO

HON. RONALD D. COLEMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mr. COLEMAN of Texas. Mr. Speaker, I would like to take this opportunity to thank the Kennedy Center for the Performing Arts for inviting the Rosa Guerrero International Ballet Folklorico to perform at a sold-out presentation at the Center's Texas Festival Sunday night. Yesterday El Paso's ambassador of the Mexican-American borderland brought a piece of fiesta to Capitol Hill.

Mr. Speaker, Rosa Guerrero and her Ballet Folklorico demonstrate some of the best the Mexican culture has to offer in the world of folk dance and music. The Ballet Folklorico was begun by Mrs. Guerrero in 1974 as a medium enabling El Pasoans to rediscover their identity and find self-esteem and pride.

During its 17-year history, the group has danced its way across both the United States and Mexico.

This year, while the United States and Mexico are opening talks on trade, Rosa Guerrero is dancing across the border, demonstrating the multicultural diversity of music and dance which can unite people of all nationalities and interests.

Mr. Speaker, I ask that all Members of this House join me in honoring the Rosa Guerrero International Ballet Folklorico to our Nation's Capital.

MORT RYWECK, LIFELONG CHAMPION OF HUMAN RIGHTS

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mr. VENTO. Mr. Speaker, this month, June 1991, Mort Ryweck will be retiring as the executive director of the Jewish Community Council Anti-Defamation League of Minnesota and the Dakotas. For the past 17 years he has served with distinction as an organizer and adviser to many in our community. I want to personally thank Mort for his dedication, patience, and determination. He has indeed excelled in this key role.

Minnesotans are justly proud of the progress that our community has made over the past years, often contributing national leadership on the questions of human rights. Mort Ryweck, to his credit, is a lifelong leader with a quiet passion for human rights who didn't let us in Minnesota rest on our past achievements. Rather, he challenged us to go further to remember and look at our traditions, but to remain responsive to new challenges.

Today as he retires rather than discuss a long list of personal accomplishments which would be justifiable, he prefers to point a path to the future. What better statement to characterize his lifelong service.

The following article by Neal Gendler is submitted for the RECORD and a further elaboration of Mort Ryweck's views.

CHIPPING AWAY AT HATE—MORT RYWECK RETIRING, BUT WON'T GIVE UP FIGHTING BIGOTRY

(By Neal Gendler)

Three decades of fighting bigotry have not destroyed Mort Ryweck's optimism, but they've left him a little discouraged.

Ryweck, retiring this month as executive director of the Jewish Community Council Anti-Defamation League of Minnesota and the Dakotas, laments the worldwide surge in ethnic strife anti-Semitism and racism. "It's disillusioning," he said. "I've been in this work most of my life * * * being of an optimistic bent. I thought there'd certainly be great improvement in the world."

But Ryweck sees the opposite occurring abroad: ethnic and economic competition within nations, old hatreds flaring with the lifting of repression in Eastern Europe, and a disinclination to acknowledge such problems except among groups that organize not to promote harmony but to achieve their ends at the expense of others.

"It's disheartening that the veneer of civilization is so thin," he said. In the United States, "we are not immune from this contagion of hate," he said. "We're going through a period of regression."

He expects racism and anti-Semitism to continue growing as the population changes and the economy slips: People having a hard time competing often look for someone to blame.

But he is optimistic about the long-term outlook in the United States, where there's recognition of racial and ethnic problems and inequities, and where government, civic, service, religious and labor organizations with millions of members are committed to making democracy work.

The human-relations climate in Minnesota and the Twin Cities is better than in most of the country, he said. Problems aren't as acute, and more people of goodwill run more programs that seek to improve relations. About three dozen anti-Semitic incidents are reported to his office annually, but he considers most fringe acts that aren't a barometer of community relations.

"Relations between Jews and Christians have been improving significantly," he said, "It's mainly the result of churches taking a look at the implications of the Holocaust, taking a look at their own teachings."

By the time he arrived in Minnesota in 1975, the bigotry that had brought Minneapolis its anti-Semitic reputation had subsided. No longer was there widespread exclusion of Jews from social clubs and businesses, even the American Automobile Association. Ryweck encouraged more improvement through public appearances, meetings, negotiations, speakers, and visibility at events.

Still, he said, "There's a stubborn manifestation of anti-Semitism that has not changed."

Ryweck came to Minneapolis when the local Jewish Community Relations Council and the B'nai B'rith Anti-Defamation League were the first in the nation to merge. He is a New Yorker who has always been concerned about bigotry.

He graduated from New York University in 1951 with a degree in journalism, and went into business selling insurance.

In 1958, he and four others in the U.S. peace movement—led by civil rights pioneer Bayard Rustin—spent three weeks on the Finnish-Soviet border trying to get into the Soviet Union to protest nuclear tests.

They finally realized that they weren't going to get visas, so they mailed letters to 300 leading Soviet scientists. Then Ryweck

decided to phone Soviet Premier Nikita Khruschev. "The group thought I was crazy," he said. "In retrospect, they were right, but you had to give it a try." He reached a surprised secretary in Khrushchev's office, but was put on hold until he gave up.

He decided business wasn't for him and went to work for the Anti-Defamation League in Milwaukee in 1960. He later directed the Chicago-area group opposing the nuclear arms race, and worked for the American Jewish Committee in Chicago and St. Louis. He was active in the civil rights movement, taking part in the march from Selma to Montgomery, Ala., and other demonstrations.

Today, he serves on the boards of the Minnesota Interreligious Committee, the Joint Religious Legislative Coalition and the Minneapolis NAACP, and is coordinator of the Minnesota Coalition to Celebrate Our Differences, a sponsor of the World of Difference prejudice-reduction project.

For all his intergroup work, "he doesn't shy away from the Jewish agenda," said Marcia Yugend, president of the agency in the mid-1970s and associate director for Ryweck from 1978 to 1989. "Sometimes that agenda is difficult; anti-Semitism is nasty and scary, and he never seemed afraid * * *

"Mort was the kind of a guy who, if he saw a fight on the street, he'd try to break it up," she said. "Most of us would be afraid."

But Ryweck says he's not foolish.

On one trip to a meeting in rural Minnesota at which he suspected members of the right-wing extremist group Posse Comitatus were present, he stopped to have lunch across the street from where the meeting was in progress. "I was very conspicuous. . . . When I walked into the lunch place, everyone turned around to look me over. They decided I was not from the town, so I decided not to attend the meeting."

But he often responded to speakers he found bigoted or inaccurate, or stepped in to defuse tensions.

Ryweck has "moved the dialogue on interfaith action in significant ways," said the Rev. James Habiger, executive director of the Minnesota Catholic Conference. The two have worked together in organizations and brought the 10th National Workshop on Christian-Jewish Relations to Minneapolis in 1987. "He has the head, the heart and the hands of a friend—a friend of those who have need," Habiger said.

Ryweck's friendships are sincere and enduring.

Yugend said that when Ryweck was honored May 28, at the agency's annual meeting, many of the 300-some people present were from his Kenwood neighborhood. He and his wife, Rosemarie, "are enormously hospitable people," Yugend said. "They always have guests from out of town," often foreign students.

Ryweck also has used hospitality to ease ethnic tensions; his agency found host families for out-of-town or foreign guests. During a farm economy crisis a few years ago, some agitators blamed Jews, and Ryweck launched a two-front response: He had Jewish families put up about 30 farmers in town for a conference and arranged for a public dialogue between farmers and Jews.

Ryweck is a very strong advocate for justice," said the Rev. Tom Van Leer, co-chairman of the Twin Cities Human Rights Coalition that Ryweck helped create eight years ago. The coalition helps victims of hate crimes and organizes pubic condemnation, as it did last year in mobilizing civil and religious leadership to condemn vandalization of the Islamic Center in Fridley. He and Van Leer also have visited hate-crime victims.

Ryweck considers bringing a World of Difference to Minnesota his most significant accomplishment. In little more than a year, it has trained more than 3,600 teachers and reached hundreds of thousands through TV and newspaper features.

He also considers important his commissioning the oral history that became Rhoda Lewin's book "Witnesses to the Holocaust." It presents experiences of concentration camp survivors and liberators in their own words, personalizing "the ultimate form of bigotry, genocide" so people better understand its enormity and what can happen when people fail to respond to the growth of hatred.

THE 40TH ANNIVERSARY OF GOSHEN'S TROTTING HORSE MUSEUM AND HALL OF FAME OF THE TROTTER

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mr. GILMAN. Mr. Speaker, I rise today to pay tribute to the Trotting Horse Museum and the Hall of Fame of the Trotter, in Goshen, NY, as it celebrates its 40th anniversary. Forty years ago the Nation's oldest sport was without either a museum to store its historic relics or a hall to honor its heroes. Cooperstown had been established in 1929 to honor the sport of baseball. However, baseball is not our Nation's oldest sport. The first baseball game was played in 1845. Yet, the historic track, in Goshen, NY, was built for trotting races in 1838, 1 year after Martin Van Buren had been inaugurated as our Nation's eighth President.

