SENATE—*Friday, July 26, 1991*

(Legislative day of Monday, July 8, 1991)

The Senate met at 9 a.m., on the expiration of the recess, and was called to order by the Honorable ALAN J. DIXON, a Senator from the State of Illinois.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

Let us hear the conclusion of the whole matter: Fear God, and keep His commandments: for this is the whole duty of man.—Ecclesiastes 12:13.

Eternal God, the wisdom of Solomon speaks to our local, national, and world situation today. The wisest man in history, mighty King, had experienced all that to which the world aspires: Wisdom, wealth, unrestrained pleasure and power, sport, military victories, fame. The world was drawn to his palaces by the unimaginable splendor of his lifestyle.

Yet his heart was never satisfied. His final estimate of one who experienced the tragic, the consummate, emptiness of a life filled to overflowing with all that materialism has to offer: "Fear God, and keep His commandments: for this is the whole duty of man."

Gracious, loving God, help us to see that life without Thee is ultimately "striving after wind," hollow boredom, unmitigated meaninglessness. Turn our hearts to Thee that we may realize the fulfillment which Thou didst intend for Your creation. Awaken us, patient Lord, before it is too late.

In the name of Him who is the Way, the Truth, and the Life. 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, July 26, 1991.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable ALAN J. DIXON, a Senator from the State of Illinois, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

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

RESERVATION OF LEADER TIME

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

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. There will now be a period for the transaction of morning business not to extend beyond the hour of 9:45 a.m., with Senators permitted to speak therein. The distinguished Senator from Alaska [Mr. MURKOWSKI] is permitted to speak for up to 10 minutes; the distinguished Senator from Florida [Mr. GRAHAM] is permitted to speak for up to 10 minutes; the distinguished Senator from Minnesota [Mr. DURENBERGER] is permitted to speak for up to 5 minutes; and the distinguished Senator from Louisiana [Mr. JOHNSTON] is permitted to speak for up to 20 minutes.

The Chair recognizes the distinguished Senator from Alaska [Mr. MURKOWSKI].

Mr. MURKOWSKI. Mr. President, I thank the Chair. I wish you and my colleagues a good morning.

THE PEOPLE OF ANWR

Mr. MURKOWSKI. Mr. President, this morning I am going to speak of the people of the Arctic, the people of ANWR.

Yesterday, I addressed this body at some length outlining specifically what ANWR was, the Arctic National Wildlife Reserve, and how important it is to our Nation.

Mr. President, I explained that the area covering ANWR, approximately 19 million acres, was a significant vast area along the Arctic coast of Alaska. I also advised the Chair that out of 19 million acres, 8 million acres had been set aside in a wilderness in perpetuity by Congress, another 9½ million acres had been set aside in a refuge, leaving for the discretion of Congress approximately 1½ million acres which is referred to as the 1002 area for potential oil and gas leasing.

We further indicated that Alaska, my State, has supplied this Nation with about 24 percent of its total domestic production since the mid-1970's, and now that field was on a decline at about 10 percent a year. Over an extended period of time, as the field declined, our Nation would look to two alternatives. Either increasing oil imports from foreign countries or developing more promising oil and gas properties within our national boundaries. The second alternative, developing domestic resources, would provide employment and add a contributing factor to our gross national product.

I think it is important to recognize, Mr. President, that as we look at our deficit balance of payments, it is rather interesting: One half is oil; the other half is trade, primarily with Japan and China.

Mr. President, we also discussed the status of the ANWR legislation, legislation pending before this body, the Johnston-Wallop National Energy Security Act of 1991, which was reported out of the Energy Committee on May 23 by a vote of 17 to 3.

We discussed the necessity of having a balance between production and conservation. We explained, Mr. President, that in the mid-1970's, this Nation adopted its first CAFE standards, saving about 1.4 million barrels a day. But within 6 months we also brought into production Prudhoe Bay, contributing about 2 million barrels a day. The point, Mr. President, is that we need both conservation and production.

We talked a little bit about energy security; the realization that we fought a war in the Persian Gulf to combat naked aggression, but also, Mr. President, to keep oil flowing for the Western nations.

We discussed the realization that the problem is getting worse, that OPEC continues to provide our Nation with 25 percent of the oil we consume.

We discussed the increased oil dependence of the Third World countries, where consumption is growing faster than it is at home.

We discussed that conservation alone is not enough, as we see that every major oil field in the United States is declining.

Mr. President, we recognize that ANWR is a cornerstone of our present energy policy. In the Johnston-Wallop bill, ANWR revenues fund over 60 percent of the conservation measures, everything from energy-efficient homes, solar energy, and clean coal technology. I think it is interesting to note that our friends in the environmental community face an interesting dilemma. If they strip ANWR out of the package or succeed in putting it into a wilderness, they bear the responsibility of killing the entire energy package.

Finally, Mr. President, we discussed some of the myths associated with ANWR: the footprint—I will talk a little bit more about it today. But, as I

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

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have indicated, of the 1.5 million acres in the coastal plain contemplated to be put up for lease, industry estimates they would use about 12,500 acres for development. Mr. President, 12,500 acres is about the size of the Dulles International Airport.

Another myth is that if oil is found it is only a 200-day supply. Well, Mr. President, if it were a 200-day supply, it would be the third largest field ever found in the United States.

There is also a myth about the caribou. I question the problem associated with the caribou. Caribou herds have actually increased in size. The central Arctic caribou herd, associated with the Prudhoe Bay areas has increased by large numbers. The herd was in the area of 3,000 at the time the pipeline was constructed. Today the central Arctic caribou herd has approximately 18,000 caribou. Mr. President, there are 28 caribou herds in Alaska. In fact, Alaska has more caribou than people.

So in conclusion, the review, I think, substantiates the reality that ANWR can be opened to oil and gas exploration and development safely. But I think we need to go a step further and talk about the people of ANWR.

For many centuries before Europeans came to Alaska's North Slope in search of whales and furs, native Eskimos lived in the area now called ANWR.

The early Eskimos were sustained by the wildlife resources indigenous to the area. They hunted caribou as they do now, seals, whales, fish, and waterfowl. They gathered berries and herbs. They lived in houses called igloos. But these igloos were not made of ice. They were constructed of driftwood, and skins, and tundra sod.

In a minute I will tell you how little of that has changed.

Human activity on the coastal plain increased with the arrival of European and colonial explorers, whalers, traders, trappers, and geologists. Temporary campsites became permanent villages established for year-round occupation.

The 20th century saw the birth of the Alaska petroleum industry and distant early warning [DEW] line radar stations were constructed at several locations within ANWR and are in evidence today.

However, today the Native Alaska population of ANWR resides primarily in the village of Kaktovik. This town is on Barter Island just north of the ANWR Coastal Plain.

Kaktovik is a small community, about 210 residents. Most are Inupiat Eskimos whose families have lived in the region for centuries. Villages of the North Slope must be small or the surrounding area would be over-hunted and residents would have to travel even greater distances for their food and subsistence.

The Eskimos of the North Slope still rely on the wildlife resources of the area. Studies have shown that Kaktovik Eskimo households obtain more than half of their total food supply from hunting and fishing that is natural and native to the surrounding area. Traditional sharing of food is still a strong cultural practice, as evidenced by the spring whale hunts, where the catch is shared with neighbors.

It was not that long ago that the Eskimos lived in sod houses excavated from the frozen tundra. Eskimo men my age, some that I know, have told me of growing up in sod houses just large enough for the family to lay down and sleep.

The reason for that is quite obvious. It is cold up there. Large areas are hard to heat.

Thirty years ago the only heated building in town was the elementary school. There was no TV, no water system, no health care facility, and village children were sent over 1,000 miles to Rangel, AK, for their primary education and to Sitka for a high school education.

But today things are different. How many lives have been saved because the villagers no longer have to go out on the frozen river to cut ice for drinking water. Who can say how many lives have been saved by the presence of the health facility. Who can say how important a community center is to the social and individual health of a small village that lives in the cold and dark of 9 months of winter, and almost eternal sunshine for the balance of the 3 months? It is a tough existence but it has improved.

I would also like to remind my colleagues that the people in this area are not wards of the Federal Government like some American Natives.

Today cultural lifestyles and patterns of subsistence remain similar to the past, but, as a result of Prudhoe Bay oil industry tax revenues to the North Slope Borough and new oil related employment opportunities, the quality of life in Kaktovik is much improved.

New modern houses have been constructed, homes are heated. Kaktovik has a village water system, a health facility, a fire station, a public safety office, a senior center and community center, its own high school, and two stores.

These are many of the things, Mr. President, you and I take for granted but indeed are quite new to the people of Kaktovik.

This is not just a matter of convenience. In Alaska, in the Arctic, it can be a matter of life and death. Who can say how the Kaktovik Eskimos feel about ANWR development? That is most important. They support it. They do not want to return to the harsh conditions of the past. Would you and I want to return to the harsh conditions of our ancestors?

The proud people of Kaktovik and the proud people of the Arctic do not want to be recipients of public assistance. They have watched the oil development at Prudhoe Bay carefully and are convinced that oil can be developed without harm to the environment. Particularly to their environment and their lifestyle. The Eskimos should know. There is no one more knowledgeable about ANWR than the people who have lived there for centuries.

Mr. President, let me show you a picture of the Arctic. Over my left shoulder is a picture of downtown Barrow. It is rather bleak. That is a spring picture. You can see the Sun out. If it was a winter picture, you could not see the Sun because the Sun does not shine in the winter. For 3 months of the summer, the Sun shines 24 hours a day. Mr. President, the Arctic is a hostile environment. But it is home to the people of Barrow. I remind the President that Barrow is about as far north as you can go. If you go much further than Barrow, you simply run out of land.

The people of the area have watched oil development at Prudhoe Bay over the last 15 years or so, and are now convinced that oil can be developed in their area, without harming the environment.

As I indicated, these people are particularly sensitive to that environment. Currently a good friend of mine and Senator STEVENS, Oliver Leavit, is visiting many of our colleagues, explaining the advancement of the lifestyles of the Eskimo people and the realization that they do not want to be wards of the Federal Government. They want to develop their resources wisely and in compatibility with the environment.

Mr. President, as we look toward the future I think it is important to recognize that the criteria and priorities of the people themselves is evidenced in a number of articles, which I would like to have printed in the RECORD today.

The first is Fortune magazine, January 28, 1991, by Eskimo leader and good friend of mine, Jacob Adams, "My people exist on nature but we can protect the environment."

Mr. President, I ask unanimous consent this article be printed in the RECORD in its entirety.

Mr. President, I also ask unanimous consent that portions of an article from the Arctic Slope Regional Corporation Annual Report referencing ANWR and Kaktovik be printed in the RECORD.

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

[From Fortune Magazine, Jan. 28, 1991]

IT'S TIME TO DRILL ALASKA'S REFUGE

(By Peter Nulty)

The Arctic National Wildlife Refuge is almost as big as Indiana. It begins as a phalanx of magnificent rocky peaks high in the Brooks Range in Alaska's northeast corner, from there tumbling down a broad expanse of rolling foothills to a tundra plain scored by

streams and gullies beside the Beaufort Sea. In all: 30,000 square miles, or 19 million acres. With only about 210 permanent residents—mostly Eskimo whalers in the coastal village of Kaktovik—the Arctic refuge is as unaltered by man as any wilderness can be at a time when human footprints mark even the moon.

Powerful forces may soon clash over whether the refuge stays that way. A small corner of it represents America's best chance of discovering major new oil reserves. Geology even hints that within the refuge lies a rare opportunity to uncover Saudi Arabia-size oil fields. The chance is minuscule, but a chance nonetheless. And the stakes are huge: If major reserves turn up, they could in the long run hobble OPEC, substantially improve America's balance of payments, and make the U.S. more energy independent.

The most tantalizing oil-prospecting territory in the U.S. is a strip of the flat coastal plain about 80 miles long and 20 miles wide that runs along the Beaufort Sea and makes up 8% of the refuge. This region is known by its bureaucratic name—the "1002 area"—after the clause in a 1980 federal law that directed the Interior Department to study the geology, flora, and fauna of the area and then advise Congress whether it should be explored for oil and gas or designated a wilderness closed to development. After exhaustive study the Interior Department concluded in 1987 that the coastal plain was "the Nation's best single opportunity to increase significantly oil production" and recommended leasing it to oil companies.

Some environmental groups, such as the Wilderness Society and the Sierra Club, would like to ban oil activity in the refuge permanently. Their cause has been aided mightily by the grounding in March 1989 of the Tanker *Exxon Valdez* in Prince William Sound, which had the effect of sinking several bills in Congress that would have opened the 1002 area for exploration. But with U.S. oil production down 15% in the past two years, oil imports accounting for 55% of the foreign trade deficit and rising, and the oil-rich states of the Persian Gulf in danger of all-out war, the environmentalists' case for not exploring the coastal plain is being overwhelmed by economic and geopolitical imperatives. If a war in the Gulf damage Middle East oil fields or drives prices to the heavens—or both—then the debate over exploring the refuge, usually known as ANWR (prounced *AN-war*), will get white hot. Even without war, this latest experience of Mideast turmoil will intensify concern about domestic energy sources—although developing ANWR, if it does contain commercial amounts of oil, would take 15 or 20 years.

Why not start drilling now? "The refuge is the last Arctic ecosystem untouched by man," says Don Hellman of the Wilderness Society. "To go in solely to satisfy our insatiable appetite for oil is a disgrace." Most environmentalists similarly focus on several emotionally compelling but inaccurate concepts, particularly that the coastal plain is unique and pristine. It is not quite either. The 1002 area is only two-thirds of the refuge's coastal plain, which itself is a small slice of the Arctic refuge. And the refuge is hardly America's only wilderness. The whole of ANWR makes up just 5% of Alaska's land area and 25% of the land in federal wildlife refuges in that state alone. The Interior Department estimates that oil production here, assuming oil is discovered, might require 12,700 acres of installations, or about 0.07% of ANWR's territory. Such facilities would look impressively large if you were standing in their midst, but in relation to all of ANWR they would be no more significant than a mosquito on a moose's rump.

Nor is the coastal plain virginal. The Eskimos travel in skimobiles and outboard motorboats, hunt with rifles, and watch television during the eight-month winters, when temperatures can reach—50° F. and the sun doesn't rise for 65 days. If the brief summer season, which lasts as long as six weeks, about 150 adventurers show up annually to hunt musk oxen or grizzly bears or to ride the rivers in rubber rafts. As part of an electronic warning system against Soviet attack, the Department of Defense built three installations along the coast. Two are abandoned, their buildings empty shells. The third, a radar station and airstrip at Kaktovik, is still in use.

The most important human artifact may turn out to be a steel pipe six inches in diameter and five feet tall that sticks out of the tundra about 15 miles east-southeast of Kaktovik. The pipe is almost impossible to find without an expert guide, but it is at the center of the biggest mystery in the petroleum industry: How much oil is in ANWR?

The pipe marks a well, KIC-1, drilled in 1985 and 1986 by a joint venture of Chevron and British Petroleum, headed by Chevron, on land leased from the Eskimos. (The Eskimo land is inside ANWR and, like the refuge proper, cannot be drilled without permission from Congress.) KIC-1 is called a "tight hole" because Chevron won't reveal what was found in the well.

No one else has much information, since the Chevron venture has leased all the available land in the area. Tom Cook, a geologist with Chevron in Alaska, will only say coyly: "That's a pretty oily place around there." Arlen Ehm, an independent consulting geologist in Anchorage, says, "The scuttlebutt is that it's a great well, but what's a rumor worth?" Still, Chevron is lobbying hard to get the coastal plain opened for development, and the consortium recently renewed its leases with the Eskimos—four years before the leases were due to expire.

Why is this lonely stretch of tundra so alluring? The Geological Survey conducted seismic studies of the 1002 area in the early Eighties and found 26 geologic structures capable of trapping oil and gas. Not only is that a large number of traps for an area this size, but also two of the traps are bigger than the one in Prudhoe Bay that may eventually yield at least nine billion barrels of oil. "These two structures have Middle East-size capacity," says Ozzie Girard of the U.S. Geological Survey, "but they are probably dry as a bone." That's because oil may not have migrated into the traps. Many structures capable of capturing oil are empty or only partially full, or they may contain water.

No one can be certain that the traps in ANWR have much, if any, oil. (They may hold natural gas, which at today's low prices would probably be uneconomic to develop, though it could be valuable in the future.) But they are also gargantuan and, in the extremely unlikely event that even one is full, it would alter history. Assuming conditions that are not unusual in the region, the bigger of the two, known only as No. 18, could yield 300 billion barrels of oil or more if it is full. That is more than Saudi Arabia's present proved reserves of about 254 billion barrels. The odds of a monster like No. 18 being full of oil are incalculably small. But if it were full, the U.S. would once again be the world's greatest oil power, and OPEC would become moribund.

Finding out is of little risk to the environment: Exploratory wells are drilled when the tundra is frozen and nearly immune to damage. And someone may already have taken a peek. KIC-1, Chevron's mystery well, was directly over structure No. 18. (At best, KIC-1 would be only a peek because a single well rarely tells the full story of how much oil is or isn't in a reservoir.)