A number of distinguished gentlemen took issue with this injustice, including E. Roland Harriman, son of the founder of the Union Pacific Railroad, Lawrence Sheppard, honorary life president of the U.S. Trotters Association, and Elbridge Gerry, a descendent of the former Vice President and signer of the Constitution by the same name. They were joined in their endeavors by William H. Cane, owner of the Good Time Stable and promoter of the Hambletonian Stakes from 1930 until 1956. The Hambletonian Stakes is trotting's premier race, and it was named after the father of the American trotter, Hambletonian. When I say father, I mean that quite literally. Hambletonian was a horse which raced but once in its life. However, Hambletonian was visited by over 1,900 mares and managed to produce 1,331 foals. Today, virtually every racing trotter can claim Hambletonian as a great-great-grandparent.

In 1949, the Trotting Horse Museum received a charter from the New York State Board of Regents, and 2 years later the Independent Republican, Goshen's weekly newspaper, announced the sale of the Good Time Stable for the purpose of converting it into a museum, describing the building as:

A Goshen landmark, a historical two story stone and stucco structure * * * of English architecture, containing ten huge box stalls, a large carriage room, a harness and furnace room, an office and a spacious and attractive entrance way.

Exhibits were housed in the stalls, hay chutes, and lofts in an effort to preserve the stable atmosphere. According to Mr. Gerry,

In the beginning, everybody went to the attic and what they didn't want they gave to the new Trotting Horse Museum.

Since that time the museum has expanded and grown substantially. In 1953, a hall of immortals was established and its first six members inducted—all horses. In 1960, the first addition to the building was constructed to house the museum's large collection of Currier and Ives paintings. Twelve years later another addition was built to house exhibits of members elected to the hall of fame by the U.S. Harness Writers' Association. In 1980, there was a third addition to house a reproduction of the interior of the clubhouse at the Goshen historic track. Finally, the museum was expanded to accommodate one of the most extensive libraries of harness racing in the world.

Today the museum is managed by an outstanding, dedicated staff. I have had the pleasure of knowing and working with the museum's director, Phil Pines, for many years. He is a kind, caring man, as well as a brilliant administrator. Phil has been associated with the museum since its early days, and was appointed director in 1963. He is ably assisted by a highly competent museum staff: Walter Latzko, Gail Cunard, Alice Lockland, and Michele Mulchany. The dedication of these men and women has made the Trotters Museum the success it is today.

Mr. Speaker, I invite our colleagues to join in saluting the Trotters Museum upon its 40th anniversary. Trotting is distinctively an American sport, invented in the United States and until only recently raced exclusively in this country. The descendants of Hambletonian have left us with a purely American horse, the Standardbred. The historic track at Goshen became the Nation's first regional national historic landmark related to sport. The Trotting Museum in Goshen, NY, has helped to share this facet of America with thousands of visitors for the past 40 years, and we can only wish that it will continue to grow and progress as it honors trotting racing in the years ahead.

OLDER AMERICANS ACT OUTREACH PROGRAMS MUST BE PRESERVED

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mr. DOWNEY. Mr. Speaker, I rise today to oppose President Bush's proposal to eliminate the Older Americans Act outreach programs for Medicaid, SSI, and Food Stamps. When the President first sent his proposal for the Older Americans Act to you last month, Mr. Speaker, I said that the elimination of these programs was wrong. Now, we have new evidence that shows just how mean-spirited that proposal is.

Earlier this week, Families USA Foundation revealed that more than half of the elderly Americans living in poverty are paying for

Medicare benefits they are entitled to receive free of charge. It is an outrage that some of the most vulnerable members of our society are not getting benefits they are entitled to simply because they do not know about them. Unfortunately, this is only the latest example of a pattern of neglect that has relegated outreach programs to the bureaucratic closet.

The irony, Mr. Speaker, is that we know how critically important outreach is to the success of a program. If people don't know about a program or a benefit, how can they participate? As we learned at a 1989 hearing of the Subcommittee on Human Services I held on SSI outreach, effective outreach programs exist. The problem is that the Bush administration remains unwilling to make the necessary commitment.

This cavalier attitude is reflected in the administration's proposal to eliminate the outreach programs of the Older Americans Act, including the Medicaid outreach program. As chairman of the Subcommittee on Human Services of the Select Committee on Aging, I will continue, in light of the latest evidence of neglect, to fight to retain the outreach programs in the current reauthorization of the Older Americans Act.

NATIONAL PARK SERVICE 75TH ANNIVERSARY RESOLUTION

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mr. VENTO. Mr. Speaker, on August 25, 1991, the National Park Service will be 75 years old. Consider how much this country has changed in the past three-quarters of a century. The National Park Service has also changed: It has evolved into caring for a rich and diverse system of natural, cultural and recreational units. It provides international leadership in parks, and assists many States and localities with their parks as well.

The American idea of setting aside lands as parks is older than the National Park Service. Yellowstone dates to 1872; Hot Springs to 1840. Several other national parks are more than a century old. But without the National Park Service—the people who care for these parks—we would not have the national park system we know today. The National Park Service is a major contributor to our evolving understanding of this place we call America. It also plays a leadership role in historic preservation through its responsibilities for the national register of historic places. It deals with wild and scenic rivers, historic trails and a variety of other resources.

Today the National Park Service has responsibility for 357 units of the national park system. Some of these park units are quite well known, some park units are not, but all park units protect parts of our heritage. The National Park Service, as well as the parks themselves have grown up together. Today we are interested in ecological protection as well as scenic beauty; in historical accuracy as well as hero worship. The National Park Service's 75th anniversary is an opportunity to reexamine the condition of both the National Park Service and the national park system and to re-dedicate ourselves to ensure that both flourish for the next 75 years.

The image of the park ranger, dressed in grey and green and wearing the classic hat embodies our respect for the work of the National Park Service. The reality of the National Park Service is much more diverse than the traditional mindset. In this anniversary year we should both honor the accomplishments of the National Park Service and challenge it to live up to the leadership ideals present at its creation in 1916.

Few people realize how much the work of the dedicated professional at the National Park Service has over the years enriched our lives and our Nation. Many of the places most treasured nationally—and internationally—are under the stewardship of the National Park Service. We have often heard of Yellowstone, Yosemite, Independence, Mesa Verde, Grand Canyon, the Everglades and the Statue of Liberty. The Park System includes many, many more parks—including Cape Hatteras National Seashore, Lyndon B. Johnson National Historic Park, Voyageurs National Park, Hovenweep National Monument, Crater Lake National Park, and Gettysburg National Military Park. These parks reflect our Nation's natural and historical diversity.

Mr. Speaker, Mr. LAGOMARSINO, myself and others, on a bipartisan basis, are introducing today a resolution that seeks to recognize both the men and women of the National Park Service and the 357 areas in the national park system on the diamond anniversary. This is an opportunity to recognize both, and to give our recognition to the National Park Service for the good job the park service has been doing. It is our hope and expectation that the National Park Service will serve us as well in the future.

DEDICATED FIRE CHIEF THOMAS TOLMAN RETIRES

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mr. LEVINE of California. Mr. Speaker, it is with great pleasure that I rise today to ask my colleagues in the U.S. House of Representatives to salute a brave and dedicated friend of mine and the seaside community of Santa Monica, Fire Chief Thomas Tolman as he retires this July 2, after 12 years of outstanding service.

Born in Santa Monica, he moved to Venice with his family when he was 4 years old. He graduated from Venice High School where he was a star football player. He received an athletic scholarship from the University of Southern California and also attended Santa Monica College, Bakersfield College, and Loyola Marymount College.

Thomas Tolman married Mary Gravante on September 7, 1947. Throughout the years, they have made their home in the Venice and Santa Monica areas. They have 4 children, Tom, Gerry, Tim and Traci, and 6 grandchildren.

His career in the fire service started in 1955 when he joined the Los Angeles City Fire Department. During this 23-year career he was promoted through the ranks of engineer, captain, and battalion chief to the position of assistant fire chief. His assignment as assistant fire chief included the fire prevention and rescue section, training section, arson and fire investigation section, and employee relations officer.

Thomas Tolman was appointed fire chief of the Santa Monica Fire Department on March 5, 1979. Chief Tolman was instrumental in getting the Santa Monica city sprinkler ordinance and the smoke detector ordinance adopted. He established an automatic aid plan with the Los Angeles City Fire Department and raised the Santa Monica Fire Department's ISO rating from class 3 to class 2. He is responsible for the creation of Fire Station No. 5. He added three paramedic ambulances and hired the first female firefighter. He implemented an apparatus replacement program. This program upgraded the level of fire and rescue protection through the use of state-of-the-art equipment. An example of this program is the aircraft crash truck, which was purchased and refurbished last year. By expanding the staff he improved the overall service capability of the department. This increased the fire and paramedic protection level, as well as the fire prevention awareness of the citizens of Santa Monica. Some of the new positions include: An additional battalion chief, three civilian fire prevention inspectors, a civilian fire protection engineer, arson investigator, public education specialist, and administrative analyst. Perhaps the most important recent additions were three additional firefighter/paramedic squards. He directed the creation of the drill manual, Driver's Certification Program, EMT training and certification, trench rescue, critical incident stress debriefing, and a voluntary multilingual course. This development of the Santa Monica Fire Department training program shows his concern for the welfare of his staff.