The history of oil exploration shows that even when prospects are as enticing as this, the odds are still against the explorer. In ANWR the odds are not good, but they are better than average. The Interior Department sees a 19% chance that the refuge holds commercial quantities of oil, compared with the norm of 5%. Turned around, that means the odds are 4 to 1 against finding anything exploitable at present prices, instead of the usual 19 to 1 against. If exploitable reserves are there, says Interior, they most likely will amount to 3.2 billion barrels, enough to provide 8% of U.S. production and reduce imports 9% by 2005. But oddsmakers don't create oil, nature does. Maybe ANWR holds untold riches, or maybe it holds nothing. The only way to find out is to drill.

Alaskans are eager to begin. Oil accounts for 80% of the state's total revenue, and Prudhoe Bay, the state's golden goose, is in long, slow decline. All three gubernatorial candidates in the recent election, including winner Walter Hickel, who ran as an independent but had been a Republican governor of Alaska and Interior Secretary under Richard Nixon, favor exploring the coastal plain. They differed only on the question of who could drive the best bargain with Congress to split the royalties. William Noll, mayor of Seward, a fishing village on Prince William Sound, says, "It's a tragedy, or comedy of a high order, to put ANWR on the back burner because of the accident in Prince William Sound." Noll believes the cleanup is progressing "okay." (For the scientific community's assessment, see box.)

The Arctic Slope Regional Corp., one of 13 Alaskan native regional corporations established by Congress to manage the resources of native lands, favors opening the 1002 area. ASRC holds title to most of the native lands on the north slope, including the site where Chevron drilled KIC-1. The president is Jacob Adams, 44, an Eskimo whaling captain who hunts bowhead whales with a crew of about six men and hand-held harpoons out of a 20-foot boat. His view: "I love life in the Arctic. But it is harsh, expensive, and, for many, short. My people want decent homes, electricity, and education. We do not want to be undisturbed. Undisturbed means abandoned. It means sod huts and deprivation. We exist on nature, on the caribou and the whales. But we can take the measures required to protect the environment from the risks posed by oil development."

Hellman of the Wilderness Society protests that "it's been proven time and again that oil is an inherently messy business." Yet the environmental record of Prudhoe Bay is one reason Alaskans believe ANWR can be developed safely. "It's a real marvel," says a manager with the U.S. Fish and Wildlife Service in Alaska. "You could eat off the floors up there, but to say that publicly is heresy in the temple."

When Prudhoe was being developed, the biggest environmental worry was that it might harm the wildlife, particularly the Central Arctic caribou herd that give birth to most of their young in calving grounds near the oil fields. But the caribou have adapted nicely to the fields. Seeking to escape the dense clouds of mosquitoes that infest the marshy tundra, the caribou often congregate on the raised gravel roads that

connect the oil wells, industrial plants, and living quarters at Prudhoe Bay. And the Central Arctic herd has grown from about 3,000 in 1972 to roughly 15,000 now, perhaps because natural predators like bears and wolves that attack and eat young calves are more wary of man's works than are the caribou, even though the oilmen at Prudhoe Bay are forbidden to hunt or carry firearms.

ANWR is seasonal home to the Porcupine herd of caribou, which numbers about 180,000. The herd migrates across the Porcupine River in Canada to ANWR in the brief spring and summer seasons to bear young and feed on tundra grasses. Again environmentalists are expressing concern for the herd's safety, but the Prudhoe experience suggested that in some ways the works of man offer more refuge than the wilderness.

Technologies that the industry has developed in the Prudhoe region, partly in response to relentless pressure from environmentalists, would make producing oil in ANWR even more compatible with the environment. Using the latest drilling techniques, the industry can space wellheads ten feet instead of 100 feet apart, reducing the area needed for, say, a 50-well production complex from 60 acres to ten.

ANWR will also pose new problems. Drilling uses a lot of fresh water, and the region's coastal plain has less of it than the Prudhoe area. An environmentally benign collection and storage system may be needed, or the pace of drilling could simply be restricted. With vigilance, such obstacles can be overcome.

A tougher nut to crack may be the philosophical question of whether the industry should enhance the ecosystem wherever possible, as it may have done inadvertently for the Central Arctic herd of caribou. For instance, the industry built thick gravel roads and drilling pads because running vehicles directly over the tundra would melt that permafrost and create impassable bogs. These additions, permanently dry, have created a more diverse habitat in the Prudhoe area. Some gravel quarries, connected by channels to rivers, have filled with fresh water and become favorite wintering quarters for fish, like the arctic char, which take refuge from the ice in deep pools. Their numbers may be increasing. Birds such as the common eider that need dry land for nesting might multiply if gravel roads and pads are revegetated rather than removed when their usefulness has ended.

Roger Herrera, an executive of BP in Alaska, asks, "Is biological value or aesthetic value more important here? Should the gravel be put back in the quarries to restore the environment or left to create new habitat?" Merely to have that choice suggests that development in remote areas has progressed a long way and that humans need suffer little guilt about pursuing their own ends in a corner of this wilderness.

THE ARCTIC NATIONAL WILDLIFE REFUGE

PREFACE

This is the fifth printing of the Arctic National Wildlife Refuge: Its People, Wildlife Resources, and Oil and Gas Potential. This report was prepared by Arctic Slope Consulting Engineers, a subsidiary of the Eskimo-owned Arctic Slope Regional Corporation (ASRC). Changes in this printing include a new cover and revisions to the maps to reflect recent Federal and State offshore lease sales and the continued drilling of exploratory wells in the lands and waters adjacent to the Arctic National Wildlife Refuge.

BACKGROUND

The Arctic National Wildlife Range was established by administrative action in 1960. The Range originally covered 8.9 million acres in northeastern Alaska. In 1980, Congress addressed the status of the Range in the context of the Alaska National Interest Lands Conservation Act of 1980 (ANILCA). ANILCA more than doubled the size of the Range to about 19.3 million acres. This greatly expanded area was redesignated as the Arctic National Wildlife "Refuge" ANWR).

ANWR borders the Arctic Ocean and lies between Prudhoe Bay and the Trans-Alaska Pipeline 50 miles to the west, and the United States-Canadian border to the east. Over 8 million acres (over 42%) of the 19 million-acre Refuge was designated as "Wilderness" in 1980 by ANILCA.

COASTAL PLAIN STUDY AREA

ANILCA also set aside a relatively small 1.5 million-acre area (8% of ANWR's total acreage) as the "Coastal Plain" study area. Immediately north of the Coastal Plain study area are Barter Island, the Eskimo village of Kaktovik, a military airfield, a Dew Line Station and other Federal installations. The Kaktovik Village Corporation owns 92,000 acres of private lands within and adjacent to the Coastal Plain study area. ASRC, the Eskimo-owned Regional Corporation, owns the subsurface and mineral rights to these lands.

The Coastal Plain study area was not designated for Wilderness in 1980. Instead, it was designated for further study by the Congress of its oil and gas and fish and wildlife resources. Congress directed a five-year study, the 1002(h) report, because its geological formation were known to be highly prospective for the discovery of major oil and gas reserves. There are surface oil seeps on the Coastal Plain. Rock outcroppings in the area are saturated with hydrocarbons. These conditions were noted and written about by U.S. Geological Survey personnel early in the century.

Federal, State, industry, and private geologists generally agree that the 1.5 million-acre Coastal Plain study area contains the Nation's most promising onshore prospect for discovery of major new oil and gas reserves. If commercial deposits of oil are discovered in the Coastal Plain study area, the Trans-Alaska Pipeline is less than 70 miles away. Further, new developments in Arctic land use planning, technology and oil production, as demonstrated at Milne Point and other newer fields adjacent to Prudhoe Bay, can be readily applied in developing the study area in a manner which minimizes environmental and wildlife impacts.

Since 1980, all public lands in the Coastal Plain study area have been statutorily withdrawn from leasing. A limited program of seismic work was permitted under the terms of ANILCA in the early 1980s. Many U.S. oil companies participated in this joint seismic program. Leasing or commercial development may not, however, be undertaken in the Coastal Plain area until such activity has been expressly authorized by an Act of Congress.

THE NATIVE PEOPLE'S INTEREST IN THE COASTAL PLAIN

ASRC is the Eskimo-owned Regional Corporation established pursuant to the Alaska Native Claims Settlement Act of 1971 (ANCSA). ASRC's 3,700 shareholders and their families have major cultural, subsistence, and economic interests in ANWR and the Coastal Plain study area. Kaktovik, one of the North Slope's eight Native villages, is located on Barter Island within ANWR and north of the study area. This area has been home to Kaktovik's 210 Eskimo residents and their ancestors for many centuries.

The discovery of oil at Prudhoe Bay in 1968 radically changed the North Slope and the Eskimo way of life forever. The Nation's need for oil and the Eskimo people's legal claim to ownership to all of the North Slope lands through historic use, occupancy, and aboriginal title led to the enactment of ANCSA in 1971. In settlement of the Eskimos' claim to ownership of Prudhoe Bay and the 56 million acres which comprise the North Slope, the United States granted the North Slope's historic residents less than 5 million acres of land. And these were the lands "left over" after State selections, after issuance of oil and gas leases, and after Federal establishment of Refuges and National Petroleum Reserves and withdrawals for other purposes.