Though he is leaving the department, his legacy continues, as shown by the Communication Center upgrade which is now in progress. Chief Tolman has also urged that Santa Monica create a new disaster preparedness division. The goal of this unit is to increase the level of community and city employee preparedness, in order to reduce and quickly recover from the effects of a large disaster.

Throughout his career, Tom Tolman has been involved in his community. He started out in his early days as a coach of Pop Warner football and Little League baseball. He served on many boards and committees including the Santa Monica YMCA advisory board and the Red Cross board. Currently, he is a member of the Rotary Club and Santa Monica College advisory board. He has shown and continues to show his concern and dedication in making our community a better place to live.

TRIBUTE TO DR. CARL C. BACCUS FOR 35 YEARS OF DISTINGUISHED COMMUNITY SERVICE

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mr. DYMALLY. Mr. Speaker, I rise to honor Dr. Carl C. Baccus, president/founder of the Concerned Citizen's Community Involvement and minister of the Southside Church of Christ in Los Angeles.

For the last 35 years, Dr. Baccus has been a community leader of the highest magnitude. In his role as founder and president of the CCCI, Dr. Baccus has led the organization into many meaningful directions to include: The New Focus Children's Center, a day care center and Christian school; in addition to educational programs New Focus offers a free nutrition program and cultural enrichment. In 1981, the first annual Baccus Scholarship Award was presented to needy students. Since that time, over $40,000 has been awarded to deserving youth as encouragement to continue their education at all levels.

Mr. Speaker, for 35 years Dr. Baccus has served as the minister of the Southside Church of Christ in Los Angeles. Under the leadership of Dr. Baccus, the congregation of Southside has grown to well over 1,000 members. The church currently inhabits a 2-story facility, seats 800 people in the auditorium, has a library, nursery, and a dining area.

In theological circles, Dr. Baccus is revered because of his outstanding sermons and knowledge of the Bible. This prominence is underscored by the fact he was recently appointed as an elder of his congregation.

The message of Dr. Baccus has international appeal. He is heard weekly on Radio Africa which covers East and West Africa. Additionally, he speaks weekly on the Caribbean Beacon radio broadcast.

Dr. Baccus attended Pepperdine University in Los Angeles and received his master's and doctorate degrees from California Graduate School of Theology in Glendale, CA.

He has authored three books, "Let Freedom Ring Through Christ" in 1976; "I Can Tell The World About This" in 1982; and "The Way of Salvation" in 1989. He is married to the former Geraldine Harrell of Mt. Clements, MI and they have three children: Valerie, Sonia, and Christopher.

Dr. Baccus is an asset to the Los Angeles community and to the State of California. May God continue to bless him and his congregation.

INCINERATOR ASH DISPOSAL ACT

HON. DAVID DREIER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mr. DREIER of California. Mr. Speaker, last year during consideration of the Clean Air Act amendments, the Senate tried to regulate incinerator ash as a special waste and exempt it from hazardous classification under the Resource Conservation and Recovery Act [RCRA]. At that time, I and several of my colleagues wrote to the House conferees to request that this provision be removed. The compromise language ultimately passed by Congress and signed by President Bush did not include this measure. Today, I rise to introduce legislation, H.R. 2670, to categorize municipal incinerator ash as a hazardous waste.

When garbage is burned, certain toxic materials, particularly metals, are concentrated in the ash that results from the burning. If the ash is deposited in a landfill, those toxic materials can contaminate ground water or surface water supplies by leaching from the ash. Research data has shown how incinerator ash has failed the standard procedure toxicity [EP tox] test with alarming frequency.

For every three tons of trash that is burned, one ton of ash is produced. Of this, approximately 10 percent is fly ash, the most dangerous ash collected by emission collection systems, and 90 percent is bottom ash, the residue left after combustion. EP tox results show that 100 percent of all fly ash samples, 38 percent of all bottom ash samples, and 47 percent of all combined ash samples fail this important test for metal contamination. EP tox results also show disturbing amounts of contamination by other substances.

Opponents will use three arguments to say incinerator ash should not go to hazardous waste landfills. First, because municipal waste is exempt from a hazardous waste classification under RCRA, then the ash should also be exempt. However, incineration produces new highly toxic substances and concentrates heavy metals that more easily affect the environment with the increased surface area of small particles.

Second, because many incinerators send ash to monofills, a special type of landfill, where it won't come in contact with regular trash leachate, the EP tox is not valid. However, even when testing the ash with water, toxic levels of lead still leach out.

Third, as argued in last year's Senate language, incinerator ash should be regulated as a special waste instead of a hazardous waste. This acknowledges that incinerator ash is more than non-hazardous, but refuses to call the toxic material what it really is: hazardous waste.

There are 450 municipal waste incinerators at 200 sites nationwide. This number is expected to increase by 150 incinerators at 60 new sites in the next few years, and the percentage of the total waste stream incinerated is likely to double. I believe we must take necessary precautions to make sure this waste alternative is completely safe.

Some may call this legislation anti-incinerator. However, this is not an anti-incinerator bill. I recognize that municipal waste incinerators offer an alternative to landfilling. Instead, this bill simply ensures that incinerator ash will be properly disposed of without threatening public health or the environment. I encourage all my colleagues to cosponsor H.R. 2670, this important legislation.

GLOBAL WARMING: A RESPONSE

HON. GERRY E. STUDDS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mr. STUDDS. Mr. Speaker, today I am pleased to join my colleagues, Representatives MIKE SYNAR and JIM COOPER, in introducing the CO_2 Offsets Policy Efficiency Act of 1991 [COPE]. This measure will go a long way toward reducing emissions of carbon dioxide, the greenhouse gas that is the principal contributor to global warming.

This past April, the National Academy of Sciences issued a report entitled "Policy Implications of Greenhouse Warming." It noted that the atmospheric concentration of carbon dioxide in 1990 was 25 percent higher than it was before the Industrial Revolution and is increasing at about half a percent a year.

Current scientific models project that at this rate, global average temperature could increase between 3.4 and 9.4 degrees Fahrenheit. The report observed that if the higher projections proved to be accurate, "substantial responses would be needed, and the stresses on this planet and its inhabitants would be serious. It is against this backdrop that prudent, necessarily international, plans should be made and actions undertaken."

The report recommended a number of mitigation measures that could be implemented to reduce or offset emissions of greenhouse gases. Last week, the Mitigation Panel issued a detailed report listing the range of policy interventions that might be employed. Among them were economic incentives, including tradable credits. The bill we are introducing today adopts this approach.

Under COPE, new sources—including those repowered after 1995—that emit at least 100,000 tons annually of carbon dioxide would be required to purchase and deposit in the National CO_2 Offset Bank—administered by the Environmental Protection Agency—sufficient CO_2 credits to match their annual CO_2 emissions. Units that failed to deposit sufficient credits would be subject to a $250 per ton penalty.

COPE establishes a number of sources of carbon dioxide credits. Because the goal of COPE is to encourage voluntary greenhouse gas emission reductions that would not otherwise occur, credit cannot be given for any action that is otherwise required under any Federal law.

Sources of credits that can be sold include the following:

First, stationary sources that switch from oil or coal to natural gas would be granted credits equal to the difference between what carbon dioxide emissions would have been without the switch and what they are after. Motor vehicle manufacturers would be entitled to credits for switching from gasoline to less carbon-intensive fuels such as compressed natural gas.

Second, the carbon dioxide fixing behavior of trees—which directly remove CO_2 from the atmosphere—can generate CO_2 credits. COPE allows for CO_2 credits for three separate activities: The first is the planting of new forests on land that has not been forested for over 30 years and which is not part of a nor-

mal reforesting operations. The second is for improved management practices that improve CO_2 fixation rates. Finally, the preservation of old growth or ancient forests is given CO_2 credit equal to the difference between the CO_2 emissions resulting from the harvest of the old growth and the CO_2 stored in the replacement forest.

Third, auto manufacturers could earn CO_2 credits which they could sell into the market by exceeding the corporate average fuel economy performance minimums.

Fourth, appliance manufacturers who produce appliances with efficiency greater than their 1990 efficiency levels would be eligible to apply for credits.

Fifth, energy efficiency investments, designated by EPA as carbon dioxide reduction measures, would be entitled to credits. Such demand-side programs have enormous potential to reduce CO_2 emissions.

Sixth, credits would be made available for the capture and recovery of methane gases from coalbeds, landfills, and wastewater treatment facilities.

Seventh, cogeneration units in replacement of old industrial boilers would receive credit to the extent that they reduced carbon dioxide emissions.

Eighth, destroyed quantities of chlorofluorocarbons [CFC's]—a major greenhouse gas—would be awarded an equal number of carbon dioxide credits.

Ninth, power producers would receive credits for more efficient generating technology and for replacing fossil-fueled generating stations with renewable energy sources.

According to data compiled by the environmental defense fund, carbon dioxide emissions could be reduced in the utility sector—which accounts for one-third of U.S. CO_2 emissions—from 22 to 32 percent by the year 2005 if provisions of this bill are implemented.

Mr. Speaker, the United States represents 5 percent of the world's population yet emits more than 20 percent of the world's carbon dioxide derived from the combustion of fossil fuels. We have an obligation to undertake measures to reduce these emissions and this bill is an important step in that direction.

This bill allows industry the flexibility to choose the technology and displacement measures appropriate for individual circumstances while making substantial reductions in greenhouse gas emissions. I urge my colleagues to support this important legislation.

TRIBUTE FOR THE REDEDICATION OF THE JOE VIDEC PARK

HON. DAVE CAMP

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mr. CAMP. Mr. Speaker, I rise today in honor of the rededication of the Joe Videc Park in Harrietta, MI. The people of Harrietta are to be commended for their efforts in establishing this park.

In 1972, the village of Harrietta purchased two lots from Edna Cole. The next year the lots became a roadside park. Playground equipment was added next along with trees and shrubs. On July 6, 1991, the park will be rededicated as the Joe Videc Park.

Mr. Speaker, it is with a great sense of pride that I recognize the people of Harrietta, MI, for their outstanding efforts to improve their community. This park is a fine example of the commitment the people of Harrietta have for their village.

UNSUNG HEROES OF THE GULF WAR

HON. DANA ROHRABACHER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mr. ROHRABACHER. Mr. Speaker, this month, Washington, DC, was the site of an awesome victory parade for the heroes of Desert Storm. All branches of our military took part in an incredible display of pride and patriotism. Over 1 million Americans participated in this effort to honor our Desert Storm veterans. It was certainly a great day to be an American.

The effort of our troops during the gulf war cannot be understated. The troops displayed grit, guts and gallantry in the face of the fourth largest army on Earth. Their efforts will never be forgotten; their courage will long be emulated.

But there is another group of patriots whose support of the gulf war was critical to its success and whose effort sometimes goes unnoticed. I am talking about the spouses of our troops who served in the Persian Gulf. General Schwarzkopf paid tribute in his speech in this Chamber to these brave people who accept the hardship that comes from choosing "to love a solider, sailor, airman, or marine."

It is often impossible to perform a job away from home without the support of family. America should not forget the support and courage these spouses showed. They played a critical role in America's war effort.

On Thursday, July 4, the Republican Party of Orange County will hold a picnic to honor these unsung heroes. A spouse representing each branch of the service will be honored.

Representing the Army spouses will be Sonia L. Limas, the wife of Capt. Francais X. Limas who is a member of the California National Guard. Lori Walker of Huntington Beach will represent the Navy wives. Her husband is senior CPO Michael Walker. The Air Force will be respresented by Kim Skibinski, the wife of Capt. Edward Skibinski who is stationed at Norton Air Force Base. Wendy McCarthy, who is the wife of Capt. Richard McCarthy, will represent the Marines. The Coast Guard will have Leueen Goetz as their representative, the wife of Lt. Comdr. Bob Goetz of Lakewood.

I know my colleagues join me in saluting these brave Americans and the other spouses throughout the country who made a major contribution to the war effort by holding down the homefront.

ENCOURAGE BORIS YELTSIN

HON. JOHN T. DOOLITTLE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mr. DOOLITTLE. Mr. Speaker, the United States of America, in its short lifetime, has known private property, private enterprise, and private individual lives. Compared with other First World nations, it has been relatively free of tyranny.

The Republic of Russia has not been so lucky.

Russia, in its long history, has always had to be on the defense, constantly guarding against invasion or revolution. Russian citizens have always been trapped under an imperialistic rule, and finally, in 1917, were thrown under the worst imperialism of all—communism.

Mr. Speaker, these people have never known the "blessing of liberty" which Americans hold so close to heart. This is why I must encourage my colleagues to pledge unconditional support to the independence and privatization of Russia and to President-elect Boris Yeltsin who is Russia's first best chance at gaining those goals.

ANDREW KNALL—A DISTINGUISHED CLEVELANDER

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mr. FEIGHAN. Mr. Speaker, I want to bring to your attention the recent passing of a distinguished constituent, community leader, and one of greater Cleveland's most respected businessmen, Mr. Andrew Knall.

Andy Knall was born in August 1901, in a small Saxon village in Austria-Hungary. In 1921, he came to America with a few pennies in his pocket and took his first job driving a team of horses, delivering near beer on Cleveland's West Side. During Prohibition, he worked as a plumber. When Prohibition ended, he joined his brother-in-law in the Daniels Beer Distributing Co.

In 1934, Andy and his wife, Anne, started the Knall Beverage Distributing Co. He was fond of saying, "We started the business with $35 and an old truck." Because of Cleveland's rich ethnic heritage and mixture of nationalities from all over the world, his ability to speak five languages helped him prosper in business during the company's formative years. Of the 11 breweries and 37 beer distributors competing in Cleveland after Prohibition, only Knall Beverage and 4 other distributors now remain. Today, Knall Beverage is one of the largest beer distributors in Ohio. After Mr. Knall's retirement in 1976, his son, Robert, headed the company as president and CEO.

During his career, Mr. Knall served as a director and officer in the Ohio Beer Wholesalers Association and was instrumental in writing some of Ohio's liquor laws. He was a charter member of the Teamsters Local 293, and for 70 years belonged to the West Side

Saxonheim and Eintract Harmonia. For many years, he was an active member of the Grotto and Al Koran Shrine. He was a fishing and hunting enthusiast, and though he only began golfing at age 70, he had two holes in one, and in 1988 he was selected his club champ in Florida. In 1990, he and his wife celebrated their 65th wedding anniversary.

Mr. Speaker, I want to express my appreciation to Anne Knall and the other members of Mr. Knall's family for the contribution this distinguished gentleman and businessman has made to his community. The people of greater Cleveland will miss this fine citizen.

HUMAN RIGHTS ABUSES IN NORTHERN IRELAND MUST END

HON. NITA M. LOWEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mrs. LOWEY of New York. Mr. Speaker, I rise to draw the attention of my colleagues to a recent report by Amnesty International on human rights abuses in Northern Ireland.

This report reemphasizes deep concerns of all of us who are troubled by the violence in Northern Ireland. Amnesty International has outlined a long list of allegations including ill treatment of suspects, unfair trials, illegal arrests, and killing of suspects without warning by British soldiers, and the abuse of those who have sought asylum. Sadly, this is not the first time that evidence has shown that the British Government has been violating human rights in Northern Ireland.

It is important that Amnesty International's report of these abuses by a modern nation which has claims to adhere to a long tradition of judicial rights be taken seriously. Amnesty International should be all the more believable to the British Government which has used its findings in its own condemnations of practices by certain Third World governments. It is incumbent upon that Government to bring an end to this.

I urge all of my colleagues to examine this report so that more attention will be focused on the human rights abuses which are occurring in Northern Ireland.

YELTSIN'S VICTORY: POLITICAL METAMORPHOSIS

HON. CASS BALLENGER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mr. BALLENGER. Mr. Speaker, Boris Nikolaevich Yeltsin has had a political metamorphosis perhaps unmatched in recent history: He has gone from being a disgraced Communist Party functionary who had been drummed out of the inner circle, to the President-elect of the Soviet Union's largest republic. Along the way he has become an able campaigner, a challenge to the status quo, and an ardent anti-Communist. He has espoused free-market economics and, most importantly, he had championed the right to private property.

President-elect Yeltsin, by obtaining 60 percent of the popular vote, has served notice that not only is an alternative leader viable, but an alternative system as well. Without perestroika, a Boris Yeltsin would not be possible. Without a U.S. determination to maintain powerful defenses and the strategic defense initiative, Mikhail Gorbachev would not have invented perestroika. I think, Mr. Speaker, that the election of Boris Yeltsin has taken us one more major step along the road the Reagan initiatives have opened. We should encourage Mr. Yeltsin to press as vigorously as possible those reforms he will have to make to introduce a free-market system in the Russian Republic, and, by example, the rest of what is now the Soviet Union.

HAIL TO THE WINNERS, FROM GRANDVILLE JUNIOR HIGH

HON. PAUL B. HENRY

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mr. HENRY. Mr. Speaker, I rise today in tribute to some bright young Americans who I'm proud to say are from my district in the State of Michigan.

On May 18, 1991, at the National Science Olympiad in Kansas City, MO, the team from Grandville Junior High School, in Grandville, MI, captured first place in its division.

In all, 47 teams from 38 States competed in the Science Olympiad, which is a showcase for talented, hardworking young minds. Twenty-three events ranging from computer programming, to bridge building, to anatomy, challenging the student-competitors' abilities, discipline, and teamwork.