In August 1983, ASRC entered into a land exchange with the United States. ASRC conveyed title to 101,000 acres of surface lands it had previously selected under ANCSA. As a result of this exchange, the National Park Service added very significant private inholdings it desired, including Chandler Lake, to the heart of the Gates of the Arctic National Park. In return, the Department of the Interior was obligated to convey to ASRC 92,000 acres of subsurface rights beneath the lands owned by the Kaktovik Village Corporation.

ASRC's lands in the Kaktovik Village area represent our shareholders' best chance—perhaps their last significant chance—to participate in the economic benefits of the oil and gas development which has been underway on our ancestral lands since the mid-1960s.

In addition to these direct economic interests in the Coastal Plain, the Inupiat Eskimo residents of Kaktovik and other Villages use ANWR and the Coastal Plain lands for maintaining their traditional life style and for subsistence uses.

THE SECTION 1002(H) REPORT

ANILCA authorized and directed a number of studies and reports on the oil and gas potential as well as the fish and wildlife resources of the Coastal Plain study area of ANWR. Section 1002(h) directed the Secretary of the Interior to prepare a report together with his recommendations ". . . with respect to whether further exploration for, and the development and production of, oil and gas within the Coastal Plain should be permitted. . . ."

On April 20, 1987, the Department of the Interior released a final report on the Coastal Plain study area recommending leasing, exploration, and development. This recommendation, if adopted by Congress, would enable my people to develop the oil and gas potential of the 92,000 acres of private lands ASRC owns near the Village of Kaktovik. It would also provide important benefits to the Nation in the form of new sources of domestic oil reserves. The Coastal Plain study area includes 26 major oil and gas prospects identified in the Department's Coastal Plain Resource Assessment.

THE NATIONAL INTEREST AND THE NEED FOR CONGRESSIONAL ACTION

My people strongly believe that the prohibition in existing law against commercial development of our private lands and on the public lands in the Coastal Plain study area should be removed. The Eskimo people once had a valid legal claim to all of the North

Slope lands. We should not be denied economic benefit from the small portion of the lands which are in our ownership today.

The Nation and American consumers should not be denied the benefits of the oil and gas resources which Federal, State, and private geologists all believe the Coastal Plain study area to contain. Since 1985, domestic crude oil production has fallen more than 17 percent or 1.8 million barrels per day. Meanwhile, in 1989, U.S. dependence on foreign oil sources rose to over 46 percent to meet growing demand. Our dependence on foreign oil has exceeded 50 percent in the first quarter of this year. The cost of imported oil is a major factor in the nation's growing trade deficit.

Prudhoe Bay produced its five billionth barrel of oil—half its total reserves—more than three years ago, in February 1987. The reserves of America's largest producing field are now nearly two-thirds depleted. Total North Slope production, which was over 2 million barrels per day in early 1988, has now declined to 1.7 million barrels per day. Prudhoe production is projected to fall to less than 1 million barrels per day by 1994.

STATUS OF LEGISLATION TO OPEN COASTAL PLAIN STUDY AREA

In early 1988 and again on March 16, 1989, the Senate Energy and Natural Resources Committee favorably reported legislation to open the Coastal Plain study area to limited program of carefully regulated leasing. The House Merchant Marine and Fisheries Committee has reported legislation in 1988 and was considering similar action in early 1989. On March 24, 1989, the tragedy of the *Exxon Valdez* oil spill occurred in Prince William Sound. This event foreclosed further legislative activity pending the enactment of new federal oil spill and prevention legislation. Oil spill legislation is now before a joint conference Committee of the Congress and its final enactment, a year and one-half later, appears likely before the end of this Congress.

The Prince William Sound oil spill has delayed debate and Congressional action on the Coastal Plain study area. But domestic oil production continues to decline while oil imports and the trade deficit continues to grow. Frontier exploration is being pushed from customary onshore areas of the North Slope to frontier areas of the Outer Continental Shelf (OCS) in the Beaufort and Chukchi Seas where the industry has less experience.

This does not make good sense to the Eskimo people. We believe onshore development in places like the Coastal Plain study area should be accorded priority until more experience is gained and better technology is developed for the extreme ice and weather conditions presented by the Arctic OCS. We are asked to bear the risk of OCS development to our culture, but denied possible benefit of routine development of our onshore resources.

PURPOSE OF THIS DOCUMENT

ASRC's shareholders and their families have important interests in ANWR, in the Coastal Plain study area, and in the activities taking place in the Arctic OCS. This is our home. We subsist on the fish and wildlife these lands and waters provide. We are the best experts as to what the land and environment of the North Slope can and will sustain without damage.

This report has been prepared to provide Congress and the American public with a balanced and fair appraisal of the life and the history of the Eskimo people who live on the North Slope, together with detailed information on the Coastal Plain's environment, its fish and wildlife resources, and its oil and gas potential. The final section of this report reviews what is known about the interaction of development activities in the Arctic environment and what could be expected if such activities are permitted by the Congress to take place on our private lands and/or the public lands in the Coastal Plain study area.

It is my hope that his report will set the stage for a balanced national debate—founded on factual information and practical experience—on the policies which should govern our private lands and the Coastal Plain study area. My people believe that, with proper regulation and enforcement, the Coastal Plain study area's potentially huge crude oil resources can be explored for and produced in ways that are compatible with their interests, the environment, and the fish and wildlife resources which use the Coastal Plain.

COMMON SENSE APPROACH IS NEEDED

Common sense, experience, and a balanced view of the national interest should be the guidlines for determining the future of the Coastal Plain study area. This is what ASRC's shareholders expect. This is what the nation deserves.

Preserving our land as wilderness and maintaining a quality environment costs money. We can afford preservation if we have a healthy economy. A healthy economy, however, requires the development of some of our most prospective energy resources. The Coastal Plain is the nation's best onshore prospect.

CONCLUSION

The Inupiat Eskimo people are subsistence hunters and users of the North Slope's fish and wildlife resources. Our people have carefully observed oil and gas development at Prudhoe Bay and on the North Slope and its impact on fish and wildlife resources. It is our judgment, based upon close personal experience, that we can have balanced and carefully regulated oil exploration and development on our private lands and on the public lands of the Coastal Plain study area. We can preserve the environment and the wildlife resources of ANWR and still provide economic and energy security benefits to our people and to the nation.

JACOB ADAMS,
Arctic Slope Regional Corp.

JULY, 1990.

Mr. MURKOWSKI. Mr. President, let me conclude by quoting one of my good friends, Jacob Adams, president of the Arctic Slope Regional Corp. in a paragraph written July 9, 1990:

The Inupiat Eskimo people are subsistence hunters and users of the North Slope's fish and wildlife resources. Our people have carefully observed oil and gas development at Prudhoe Bay and on the North Slope and its impact on fish and wildlife resources. It is our judgment, based upon close personal experience, that we can have balanced and carefully regulated oil exploration and development on our private lands and on the public lands of the Coastal Plain study area. We can preserve the environment and the wildlife resources of ANWR and still provide economic and energy security benefits to our people and to the nation.

Mr. President, next week I will be discussing further portions of the issue of the appropriateness of opening ANWR for oil and gas leasing. I thank the Chair and yield the floor.

The ACTING PRESIDENT pro tempore. The distinguished Senator from Iowa is recognized, Senator GRASSLEY.

ALLOWING FOR POSSIBLE COMPENSATION OF THE VICTIMS OF PORNOGRAPHY

Mr. GRASSLEY. Mr. President, this week the Judiciary Committee heard compelling testimony regarding compensation for the victims of pornography. Because there has been a longstanding interest in the legislative proposals that were considered at the hearing, I would like to take this time to address the Senate on this matter.

The proposals considered at this week's hearing are intended to provide added tools to the arsenal of protective legislation for crime victims. They are certainly not intended to substitute for strict enforcement of our criminal statutes.

I believe that if we are truly interested in protecting the women victims of violent crime—it is important that we should provide leadership regarding the correlation between exposure to obscenity, child pornography, and violent crime against women.

It is important, that is, if we are truly interested in providing real protection to women crime victims.

As we heard from some of the witnesses at our hearing, exposure to violent, hardcore pornography can result in violent acts being committed against women.

And we heard that exposure to pornography has a tendency to desensitize the attitude of users of pornography toward women as individuals.

Consequently, I believe it is important that women victims should have access to the courthouse to attempt to prove their harm has been caused, in part, by obscenity.