How fitting it is, in this day of national concern for American education, that we honor our young people who excel with their intellect. They are our hope for the future.

Mr. Speaker, all who compete in the Science Olympiad are winners, but you can understand why I am so pleased to tell you the names of the following young people, the winners from Grandville Junior High.

Ken Alfano, Kyle Conner, Tom Gort, Josh Levy, Sarah Kuipers, Jaclyn Ornee, Chad Pechumer, Kerri Price, Jon Rooze, Robert Shire, Ben Smith, Amy Thompson, John Tower, Marie Vanderheide, Mike VanOpstall, Wendy VanPutten, Kevin Vreugdenhil, Jody Waters, and Mike Werkema. Coaches: Bill Gibson, Michael Palazzolo, and Paul Lowell.

THATCHER ON GORBACHEV

HON. BUD SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mr. SHUSTER. Mr. Speaker, I would like call to the House's attention an excellent speech delivered by former Prime Minister Margaret Thatcher during her March visit here. As always, Mrs. Thatcher is notable for the grand historical sweep of her vision. She has always known where she wanted to go, where she wanted the West to go, and how and why we should get there. She dissects the philosophy of ideas and the impact of ideas on recent history. It is a sobering reminder that, in domestic as well as foreign policy, societies flourish or perish because of what they value and what they think, which translates directly into what they do and what they accomplish.

She discusses issues that are, and will remain, central to our own national debate over policy and mission: How to deal with Gorbachev; the pivotal importance of America in the future world order; and the continuing role of NATO.

Therefore, I submit with the strongest recommendation this speech, entitled "Can We Do Business With Mr. Gorbachev?" as published in the Reserve Officers Association June 1991 issue of The Officer.

CAN WE DO BUSINESS WITH MR. GORBACHEV?

(By Honorable Margaret Thatcher)

We have before us today the opportunities created by two great victories: President Reagan's victory over communism in the Cold War and President Bush's victory over aggression in the Gulf.

Both those victories were hard-won. They required courage, the vision to see what was possible when others could not, and the persistence to fight through to a full and final conclusion.

Very few leaders possess that combination of qualities. But in the Gulf war, President Bush has showed leadership of the very highest order.

He built a grand coalition of 28 allies; he assembled overwhelming force from around the world; he gave full backing to a brilliant military concept which produced one of the greatest feats of arms with the fewest casualties in history; and he helped lay the foundations of future stability in the region. We can truly say, as [Prime Minister William] Pitt said in 1804:

"Amid the wreck and misery of nations, it is our just exaltation that we have continued superior to all that ambition or that despotism could effect; and our still higher exaltation ought to be that we provide not only for our own safety but hold out a prospect for nations now bending under the iron yoke of tyranny of what the exertions of a free people can effect."

But that victory was not won solely in the last six months. It was the culmination of a decade's achievement:

The military buildup of the 1980s.

The recovery of America's and the West's self-confidence.

The technological advance that created the Patriot missile and the Apache attack helicopter.

And the revival of our economies that made these miracles possible.

Someone once said that "the past is another country—they do things differently there." It is difficult today to conjure up the despairing and defeatist atmosphere of the post-Vietnam '70s. But in those days, the West was on the decline and on the defensive.

Our defenses were neglected. The Soviet Union steadily reinforced its military superiority.

Our allies felt abandoned. They felt they could no longer rely on a hedonistic West. We coined the cynical joke: "Lose a country, gain a restaurant."

In the battle of ideas, we had all but ceased to aim at furthering freedom and had settled for containing communism.

This political weakness only mirrored deeper weaknesses in our societies. Every such crisis is ultimately a crisis of the spirit.

We knew we had lost time, lost nerve and lost ground.

So, as the '80s began, we in the United States and Britain set out in a new direction.

We wrestled with the challenge of reviving our economies.

We rebuilt our shattered defenses.

We faced up to the threat of a Soviet empire at the peak of its military might, made still more dangerous by knowledge of its own economic weakness and social fragility.

We made it clear that arms control would proceed on the basis of genuine equality of weaponry between East and West—or not at all. The Soviet Union built up its SS-22s. We deployed cruise and Pershing missiles. The result—the first every agreement to reduce nuclear weapons.

When the Soviet Union said that Germany could only be united if it left NATO, President Bush and I stayed firm. The result—a reunified Germany fully within NATO.

At home we liberated enterprise and cut taxes, producing higher living standards, more jobs and the spread of ownership.

Capitalism made our people prosperous at home and enabled us to feed the hungry abroad. Socialism by contrast, proved the road to poverty and serfdom.

As Eastern Europe emerges from the darkness, the truth is now fully known, and told even by communists:

Behind statistics boasting of bumper crops, food rotted.

As economic-growth rates roared on paper, people queued for hours to buy goods that a Western supermarket couldn't even give away.

As five-year plan followed five-year plan, command economies turned out products that no one wanted to buy and created an environment in which no one wanted to live.

But the world was strangely reluctant to observe these facts.

A World Bank report praised the Romanian economy for achieving high rates of growth from the early '50s on. A perceptive economist calculated backward from the current Romanian living standards to show that if these figures had been accurate, the Romanian people would have all been dead in 1950.

Since then, the life has drained out of communism entirely. And with it, the heart went out of socialism.

Make no mistake. These communist regimes were not some unfortunate aberration, some historical deviation from a socialist ideal. They were the ultimate expression, unconstrained by democratic and electoral pressures, of what socialism is all about:

State ownership at the expense of private property.

Government control at the expense of individual enterprise.

The pursuit of equality at the expense of opportunity for all.

In short, the state was everything and the individual nothing.

I freely acknowledge that socialists and statists often begin by finding injustices and wanting to remove them. But they go on to the notion that only state ownership and state regulation can solve such problems. You can only believe that by ignoring the lessons of history, the lessons of politics and the lessons of economics. After the experience of this century and the testimony of Eastern Europe, intellectual irresponsibility on this scale is also moral irresponsibility.

We knew that communism was spirtually bankrupt, and we said so. We knew that the Stalinist system would always produce misery and tyranny but could never produce prosperity, and we said so.

We knew that "captive nations" under communism wanted and deserved to be free, and we said so. We even dared use the phrase "captive nations."

And the more we told the truth, the more we restored our own peoples' self-confidence and the hopes of those still living under tyranny.

In the decade of the '80s, Western values were placed in the crucible and they emerged with greater purity and strength. So much of the credit goes to President Reagan. Of him it can be said, as [19th-century British Prime Minister George] Canning said of Pitt, he was the "pilot that weathered the storm."

The world owes him an enormous debt and it saddens me that there are some who refuse to acknowledge his achievements.

For the whole world changed:

The Cold War was won without a shot being fired.

Eastern Europe regained its freedom; its people elected democratic governments and they announced their intention to leave the Warsaw Pact.

The Berlin Wall came down, and Germany was reunfied within NATO; she and Japan, the vanquished nations in the Second World War, prospered mightily and ironically became the creditors in the new world of peace.

A weakened Soviet Union was compelled by the West's economic and military competition to reform itself; a new, more realistic and clearsighted leadership came to the top.

Glasnost was launched, perestroika was started and we saw the beginnings of democratic politics.

As the Soviet Union abandoned its revoluntionary role in the world, the United Nations became a more effective forum for active diplomacy.

And the United States once again became the pre-eminent power in the world.

These are great and for the most part beneficial changes. They have been confirmed by the progress of the Gulf war in which America led, Britain and France have helped militarily, together with many Arab nations; Germany and Japan have contributed financially, the United Nations has given its blessing, and the Soviet Union, while pursuing her own diplomatic course at times, never quite departed from the UN resolutions she had originally supported.

A new world means new problems and the need for new approaches. How do we deal with the crisis in the Soviet Union? How do we reshape NATO in the post-Cold War world? How do we preserve and strengthen the economic foundations of the Western alliance? How do we defend Western interests, elsewhere and extend stability beyond the West in the aftermath of the Gulf War? In my view, we shall tackle all of these problems more effectively, as we won the Gulf War, by the testing policy of Western unity, based on the firm U.S. leadership of sovereign nations in alliance.

But not every change in recent months has been for the better.

In the Soviet Union there is accumulating evidence that progress toward reform has been slowed, possibly halted. Dark forces of reaction are on the rise. At such a time, it is vital that all those committed to reform should not falter. No doubt some reformers never expected reform to extend to multiparty democracy and a free economy.

"But no man can fix the boundaries of the march of a nation." And divisions among reformers now would only hand victory to the hard-liners, whom I, at least, refuse to call conservatives. The Soviet people have not gone so far to have the prize of freedom and genuine democracy wrested from their grasp.

But the task of reforming and liberalizing the Soviet Union is a far more difficult one than any of us had supposed a few years ago.

How do you persuade people brainwashed by egalitarian propaganda that inequities are the side-effect of rising prosperity for all? How do you tell them that higher living standards can only be attained at the short-term price of higher unemployment? And how do you do any of this while the demoted bureaucrats, the discredited politicans and all those who flourished under totalitarian mediocrity are out to undermine everything you do?

I am often asked: Can we still do business with Mr. Gorbachev?

We should not underestimate the future reforming zeal of a man who allowed Eastern Europe to grasp its freedom; who has begun the withdrawal of Soviet troops; accepted arms reduction for the first time; and cut support for communist insurgencies across the world. We have to go on doing business with him. In the same way, he has to do business with the democratic reformers if he is to succeed.

The pessimists among you will perhaps reply that the Soviet leader embarked on reform so as not to be left behind by the military buildup and economic progress of the West in the 1980s. I am the last person—or maybe the second to the last person—to deny that these played a major role in Mr. Gorbachev's calculations. We had an economy driven by information technology: he had an economy fueled by vodka!

And the very realism that prompted these reforms will persuade him to step up liberalization, if he can, when the present slowing of perestroika pushes the Soviet economy further into crisis, as it must.

Perhaps it does not really matter whether the optimists or the pessimists are right. Because optimism and pessimism dictate the same policy. If Mr. Gorbachev remains a reformer at heart, as I believe, he will privately welcome Western pressure for reform and employ it against the hard-liners. If he himself has succumbed to the hard-liners, as others believe, the West's pressure will push him too in the direction of reform.

So what kind of reform should we be seeking for these people who have rejected a false ideology but have not yet learned the ways of freedom?

It is fashionable in some circles to argue for credits for the Soviet Union. But to give large credits to fill shops will not help to build the necessary structures of liberty; they would be dissipated quickly, leaving an increasing burden of debt.

Any assistance to the Soviet Union must, therefore, be granted only in response to practical economic reforms. Helping the present structures will only keep reform at bay. We must instead encourage the dispersal of power from Moscow to the republics. Five Soviet republics are now negotiating for such a dispersal of power—let us hope those negotiations succeed.

Second, we have to stress to the Soviets just how essential private property is to freedom. History teaches that human rights will not long survive without property rights; nor will prosperity be achieved without them.

Nor is freedom secure without independent courts and a rule of law. Here we have experience and knowledge totally denied to people who have grown up in a totalitarian sys-

tem. Perhaps we should consider extending the know-how funds for the Soviet Union to go towards developing an independent judiciary.

We must also draw the Soviet Union closer to the institutions of the international trading and payments system. Associating the Soviet economy more closely with these will, over time, help to transform that economy internally. Their rules will help promote sound money, competition and genuine trade. No economy will prosper if it is strangled by regulations and bureaucrats.

So, let us say to Mr. Gorbachev that he can count on our help when he makes reforms. But the reverse of this is that any evidence of a return to repression must prompt from the West a swift and effective response. The constant raising of human rights cases in the Soviet Union over many years, especially since the Helsinki accords, did undoubtedly have an effect—we must remember that lesson and act upon it.

In particular, we cannot overlook or condone the disgraceful abuses of those rights which we have seen in the Baltic States. These states were seized by the Soviet Union not by law but by fraud and violence. That seizure has never been regarded as legal by the West. We fully support the right of the Baltic States to determine their own future. We must make it clear to the Soviet Union that it is not a question of whether they will be free—but only of when they will be free. And they will be free.

There are signs that the Soviet Union is failing to fulfill either the letter or the spirit of the terms of the treaty for reduction of conventional forces in Europe, signed in Paris. And there are signs of pressure by the Soviet military to reassert its position.

Moreover, the re-emergence of tension and uncertainty on Europe's eastern border ought to remind NATO's Continental European members both that international dangers can rarely be predicted and that sustained commitment is necessary to deal with them.

We must never forget that it is NATO—because it is strong defense which underpins that peace with freedom and justice that we in the West enjoy and now have the opportunity to extend to others.

NATO has been uniquely successful in maintaining liberty. It is not just a military alliance but an alliance in defense of a way of life. NATO must not be discarded.

It is in the interests of Europe that the United States should continue to play that dominant role in NATO to which we have become accustomed. Indeed, as was demonstrated in the Gulf, for the assistance that Britain and other powers gave, only one nation has the power to defend freedom and security in the world today. That is and for the foreseeable future [will] remain the United States.

The pursuit of a new defense role for the countries of Europe is much discussed. It is certainly true that, within NATO, the European countries should make a greater contribution.

The European countries should also be prepared to take a more active military role in response to events outside NATO's present area. Germany's interpretation of its constitution has so far prevented it making a military contribution. But a full commitment to the defense of international freedom and stability requires risking life as well as treasure.

NATO has been a great success. We should be wary of creating new institutions to replace or complement its unique and indispensable role. Perhaps the most extraordinary suggestion yet to come out of Brussels is that the disunity and halfheartedness of most European nations during the Gulf crisis demonstrate the need for a united European foreign and defense policy. A new structure, even if it were necessary, can never be a substitute for will.

Any arrangements which denied Britain and France sovereign control of their foreign and military commitments, especially determining these vital questions by a majority vote, would almost certainly have excluded Anglo-French forces from the Gulf—or at least long delayed their arrival and limited their number. In those grim early days after Iraq's invasion, America would have been left to stand alone. And it is far from certain that, even if after prolonged deliberations, the European Community would have contributed military assistance. The methods of compromise which underpin such decisions would almost certainly have left Europe on the sidelines.

For many years, successive American governments believed that progress toward a United States of Europe would relieve America of the burden of defending freedom. That hope, alas, turned out to be greatly exaggerated. Moreover, this kind of geopolitical grand strategy should be regarded with the greatest skepticism.

If a European superstate were to be forged, it would almost certainly develop interests and attitudes at variance with those of America. We would thereby move from a stable international order with the United States in the lead to a more dangerous world of new competing power blocs. This would be in no one's interest, least of all America's.

So NATO must remain the principal defense organization of the West. Instead of seeking to supplant it, we should aim to adapt and extend it to meet the challenges of the post-Cold War world.

Our first step should be to enlarge its political role. This great trans-Atlantic partnership should not confine itself to matters of defense but should extend its discussions into other political and economic areas. This would be of benefit to countries on both sides of the Atlantic.

Second, those Eastern European countries which have left the Warsaw Pact should be given a new, special status in NATO—something short of full membership but well beyond mere observer status. Perhaps France has pointed the way in this respect. Such a new status could be an added source of stability in a traditionally unstable area and reassure these countries in troubled times. Even in periods of warmer relations, you can have a chilly spell.

Third, I believe that NATO's role should be extended to threats which are out-of-area. When I addressed the NATO Council at Turnberry last June, I warned that: "There is no guarantee that threats to our security will stop at some imaginary line. . . . With the spread of sophisticated weapons and of military technology to areas like the Middle East, potential threats to NATO territory may originate from outside Europe."

Within two months, Saddam Hussein had invaded Kuwait. Fortunately, although there was no coordinated NATO response, several NATO nations acted vigorously to ensure that aggression did not pay.

Saddam Hussein has been defeated.

But Iraq is not alone in acquiring the technology and power to turn regional conflict into global crisis. Defense Secretary Richard Cheney has reminded us that:

"By the year 2000, more than two dozen developing nations will have ballistic missiles, 15 of those countries will have the scientific skills to make their own, and half of them either have or are near to getting nuclear capability as well. Thirty countries will have chemical weapons and 10 will be able to deploy biological weapons."

This means that the NATO countries under America's leadership must be in a position to deter aggression by these countries and, if it occurs, to make a swift and devastating response.

Strong defense will continue to be necessary—and costly. For technology does not stand still. It was the Coalition's technological superiority which, with the courage of our fighting men, enabled us to defeat the world's fourth-largest army after just four days of ground war. For myself, I believe we must keep up the rate of technological advance which gave us the Patriot missile and which will give us SDI [the Strategic Defense Initiative].

All too often after wars, democracies rush to cut back defense and increase domestic public spending. The end of the Cold War led to a similar reaction. It is time to consider whether the plans to reduce spending on defense should be revised. Resolve is not enough; you must have the military capability, too.

Perhaps, the single most important point to be made today is that the only real peace dividend is, quite simply, peace. Our generation has enjoyed it because of the investment of billions of dollars and pounds in defense.

So the first way to ensure that freedom prevails is to defend it—principally through NATO.

Whether it is in Europe or the wider world, we have to know clearly what we should expect from international institutions. The Gulf War posed a sudden, dramatic challenge to the international community. Indeed, "The Gulf" was hardly on our agenda until the sudden invasion of Kuwait on 2 August last year. Yet, since then, the Gulf has dominated all else.

The war is now over and we are working to build a secure and lasting peace. It is precisely the right time both to look again at the issues which have so long divided the peoples of the Middle East and to take stock of the future role of the United Nations.