I was pleased to hear during hearings on the Violence Against Women Act earlier this spring, the attorney general of Iowa, Bonnie Campbell, endorses the ability of victims of crime to have access to the courthouse, including the victims of pornography.

Now, certainly, not all violence against women is the result of the use of obscenity. And, I certainly am not saying that if all violent obscenity were eliminated that all violence against women would cease.

However, if we are to fully address the causes of violence against women, this is certainly one area in which common sense tells us that there is a correlation.

Very often, those who are really responsible for creating victims of obscenity or child pornography escape any kind of liability, criminal, or civil. Consequently, battered wives, rape victims, and abused children are left with little or no legal recourse.

And on Tuesday, we had the opportunity to hear very moving testimony from a victim who described her childhood sexual assaults by several men, including her foster father. Pornography was used in the commission of terrible acts against this small child. The effects on her—and on others whom she now counsels—constitute a real, domestic tragedy.

Also, behavioral studies by the Federal Bureau of Investigation have revealed a strong correlation between heavy exposure to violent sexual material and violent sexual attacks.

More recent studies indicate a correlation between the growing number of youth who commit rape and other violent sexual offenses and the declining age at which one is exposed to sexually explicit materials.

Mr. President, we can no longer afford to indulge the highmoral notion that obscenity is a victimless enterprise. Nor can we simply dismiss the use of obscenity and child pornography as exercises in freedom of speech.

The truth is that a victim who has been assaulted by someone who is a user of obscenity, is also a victim of obscenity.

Of course, the victim's assailant is primarily responsible for the crime against the victim. By his use of obscenity or child pornography, an assailant may himself even be classified as a victim.

But I believe the producers and purveyors of the obscenity that substantially caused the assailant to commit his crime are also responsible—therefore, they should be liable for damages to the victim.

Obscenity and child pornography trades on the systematic abuse of women and children. It can promote violence against women due to its tendency to desensitize its users to the crimes of rape, torture, and murder.

It is not the innocent promotion of free speech. Rather, it infringes on the rights of women to be safe from the fear of violent crime by fueling the sexual terrorism in our society.

We are all outraged that millions of Americans are held hostage by the fear of sexual assault. We are horrified that so many are actually assaulted.

In fact, a recent poll sponsored by the National Victim Center on citizens' attitudes about victims' rights and violence indicates that female respondents are more likely than male respondents to be afraid of being attacked in their homes, on the street during the day or at night, or even when traveling.

The center's poll also indicates that, due to their fear of crime, female respondents are more likely to limit the times and places they go to work, do their shopping, or places they go to by themselves.

The 1986 Attorney General's Commission on Pornography heard from many witnesses. Included among these were married women who testified about the effects on their marriages of their husbands' use of pornography.

The descriptions regarding their husbands dependency on harder and harder forms of pornography are very moving. The effects on their families—both economic and psychological—are obvious and severe.

And while the statistics indicate that married men commit 9 percent of all violent crimes against women, it is the divorced and separated men who commit 35 percent of these crimes, and boyfriends and ex-boyfriends who commit 32 percent.

These are from the January 1991 Bureau of Justice statistics study on female victims of violent crime.

I do not believe the evidence from the 1986 Attorney General's Commission can be dismissed as anecdotal. Academic research points to the same conclusions.

This is not a matter of imposing private morality; it is a matter of public safety.

Is protecting future victims of sex crimes—or compensating past victims—less important than protecting smut peddlers? Whose side are we on?

There has been an outcry from critics of the legislation. Let me say that those of us who support this legislation are committed to ensuring that the bill does not conflict with the first amendment. Substantial changes have already been made to the bill to accommodate concerns related to the first amendment.

But let me ask the critics:

Why should distributors of obscenity and child pornography receive special immunity from the law for the harms caused by their commercial products?

Can the first amendment never accommodate a woman's right to recover damages from a pornographer?

Women, babies, children, teenagers, mothers, wives, sisters, daughters, and grandmothers—in fact, all Americans, are victims because of an industry that is allowed to subjugate and degrade women.

The obscenity and child pornography industries trade on the systematic abuse of women and children.

We should acknowledge that obscenity and child pornography can provide a blueprint for some sexual abusers.

We all agree that sexual crimes like rape and child abuse may leave lifelong psychological scars that may prevent the victim and his or her family from leading normal lives.

We all agree that Government has a legitimate interest in protecting its citizens from all violent crime, including violent sexual offenses, through reasonable, effective, and constitutional means.

And that these means can include providing victims the ability to recover for their physical injuries, medical and psychological treatment, and pain and suffering if they can prove in court that obscenity and hardcore pornography has been the substantial cause of the harm they have suffered.

Mr. President, the victims of this material deserve more than the status quo.

The ACTING PRESIDENT pro tempore. The Senator from Iowa yields the floor.

The Senator from Florida [Mr. GRAHAM] is permitted to speak up to 10 minutes.

The Senator from Florida is recognized.

Mr. GRAHAM. I thank the Chair.

(The remarks of Mr. GRAHAM pertaining to the introduction of S. 1565 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The ACTING PRESIDENT pro tempore. The Chair recognizes the distinguished senior Senator from Minnesota [Mr. DURENBERGER].

COST OF HEALTH INSURANCE

Mr. DURENBERGER. Mr. President, not a day goes by without another news report describing the inexorable decline and decay of our Nation's health insurance system. Unless we in the Congress do something about it, the number of uninsured Americans, now estimated to be approximately 33.4 million, is going to skyrocket over the next 5 years.

Just yesterday, the New York Times reported that Empire Blue Cross of New York, which is one of the largest Blue Cross and Blue Shield insurers in this country, ended its longstanding policy of community rating small group health insurance policies, and this continues a dangerous trend that we have seen throughout the country among the Blues.

Blue Cross and Blue Shield, which was originally formed to make sure that doctors and hospitals got paid in something besides a half a cow or the sausage that got made in the wintertime, but actually got paid in something fungible, has traditionally in all of our States been the one place where the cost of health insurance was averaged out according to the cost of doctor and hospital bills, and that is called community rating.

Most other of their commercial competitors long ago abandoned community rating and went to something called experience rating, which is exactly what Empire Blue Cross of New York is doing now. What they are doing is taking their small business customers and dividing them into what they call good risk groups and poor risk groups; the good risk groups being people that are young, people that are healthy, people who do not experience any serious illness, and they are going to get one price; the poor risk groups,

older people, people with cancer, AIDS, chronic conditions such as diabetes, they are going to get a very different rate.

According to the article that I read in the New York Times, the annual premiums for family coverage in groups deemed poor risk will be $9,086 a year for comprehensive coverage, which is a rate increase of about 50 percent, and on a monthly basis it is like paying a $750 a month premium.

Mr. President, how many small businesses deemed poor risk will be able to afford such policies? I think we all know the answer to that. Zero. None. What about an individual or a family that does not receive insurance through the workplace? According to Empire, people who purchase policies on their own will have to pay $11,239 a year for comprehensive coverage, including a $300 deductible. That is about $1,000 a month expressed in a monthly premium.

So, Mr. President, segmenting the market to screen out bad risks essentially undermines the basic function of insurance.

As we go about the debate over national health insurance or universal access to health care, one of the first problems we are going to have to deal with is, access to what? What is this thing to which we want access? Most of us express it, as I have and Blue Cross has, in terms of health insurance. But is it real?

What is the product we buy? The product is simply a bill-paying service, the facility of knowing that when you go to the doctor or the hospital you will not have to take your checkbook; you take your Blue Cross card and your bills will be paid. That is what we would like to provide for all Americans.

The problem is the price that each of us has to pay for this product. Now, how can we make an $11,000 product affordable, $1,000 a month access to doctors and hospitals affordable? The first way you do it is through what they call a risk allotment, which is like spreading the risk across a lot of people. That is the function of insurance; the healthy pay for the sick and the young pay for the old. That is the function that is being undermined.

Mr. President, earlier this year I introduced legislation, S. 700, that would preclude insurers from engaging in these kinds of practices in the small group market.

Next week I will introduce legislation that will provide small businesses with a 50-percent tax credit for providing health insurance which will increase the affordability of insurance for small groups. The passage of both of these bills in this Congress is critical if we are going to maintain any semblance of a small group, small business health insurance market.

Mr. President, I ask unanimous consent that an article to which I referred in the Times be printed in the RECORD.

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

HEALTH INSURER PLANS TO SEEK BIG RATE RISE

(By Milt Freudenheim)

New York State's largest health insurer said yesterday that it planned to raise health insurance rates by 50 percent for all 300,000 people who buy their own policies and also for 120,000 employees of small businesses who are considered bad risks because some have serious illnesses.

The move by Empire Blue Cross and Blue Shield would mean that the cost of comprehensive policies would rise to more than $11,000 a year for individuals and more than $9,000 for members of some small groups. The increases, which require approval by the State Insurance Department, would apply in New York City, Westchester, Nassau, Suffolk and Rockland Counties.