It is not for others to come up with precise formulas for solving the problems of the Middle East. Agreement will only come from painstaking and persistent negotiation between the peoples involved. An international conference could play a part in this—not to arbitrate, but its members could provide advice on the preparation of an agenda, the development of proposals, the framing of security agreements and the course of diplomacy.

I believe that six items among others should be on our agenda for peace in the Middle East:

First, the Gulf must be protected as an international seaway. Our navies will have to stay there and those from the European countries must take a bigger and more prominent share of the duty.

Second, military equipment and supplies may need to be prepositioned in the area, both to deter further aggression and to enable the rapid deployment of Western troops should that deterrent fail.

Third, arrangements must be made to safeguard the security of Kuwait. For who will be prepared to invest the enormous sums required to rebuild Kuwait, unless security is properly guaranteed? I believe a United Nations force policing a demilitarized zone would be right for this purpose.

Fourth, there is the question of biological, chemical and nuclear weapons. We must be satisfied by observation that Iraq's have been destroyed. We should have sanctions against supplying them with equipment that could be used for that purpose. And Iraq's territory must be open to rigorous inspection to ensure that production has not begun again.

Fifth, countries which engage in aggressive war cannot expect to be allowed freely and quickly to build up their military strength. We must take steps to ensure that the advanced weapons of war are withheld from Iraq, which has, twice in 10 years, invaded the territory of neighboring Islamic states.

Finally, there is the Palestinian question, so long encased in suspicion and hostility. It can only be tackled by direct negotiation with the representatives of the Palestinian people. But those leaders who supported Saddam Hussein do not come to seek equity with clean hands. One favorable development is that the Soviet Union is now playing a very different role than in the past. So some of the fears that a Palestinian state—even though part of a confederation with Jordan—would be prey to communist subversion, have receded. But we can well understand Israel's concern for secure borders and indeed the concern of all states in the area for a system of regional security.

The United Nations was tested by the crisis in the Gulf. And it came through with an enhanced reputation. The permanent members of the UN Security Council worked together for the first time since 1945 to defeat aggression—and not for one resolution but for 12.

But the UN resolutions had to be enforced by the actions and commitment of individual countries—both America and her NATO allies and the other Arab countries of the region which saw their interests threatened by Saddam Hussein's aggression. This combination of international authority by the United Nations and enforcement by the United States and other sovereign countries may well prove to be the best model for future contingencies.

A UN armed force, operating under the instructions of a UN committee representing the interests of opposed countries, would be paralyzed and helpless.

The counterpart to increased United Nations authority is for all of its members to take seriously their obligations under the charter. It is no good individual states condemning abuses of human rights abroad if they do not practice freedom at home.

There can be no better time or place to consider the future of our nations than here—at the heart of the Free World. The role of practical statesmen in any age is to create or adapt political structures for prosperity and peace.

But true statesmanship in a free country must be measured by more than that. It requires an unswerving commitment to make the sovereignty of justice prevail. It requires an ability to inspire others with the rightness of a cause. It requires strong arms and great hearts.

We look to America for these things. And we do not look in vain.

After victory in the Cold War and in the Gulf, we face a still nobler, still more challenging task—to advance the regin of freedom and free enterprise throughout the world. It is now, more than ever, America's destiny supported by her faithful friends—and no friends are truer than her friends in Britain—to press ahead with that endeavor.

In the words of President Abraham Lincoln:

"Let us strive on to finish the work we are in."

ONE HUNDRED PERCENT HEALTH INSURANCE DEDUCTION FOR SELF-EMPLOYED INDIVIDUALS

HON. BOB CARR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mr. CARR. Mr. Speaker, today I have introduced legislation to amend the Internal Revenue Code of 1986 to increase to 100 percent the amount of health insurance costs which may be deducted by self-employed individuals and to make such deduction permanent. Currently in the United States, a self-employed individual is allowed only to deduct 25 percent of their health insurance expenditure.

I have enormous respect for any American who possesses the talent and the dedication to operate their own business. Rising health insurance costs have impacted negatively on the self-employed and their families, raising the percentage of their income paid to keep adequate health insurance coverage. Persons employed by the Government and large corporations usually receive excellent health benefits not realizing the enormous cost that they would otherwise have to pay. Many of the self-employed are small business owners and farmers. These are two of the most important sectors in our economy and these two occupations truly represent the American dream—to be your own boss and to make money. I believe my legislation will help the self-employed in this country to continue to grow and turn profits. Our country should do everything in its power to promote this vital part of our economy and culture.

Mr. Speaker, I thank you for the opportunity to insert my remarks for the RECORD. I sincerely hope that, as rising health care costs continue to gain attention, my colleagues will support this legislation giving a tax break to self-employed Americans.

TRIBUTE TO CRIME FIGHTERS

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mr. ACKERMAN. Mr. Speaker, I would like to recognize the exceptional efforts of seven individuals in the battle against crime. The Forest Hills Citizens on Patrol, a community volunteer organization, on June 20, will honor Sgt. Thomas P. Paccione, and police Officers Vincent Parry, Gerald Pappas, and Danny Calemine, of the New York City Transit Authority Police Department and Eric Crumbley, and Steven Haynes of the 112th precinct of the New York City Police Department, as well as private citizen Rey Whitehorn. Mr. Speaker, these citizens deserve the praise of the U.S. House of Representatives both for their tireless efforts to keep their locality safe and for the spirit of community which their work inspires.

The valorous actions of police Officers Paccione, Calemine, Pappas, and Parry in apprehending six suspects in a double homicide case brought these officers the special recognition of the Forest Hills Citizens on Patrol. While assigned to robbery detail in the Borough of Queens, these officers heard numerous shots fired. Upon investigation the officers found four victims of a shooting, two of whom subsequently died and one who is not expected to live. The officers pursued vehicles fleeing from the scene, and despite the danger, eventually apprehended six suspects, without firing a shot.

The composure and restraint with which these officers acted is indicative of their distinguished careers in public service. Sgt. Thomas Paccione has served 17 years on the police force, and was promoted to the position of sergeant in 1985. He has been the recipient of commendations for meritous police duty, a unit citation, a letter of merit, and commendable letter. As an invaluable member of his department and the city wide task force, Sergeant Paccione has provided an excellent role model for this subordinates and has made an exemplary contribution to community safety.

Police Officer Vincent Parry, appointed to the force in 1973, has had a distinguished career which has earned him numerous commendations. Officer Parry, through concientious work and meticulous professionalism, has proven to be a tremendous asset to the city wide task force and transit police department.

Officer Gerald Pappas joined the force nearly 6 years ago. A vigorous worker, Officer Pappas is a reliable and exemplary member of his department and the city wide task force.

Officer Danny Calemine, since his appointment in 1986, has proven to be a highly productive and dedicated officer. Officer Calemine has continually strived to help the city wide task force achieve its goals. These four officers will be awarded the FHCOP Crime Stopper of the Month Award, as well as a proclamation from the city council.

The Forest Hills Citizens on Patrol also will recognize the extraordinary efforts of Police Officers Eric Crumbley and Steven Haynes in investigating the Forest Hills rapist case. Crumbley and Haynes were the arresting officers of a suspect believed to be responsible for vicious attacks on at least five women. Police Officer Crumbley has served 4 years on the job, during which he received numerous department recognitions. In recognition of the rape arrest, Crumbley was awarded the Police Benevolent Association Cop of the Month Award, a letter of commendation from the police commissioner and a certificate of merit from the New York State Senate. Officer Haynes, also a 4-year veteran of the department, has had a similarly distinguished career. The valor of these officers merits commendation not only from their community and their locality but also from the House of Representatives.

Rey Whitehorn has for 15 years been patroling his Queens neighborhood, armed only with a telephone and camera. Mr. Whitehorn makes his living as a freelance photographer, and generously contributes his spare time for the benefit of the community. Rey Whitehorn has been instrumental in the apprehension of

numerous criminals, and has been an invaluable asset in setting up other community patrols. He is a shining example of dedication to public service; as proof of this, several of Mr. Whitehorn's sons have followed him into community service. For his persistent and valiant efforts for the common good, the U.S. House of Representatives owes Mr. Whitehorn the greatest respect and the warmest praise.

All of the aforementioned officers have proven themselves laudable in the line of professional duty through exemplary service to ensure public safety. It is my great pleasure to also recognize Rey Whitehorn, a man committed to the ideal that it is the duty of every citizen to protect their community.

Mr. Speaker, I ask my colleagues in the House of Representatives to join the Forest Hills Citizens on Patrol in saluting these brave individuals who exemplify a rare fortitude which is the very foundation of this Nation's greatness.

BORIS YELTSIN

HON. JIM BUNNING

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mr. BUNNING. Mr. Speaker, I rise today to point out that these are historic times. Glasnost and perestroika have had results never anticipated by President Gorbachev—there has emerged a genuine, grassroots, hard-campaigning alternative in the person of Boris Yeltsin, the new President-elect of the Russian Republic. While Russia—and I mean Russia in its historic, cultural sense, not as an inaccurate synonym for the Soviet Union—has had its share of historic tragedy, there is a good chance that its luck may be changing.