Abandoning a longstanding policy of charging uniform rates to all groups of 3 to 49 people, Empire Blue Cross said it would divide small-business customers in the region into "good risks," made up of younger people without serious illnesses, and "poor risk" groups that include older people and people with cancer, AIDS or chronic conditions like diabetes. Charges would go down for about 230,000 people in the good-risk groups.

COMMUNITY RATES

Only about a dozen of the 30 Blue Cross associations across the country still offer uniform charges, which are called community rates. The move away from community rates dismays many experts on health insurance who say the cost of the sick should be spread across as many people as possible.

Empire said people buying policies on their own, rather than receiving insurance through their business, would pay $11,239 a year for the most comprehensive family coverage, which has only a $300 deductible for doctor bills.

As for businesses and other groups of 3 to 49 people, Empire said annual premiums for family coverage in groups deemed a poor risk would be $9,086 for the most comprehensive coverage, up from $6,057 currently, and $6,482 for more limited coverage, which pays medical bills after a $2,000 deductible, compared with current premiums of $4,321 per year.

But for a business whose workers are deemed a good risk, the premium for the most comprehensive family coverage would drop to $5,027 a year, from $6,057 for the same complete coverage.

But spokesmen for consumer advocacy groups said thousands of New Yorkers in the poor-risk groups or those buying policies on their own would be unable to pay the new rates, joining at least 1.4 million people without health insurance in the metropolitan area.

Kevin Foley, a state deputy superintendent of insurance, said the state had urged Empire Blue Cross to preserve its universal rate for all comers. Although it is "not an absolute legal requirement," he said, "we don't intend to have that abandoned without some very serious consideration." A preliminary public hearing is scheduled at the New York University Medical Center on Aug. 5. A formal hearing will be held after Labor Day.

WE'RE SKEPTICAL

"It remains to be seen whether the rate increases are the best solution in the long run from a public policy standpoint," Mr. Foley said. "We're skeptical."

But Richard N. Gottfried, a Manhattan Democrat who heads the State Assembly's health care committee, said, "If Blue Cross can document a dollars-and-cents need for this kind of increase, it would be legally difficult for the Insurance Department to turn it down."

Empire has noted that because it does not turn down any applicant for a policy, it covers a higher proportion of sick people than do commercial insurers who can reject sicker applicants. It said it has to begin offering lower rates to healthier groups because it has been losing their business to commercial insurers, which, unlike Empire, can hold down their costs by rejecting sicker applicants.

Albert A. Cardone, chairman of Empire Blue Cross, said the insurer had lost 29,000 customers and their dependents this year, on top of 400,000 who had departed from 1988 to 1990.

He said Empire lost $54 million in the first five months of 1991, which it hopes to get back by charging the higher rates and attracting more healthier customers.

Empire has already raised rates 19.5 percent this year (in March) and 14.1 percent last year.

In requesting state approval for rate increases, Blue Cross, like other insurers, points to rising charges by hospitals and doctors.

Largely because it extends coverage to everyone and charges universal rates, Empire has been allowed by the state to pay hospital rates 13 percent lower than those paid by commercial insurers. Even though Empire proposes to chip away at its universal rates, it seems unlikely that the Legislature would remove this advantage.

Richard Kirsch, a spokesman for Citizen Action of New York, a consumer group, said the rate increases were "outrageous, particularly because Empire Blue Cross has always prided itself on being a community-rated company and receives lower hospital charges for that reason."

EXTENSION OF MORNING BUSINESS

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

The ACTING PRESIDENT pro tempore. The Chair recognizes the distinguished senior Senator from Louisiana for a period of 20 minutes, and advises the Senator that morning business ends in 3 minutes. So it would be an accommodation to the Chair and the distinguished Senator from Louisiana if he asked unanimous consent to extend the time for morning business.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that morning business be extended until the hour of 10 a.m.

The ACTING PRESIDENT pro tempore. It might accommodate two other Senators to make that 10:20 or so.

Mr. JOHNSTON. I ask unanimous consent to extend morning business until the hour of 10:20.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. JOHNSTON. Mr. President, if I may amend that to not beyond 10:20.

Mr. REID. Mr. President, reserving the right to object, if I could ask that Senator WELLSTONE and Senator REID be recognized for 10 minutes each.

The ACTING PRESIDENT pro tempore. That will be the order.

So the Senator from Louisiana will be recognized for 20 minutes; the distinguished senior Senator from Nevada and the Senator from Minnesota will have 10 minutes each for a total of 40 minutes, so that it will be about 10:22 or 10:23.

And the Chair recognizes the distinguished senior Senator from Louisiana for 20 minutes.

Mr. JOHNSTON. Mr. President, I thank the Chair.

NATIONAL ENERGY SECURITY ACT

Mr. JOHNSTON. Mr. President, almost 2 months ago, the Senate Energy Committee reported S. 1220, the Energy Security Act of 1991, by a vote of 17 to 3. Over the past 2 weeks, I have spoken about various aspects of this bill and I have offered the Senate detailed descriptions of the measure's provisions on natural gas, on renewable resources, on electricity, on energy efficiency, on alternative fuel fleets, and other key topics.

My purpose in making those remarks has been to help the Senate comprehend the unprecedented scope and depth of energy policy reform presented by S. 1220. I hope that I have succeeded in demonstrating that this bill touches and improves virtually ever area of energy use and production in this country.

Today, I would like to call on the Senate to consider not the individual pieces of S. 1220, but the bill as a whole. In particular, I would like to invite the attention of my colleagues to weigh the substance of S. 1220 against the nebulous criticism that the bill is somehow antienvironmental.

Mr. President, let us consider what an antienvironmental bill, energy bill, would look like. I suppose that to begin with, it would simply ignore energy efficiency. It would also overlook development and use of renewable energy resources like wind, solar, geothermal, and this hypothermal antienvironmental bill would probably cast aside environmental safeguards in order to boost energy production.

Does S. 1220 show any of these basic signs of the antienvironmental bias? Is this a bill that rejects the environmental community's agenda? Mr. President, the answer to each of these questions is a resounding no.

S. 1220 is the most balanced, progressive, and environmentally sound energy policy legislation ever considered by the Senate, ever reported by a Senate committee. Let us look at the facts.

S. 1220 promotes the development and use of clean-burning alternative transportation fuels by establishing a far-reaching Federal, State, municipal, and private alternative fuel fleets program. Greater use of alternative fuels in motor vehicles will yield benefits both with respect to the environment and in reducing our reliance on imported oil. Compressed natural gas, methanol, ethanol, and liquid petroleum gas all have lower ozone forming potential than gasoline, something that we are all very interested in, considering the high level of ozone we have had here in Washington these last few weeks.

The use of compressed natural gas, electric vehicles, and hydrogen would reduce carbon monoxide emissions. CNG and liquid petroleum gas would result in lower emissions of several mobile source air toxics.

S. 1220 promotes the use of alternative fuels in mass transit. Like the fleets program converting mass transit vehicles to alternative fuels will also provide the benefits of oil savings and reduce emissions of pollutants into the environment.

S. 1220 promotes the development and use of nonpolluting electric and electric hybrid vehicles; that is, vehicles which have both batteries and a small engine to generate electricity while away from a source of recharging.

These vehicles are the single most effective means for reducing transportation sector emissions in urban areas. In fact, when compared to gasoline powered vehicles, electric vehicles can reduce emissions by major pollutants by some 97 percent.

S. 1220 encourages the use of our cleanest fossil fuel, natural gas, by industry and by utilities. Natural gas can displace other environmentally benign fuels in a variety of applications. Natural gas vehicles can reduce the formation of urban smog. Natural gas in vehicle powerplants can reduce the formation of the precursors of acid rain.

In addition, natural gas can displace dirtier fuels and reduce emissions of carbon into the atmosphere.

S. 1220 will eliminate regulatory delays that inhibit natural gas from fulfilling its potential as a tool of environmental policy. Research, development, and demonstration programs authorized in S. 1220 will promote the commercialization of natural gas and its end use technologies, that are more efficient and more environmentally friendly than the technologies which they are designed to replace.

S. 1220 promotes development and use of renewable energy resources such as solar, biomass, photovoltaics, wind, hydropower, and geothermal.

According to the Energy Information Agency, U.S. renewable energy production provides the energy equivalent of over 1 billion barrels of oil. In addition, renewable energy displaces more than 500 million tons of carbon dioxide, or the equivalent of 10 percent of the annual CO_2 emissions in the United States.

S. 1220 promotes more efficient water use in Federal irrigation projects, leaving more water in the Nation's streams and rivers, while reducing energy consumption. This will provide environmental benefits in the form of more water for fish, wildlife, and in-stream values.