The election of a free-enterprise, prodemocracy reformed Communist as President of the Russian Republic is a hopeful sign. President-elect Yeltsin gives every indication that he does not want to perpetuate the Soviet Empire. He appears to favor independence or, at least, autonomy, for the national republics, which can only bode well for the Baltic States, Armenia, and Georgia.

Russia's size the economic potential will no doubt provide Moscow with leadership among the republics and other national groupings within the present Soviet Union. Mr. Yeltsin shows great promise and personifies the historic chance to bring democratic principles into practice and thereby lead his country into the 21st century. President-elect Yeltsin, welcome. We wish you well.

"STATE ECONOMIC DEVELOPMENT CASE STUDIES: RECENT CHANGES"

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mr. GEKAS. Mr. Speaker, I along with three of my colleagues on the Northeast-Midwest Congressional Coalition, Congressman JOHN LAFALCE, Congressman GEORGE SANGMEISTER, and Congressman GUY VANDER JAGT, last week released a book entitled "State Economic Development Case Studies: Recent Changes."

This publication is the latest in a series of books tracking the progress of State economic development initiatives. I wanted to take just a moment today to bring this publication to the attention of my colleagues.

The book reviews 75 of the 83 stated programs originally profiled in two earlier books produced by the coalition. Four of the programs reviewed operate in my home State of Pennsylvania. The Pennsylvania Small Business Incubator Program has provided needed financial support to growing businesses. The Ben Franklin Partnership has played an important role in fostering technological development across the State. The organization known as PENNTAP has brought State universities' technical services closer to clients who need them. The Pennsylvania Business Infrastructure Development Program has applied economic assistance directly where it was needed to improve the State's infrastructure.

Many of the programs reviewed in the studies were originally devised to help businesses cope with the 1982 recession. As many States are once again facing difficult economic situations, the updated information in this book continues to be a vital resource to Members and their constituents.

This book is designed to be a source of basic data to help spur economic development at both State and local levels. The case studies contained in the book serve as useful models for attracting jobs and investment in a variety of communities.

I strongly encourage my collelagues from Northeastern and Midwestern States to take advantage of the information contained in this book.

PROVIDE RESIDENTIAL SUBSTANCE ABUSE TREATMENT FOR PREGNANT WOMEN

HON. RICHARD J. DURBIN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mr. DURBIN. Mr. Speaker, today I am introducing legislation, along with Mr. MILLER of California, Mrs. MORELLA, and Mrs. SCHROEDER, that will provide new hope for addicted pregnant women and drug-exposed infants by establishing a grant program to provide drug and alcohol treatment to pregnant and postpartum women and their children.

Our legislation grows out of the realization that pregnant women are among those least likely to be able to obtain comprehensive, residential drug and alcohol treatment. Because of our failure to make such treatment available, the drug epidemic is filling our Nation's hospital nurseries with babies who are born addicted.

We are becoming increasingly aware of the human and financial magnitude of this tragic problem. Nationwide, 375,000 babies are born each year who were exposed to illegal drugs before birth—1 out of every 10 newborns.

The annual cost of hospital treatment for drug-exposed newborns is alarming; $178 million in California in 1988, $121 million in Maryland in 1989, and several billion dollars each year for the Nation as a whole.

In addition to these immediate hospital costs, we face even greater additional costs for foster care, special education, and other social services these children need as they grow up. The Health and Human Services Office of the inspector general surveyed just eight major cities and estimated that, for the 9,000 drug-affected infants born in those cities in 1989, our Nation will pay $500 million in hospital and foster care costs during their first 5 years of life. The financial toll rises to $1.5 billion if they are given the comprehensive special education services they will need to prepare them for school. The rest of the Nation faces similar costs, and the cost is repeated each year with a new group of drug-exposed newborns.

We can reduce these costs substantially if we ensure that pregnant women have access to effective substance abuse treatment programs. For many addicted pregnant women, the only effective treatment is a comprehensive program in a residential setting that provides counseling, child care, room and board, and other services. This type of residential program provides the necessary support system to allow the women to focus on their recovery.

Furthermore, this type of program can be highly cost effective. The Institute of Medicine found that the clients of longer term residential treatment programs stop virtually all illicit drug taking and other criminal behavior while in residence, and demonstrate lower drug use and criminal activity and greater social productivity after discharge than they did before admission and than other individuals who did not receive similar treatment.

These programs are also cheaper than the alternative. While the lifetime cost of caring for a drug-exposed, low-birthweight baby can reach $400,000, the cost of comprehensive residential treatment to prevent the damage is $20,000 or less.

Tragically, pregnant women are among those least likely to be able to obtain comprehensive residential treatment. Very few such programs are available to pregnant women, and waiting lists are long, leaving many women who need and want treatment with nowhere to turn. For example, two-thirds of the hospitals surveyed in 1989 by the Select Committee on Children, Youth, and Families reported that they had no place to refer pregnant addicts for treatment.

More than half of the 78 treatment programs surveyed in New York City excluded all pregnant women and two-thirds refused those on Medicaid. Only 16 percent served pregnant women addicted to crack, and none of those were residential programs. Of the programs that did accept pregnant women, less than half provided or arranged for prenatal care and only two made provisions for the clients' children. Similarly, only 18 percent of California's 366 publicly funded drug treatment programs treat women and only 4 percent can accommodate their children.

Our legislation, the Alcohol and Drug Abuse Residential Treatment Grants Act of 1991,

would address the shortage of residential treatment options for pregnant women by establishing a grant program with the following features:

Grants would be made available to public and nonprofit private entities to provide residential substance abuse treatment services to pregnant and post partum women and their children, and, at the option of a treatment facility, other parents and their children.

This grant program would be authorized at a funding level of $50 million in 1992, $100 million in 1993, and such sums as necessary in 1994–96.

Facilities receiving grants under this legislation would be required to provide a comprehensive set of services known to be important components of effective women's drug and alcohol treatment programs. Those services include: Counseling and treatment based on an individualized treatment plan; therapeutic child care of counseling for the children of individuals in treatment; parenting skills training; HIV prevention education; room and board; and assistance in obtaining educational, vocational, health, and other social services necessary to sustain recovery.

In order to ensure that clients receive quality services and personalized attention, eligible facilities would be limited in size to 40 beds or modular units of no more than 40 beds. Substance abuse treatment experts consider small size to be a key to the success of a residential treatment program. Larger facilities could request a waiver from this requirement if they could demonstrate equivalent or greater therapeutic benefit at a lower cost.

This legislation can dramatically reduce the financial and human costs associated with maternal addiction. Every day that we delay in addressing this issue, more drug and alcohol-affected infants are born, many permanently damaged by fetal exposure to these substances. The cost of this legislation is far less than the cost of health care, foster care, special education, juvenile justice, and other social services associated with perinatal drug exposure. We cannot afford not to act to provide these vital services.

Mr. Speaker, I introduced legislation earlier this year to provide residential treatment to addicted pregnant women through the Medicaid Program. That legislation has attracted more than 70 cosponsors, but this year's budget rules have complicated its potential for enactment. Therefore, I urge my colleagues to sign on as cosponsors of the Alcohol and Drug Abuse Residential Treatment Grants Act of 1991 and join me in working for its passage.

A SALUTE TO BRIG. GEN. CHARLES E. ST. ARNAUD

HON. H. MARTIN LANCASTER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1991

Mr. LANCASTER. Mr. Speaker, I rise today to pay tribute to Brig. Gen. Charles E. St. Arnaud, Commander of the U.S. Army Troop Support Agency. General St. Arnaud will soon retire from the Army having completed almost 35 years of distinguished service.

Born in Aurora, IL, on January 16, 1939, Gen. Chuck St. Arnaud was commissioned a second lieutenant in 1959 upon completion of officer candidate school. In over three decades of service, General St. Arnaud excelled in a wide variety of important command and staff positions culminating in his assignment to his current position in September 1989.

Throughout his assignment as Commander of the U.S. Army Troop Support Agency, General St. Arnaud excelled in making a significant contribution to the readiness of our Armed Forces. His expertise and leadership proved to be invaluable assets to our collective efforts to protect and improve the commissionary privilege.

Military commissaries are regarded as one of the most important aspects of the Nation's efforts to enhance the quality of life for military members and their families. Every day millions of soldiers and their families stationed throughout the world depend upon the vast commissary network to support their day-to-day needs. Those soldiers and their families have surely benefited from General Arnaud's stewardship of the U.S. Army troop support agency. Indeed, General Arnaud's achievements have left the commissary system substantially improved to meet tomorrow's challenges. For his efforts, the Army, and the American people, owe General Arnaud a tremendous debt of gratitude.

I know I speak for my colleagues in the Congress and for the people of our great Nation when I express sincere appreciation for the dedicated service General St. Arnaud has offered our Nation. I speak for all of us, too, in extending the very best wishes for continued success to General St. Arnaud, his wife, Carol, and their children, Jenifer and Jon.