It will also provide for more efficient generation of Federal hydroelectric projects.

S. 1220 expands Federal programs to promote the export of renewable energy, energy efficiency, and clean-coal technologies to lesser developed countries.

The committee bill helps lesser developed countries fund and develop renewable energy alternatives to expensive imported oil and coal, thus preserving foreign exchange, and in some cases, tropical forests.

The exports of clean-coal technologies will help lesser developed countries meet their burgeoning energy needs while decreasing their emissions of greenhouse gases.

China and the Soviet Union alone make up almost 30 percent of all greenhouse gas emissions. Making efforts at using energy more efficiently is crucial to stabilizing global climate change.

S. 1220 directs States to consider removing financial disincentives for utilities to invest in energy conservation and demand-side management as the least-cost method of meeting electric demand. The problem today is that electric utilities are not encouraged to conserve energy. They do not make money from conserving energy. They make money by producing it. This bill, S. 1220, changes that, and puts the incentives on conserving energy. This initiative has the potential to save the Nation over 200 billion barrels of oil equivalent each year by the year 2010.

S. 1220 requires certain Federal power marketing administrations, and the TVA, to implement or promote integrated resource planning. This process will help to ensure the implementation of energy efficiency measures.

S. 1220 mandates and authorizes energy efficiency standards for industrial, commerical, and residential applications, appliances, and equipment. It is estimated that this expansion of the existing DOE appliance standard program will reduce our Nation's energy demand by an additional 85 million barrels of oil equivalent each year by 2010.

S. 1220 promotes the collection and reuse of the 10 million barrels of used lubricating oil that are now improperly discarded in the Nation's soil and water each year.

S. 1220 launches several energy efficiency initiatives in the Nation's building sector. These include: New energy efficiency standards for all Federal buildings and all homes financed with

Federal mortgages; incentives to States to upgrade local energy building standards; national home energy rating guidelines; upgraded standards for manufactured housing, and policies to promote energy-efficient mortgages.

Mr. President, this is just a partial list of those elements of S. 1220 which demonstrate the Energy Committee's commitment to environmental priorities. It is all there, conservation, renewables, efficiency. Moreover, absolutely nothing in S. 1220 changes this country's commitment to the environment, or changes its environmental laws. The truth of the matter is that adoption of S. 1220 would mark a significant advance of environmental priorities. I urge my colleagues to reflect on this fact and to keep these comments in mind the next time they hear S. 1220 wrongly criticized as "anti-environmental."

Mr. President, I have heard from a number of environmental groups that S. 1220 does nothing for the environment. Mr. President, those who say that are either totally ignorant of S. 1220, not having read it or heard it accurately described, or else they are spreading disinformation. I prefer to believe that it is the former, that they simply do not know about S. 1220, because, in addition to dealing with energy production—and make no mistake, S. 1220 deals with energy production in a very effective way—S. 1220 also constitutes the most effective piece of environmental legislation in the energy field ever considered by this Senate.

While that may or may not be enough to convince some colleagues to go along with the totality of the bill, let me say, in the Energy Committee, we voted this bill out by a vote of 17 to 3, by an overwhelming margin on both sides of the aisle.

I hope my colleagues will consider and ponder what S. 1220 does for the environment.

Mr. President, I yield the floor aned the remainder of my time.

The ACTING PRESIDENT pro tempore. The Senator yields the floor and yields the 7 minutes and 44 seconds he still controls.

The Chair recognizes the distinguished Senator from Minnesota for a period of 10 minutes.

THE RAIL LABOR SPECIAL BOARD REPORT

Mr. WELLSTONE. Mr. President, I rise in response to the recent publication of the report of the Special Board established by House Joint Resolution 222 (Public Law 102-29) to provide for a settlement of the labor-management disputes that have rocked the rail industry and its unions in recent months, and which culminated in a strike by all of the major rail unions on April 17, 1991.

Congress and the railroad workers of this country have been betrayed, and I am angry. When Congress negotiated the terms of House Joint Resolution 222, it was agreed that the new Board would take a second look at the often outrageous recommendations of Presidential Emergency Board No. 219. Many Members of Congress, on both sides of the aisle and in both Houses, supported that resolution only under great duress and only because they believed it maintained protections for striking workers and gave them what many thought they could not get; a second chance to make their case on the contentious issues which remained in sometimes bitter disagreement.

None of the rail labor disputes in the past 30 years has involved such deep disagreement on such complex and contentious issues, including working conditions, wages, health care, seniority districts, and a host of other issues, 98 carriers, 11 national unions, and over 230,000 rail industry employees are covered by the decisions of this Board, which are binding under current law.

The new Board has failed to meet clear congressional intent, stated in the earlier legislation, and instead has rubberstamped the findings and recommendations of the PEB. We may as well have avoided all the pain and struggle of the tense negotiations late into the night on House Joint Resolution 222, and voted up or down on the PEB report, for all the second look we got for our troubles. I have said before and will say it again: I, for one, would have voted against imposing the PEB recommendations.

Congress passed this legislation fully expecting a good faith, genuine reappraisal of the most contentious issues in disagreement. Instead, we effectively got a brushoff from the new Board.

We faced a national rail strike, which involved 11 major unions composed of over 235,000 workers, because those workers were being asked by the railroads to accept sacrifices in their health benefits and being forced to travel hundreds of miles from their homes, sometimes working for many weeks at a time in remote areas. Congress spent a considerable amount of time and energy negotiating the composition of this Special Advisory Board, precisely because we wanted the board to scrutinize closely the complex and difficult issues raised in these negotiations.

Instead, the Board chose to dismiss outright every single one of the recommendations which remained in dispute. Every single one. And it did so perfunctorily, restoring to long and largely irrelevant discussions about legal terms of art in the 13th and 14th century, instead of focusing on the basic fairness of the requests for modifications made by the parties. Congress clearly commissioned the Board to apply a standard of demonstrable inequity. It refused outright to apply this standard, saying it was legally unclear and unworkable.

Even refusing to address the requests for modification, the Board claimed "it would serve no useful purpose, and arguably would be counterproductive, to discuss each request in detail." Instead, it concluded by fiat that "the board finds that the recommendations of PEB 219 are fair and demonstrably equitable," each and every one. It denied modification of each and every recommendation sought by the parties. It is unbelievable to me to think that of all the issues between labor and management, all of the grievances, all of the concerns of the railroad workers, this board could not fine one that perhaps the President's emergency board might have erred on.

Many of my constituents who work on the railroads believe this board, appointed by the administration, has imposed upon them a terribly unfair settlement. With American railroads at their highest level of profitability in 30 years, due partially to increases in productivity outstripping that of American industry in general, they are outraged. And that outrage is beginning to show.

The unions and railroads still have several more days in which they could bargain a better settlement, before the decisions of this board become binding. Without such settlements, this very one-sided outcome will force what looks like peace in the rail industry, but it will be a troubled peace. It is in fact an illusion.

Last week, the second largest union, the Transportation Clerks Union, unseated its president—after he had recommended the members ratify a contract similar to this report. As one railroad official quoted in last Friday's Wall Street Journal observed, "The rank and file people are ready to get very tough with the rail industry. You have a growing backlash."

Mr. President, when you boil down all the facts and arguments, the basic element missing in the Board's report is simply equity. That is what Congress sought in mandating a second look. That is what Congress intended in explicitly setting a standard of demonstrable inequity in the bill. That is exactly what was refused by this board.

And as in so many of our critical and basic industries which are at a crossroads, the rail industry could afford to do the right thing by its employees. But instead it has chosen short-term profit. Lump-sum bonuses will disappear in payroll taxes and a newly mandated contribution to health insurance. Under the recommendations of this report, a representative of the United Transportation Union, the largest rail union in the country stated last week it would lose one-fourth or more of its membership. These work-

ers, who are brakepeople, switchpeople, and conductors work around the clock to operate the trains.

The operating crews of our Nation's freight trains often must work 20 or 30 days in a row without a day off, and even on weekends and holidays they work for straight time pay. Many of them tell us their already dangerous jobs will become even more so with the reductions in the work force that will be prompted by this agreement. Last week a dangerous train wreck in California reminded us of the need to strengthen, not weaken, railroad safety.

Mr. President, the decisions of this Board will profoundly affect the lives and livelihoods of over 230,000 railroad employees and their families. Those workers have worked for the last 3 years without a pay increase. Their families have often suffered from their difficult work schedules and falling real incomes.

Railroad workers and their families deserved a second chance at negotiating a fair collectively bargained agreement. Congress intended for them to have such a second chance. This Board refused it.

Mr. President, a troubled, imposed peace is no peace at all. And I believe in the weeks and months to come we will continue to see railroad labor activists react angrily to the effects of this Board's decisions. They have a right to be angry. I share their anger at this betrayal of congressional intent, and I can only hope this anger will be turned to productive ends as American rail labor unions continue to fight and organize to maintain their rights within a system which has this time failed them miserably.

I yield the remainder of my time.

The PRESIDING OFFICER (Mr. KOHL). The Chair recognizes the Senator from Nevada.

SOCIAL SECURITY NOTCH

Mr. REID. Mr. President, in about a year the two political parties of this country will be meeting to select their candidate to run for President of the United States. It is important to note that the Republicans have chosen President Bush, of course. During the next few months the campaign will begin that will be culminated next August when the two selections are made and then, of course, in November will be the election.

Mr. President, there is one issue that every candidate, every Democratic candidate, those who are running, those who are thinking about running, those who will ultimately run and President Bush, also, should put on the front burner. That is the Social Security notch problem.

It is time to repeal and to get rid of this Social Security notch problem. Mr. President, as we know, we have come to learn the words "notch babies" refer to a group of people who were born between the years 1917 and 1926, who by virtue of what we have done, along with the President, simply get less money than people born at some other time. These Social Security recipients, some receive as much as 20 percent less than their counterparts only because they were born at a certain time. And we, at our discretion, randomly chose certain age groups and those certain age groups receive less money.

Congress can debate, and I think they should and they will, Mr. President, this issue. That is the best way to make progress on this grave injustice.

I think the best way to start debating the issue is to have Presidential candidates talk about the issue. It is an issue that affects hundreds of thousands of people. There is not a Member of this body or a Member of the other body that does not hold a town hall meeting and have that question brought up. The question is why am I treated differently?

This is an injustice which plagues only a select group of people. I have mentioned that group of people, people born between the years 1917 and 1926, with particular hardship on those born between 1917 and 1921. The issue has been debated over and over and over again. But yet it has not been solved.

These are people, Mr. President, who lived through the Great Depression. Most of them were involved directly in the Second World War, some even in combat. But in spite of their sacrifices, we simply have not lived up to our responsibility.

Remember, these are not people who are on welfare. These are not people who are looking for a handout. These are people who have paid into the Social Security trust fund like everybody else. So why should they be treated differently?

Sad, but true, and I am sure it has happened to the Presiding Officer here and other Members of this body with people at these town hall meetings and when we visit senior citizen complexes. We have all had them say to us, what are you waiting for? Are you waiting for us to die and then try to do something about it?

Mr. President, today a number of notch babies will die. We will not have to worry about those notch babies, making sure that they are treated fairly. Each day a grave injustice is perpetrated when these people pass on. We have to do something to make this a fair Social Security system.

This body acted responsibly in April. An amendment I offered allowed the Senate budget resolution to be amended to allow room in that budget resolution to take care of these notch babies. It went to conference and as a result of the action of the conference committees this notch provision was dropped. But since that failed conference, as I referred to it, has transpired, the House has now 232 cosponsors to change and delete the notch provision. That is more than half. It only takes half to pass something over there. They are not bound like we are with filibusters, with a need to file cloture motions. They have more than half the vote.

So I call upon our colleagues in the other body to take action and move forward on the fact they have 232 cosponsors. I would ask that the House Ways and Means Committee move quickly, expeditiously to change the notch provision.

In the Senate we have 32 cosponsors on one piece of legislation. There are other pieces of legislation that have been offered relating to the notch provision. I think it is time to return the dollars to the hands of those who earned them. It is time to show our support for notch reform, the same way the House did. They have over half. We certainly should get over half to support this legislation.

Mr. President, in all of our offices we have people that help us answer the mail. These notch babies write in to us every day and we write back and say we are working on it. Well, I think this body should, and the Members that make up this body should write back to those notch babies and tell them we are going to do something about it this year, not next year.

I think, Mr. President, the way to get this debate started is to immediately have those people who are running for President of the United States say I favor repeal of notch.

I yield back the time that I have remaining.

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

SPACE LIFE SCIENCES

Mr. GARN. Mr. President, just prior to last week's Senate action on the NASA's fiscal year 1992 appropriations bill, and our resounding affirmation of continued investment in the international space station Freedom, there was a bit of a media campaign waged by opponents of that program. As a Member of the Senate, and one who has participated in public life for the past 20 years, this form of political attack is quite familiar. What was surprising was the source of these arguments and rhetoric: scientists.

One specific case in point was an article which appeared in the Washington

Post on July 10, written by Robert L. Park, a professor of physics at the University of Maryland, which objected to the cost of the space station Freedom and totally rejected its scientific justification. Well opinions are like noses, every one is entitled to one. And while I certainly disagree with Dr. Park's assessment, I well appreciated that no project of the scale and significance of the space station, can expect to win unanimous consent.

Dr. Park's article made two sweeping assertions, however, which deserve to be rebutted: First that it is the consensus of scientists that the space station should not be built, and second that "the future is in robots."

Mr. President, many scientists do oppose the space station. Having spent the past 15 years working with the budgets for the National Science Foundation and NASA, I understand their fears that such a large project may constrain funding for other research and development activities, especially the very basic and theoretical work that academic careers and credentials are built on.

Unfortunately, Dr. Park, and the other scientists he refers to suffer from a misperception that there is some fixed percentage of the Federal budget that will always be devoted to science and technology. In reality, there is no such set-aside. Science and technology activities annually have to compete with all other Federal expenditures, including assistance to the homeless, veterans medical care, environmental protection, food supplements for the needy, and the vast array of other governmental activities.

And I might add that while overall Federal investment in science and technology has increased sharply in the past 10 years, its current 1-percent share of the budget pales in comparison to 4 percent devoted to these activities at the height of the Apollo Lunar Program in 1966. Basic science alone did nearly three times better in 1966—the midst of the Apollo Program—than it did in 1981. Its pretty clear to me that manned space activities do not compete with other science investment, rather it sounds out and reflects a broader national commitment to all science and technology investment.

Mr. President, the other assertion made by Dr. Park that I feel needs to be answered is his view that science is a hostile environment, we humans best stay on Earth and leave all exploration to robots. This mindset would have prevented our prehistoric predecessors from ever coming down from the trees. Advancements in automation and robotics should be used to extend mankind's exploration of our universe, not prevent it. I find it incredible that a scientist would so blithely reject research activities to better understand human adaption to the hostile space environment.

It would appear that Dr. Park, in an earlier age, would have been among those who argued that because God did not give man wings, we should not try to fly. After all, falling out of the sky is very dangerous. And I wonder what he thought of the sound barrier? Does Dr. Park dispute the notion that we can develop life support technologies to enable safe and efficient expansion of human presence beyond the surface of our planet?

Mr. President, in addition to these two central assertions of Dr. Park's article, he also belittled the work of the crew of the recent shuttle space life sciences mission. He said, they were "reduced to videotaping jellyfish swimming in zero gravity." As a politician, I am used to such cheap shots, but having once spent some time in training with our shuttle astronaut corps, I was offended by this deliberate expression of ignorance.

Mr. President, I recently received a copy of a letter written by Dr. Tammy Jernigan, a crew member of that shuttle flight. She not only corrects errors in Dr. Park's article, but dispassionately outlines the true scientific goals of that mission. With remarkable clarity, she also explains how the space station Freedom will contribute to these valuable research endeavors.

I ask unanimous consent that her excellent letter be printed in the RECORD.

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

JULY 23, 1991.

To the Editor:

In his efforts to argue that Space Station Freedom has no scientific justification, Robert Park sought to ridicule a recent Space Shuttle flight, SLS-40, also known as Space Lab Life Sciences 1 (SLS-1): He described our nine-day mission as one lasting only six days and stated that our primary scientific discovery involved videotaping 2,438 jellyfish swimming in zero gravity and then determining that the jellyfish seemed confused. Evidently, it is Robert Park who is confused and as a crew member of SLS-1, I wish to provide a more enlightened account of the scientific objectives of our flight.

The complement of experiments on SLS-1 included 18 primary experiments designed to study how the human body adapts to the microgravity environment of space and then readapts to the earth's gravitational field upon return. The experimental hardware was located in a reusable laboratory, known as Spacelab, carried in the payload bay of the Shuttle. Scientists from across the country designed experiments to investigate changes in the cardiovascular, cardiopulmonary, metabolic, musculoskeletal, neurovestibular, and immune systems of astronauts both in flight and postflight. These investigations, including Skylab, resulted in the most comprehensive study of human adaptation ever undertaken. During the mission, we collected even more data than our ambitious timeline prescribed, and the preliminary scientific reports will be out this September.

Space is a harsh environment, as Park points out, which is precisely why NASA designed a mission to understand more thoroughly the ability of the human body to adapt to such an environment. However, the research done during SLS-1 not only enables us to increase the productivity of astronauts in space, but also contributes to our well-being here on earth. Scientific investigations on SLS-1 also have application to such compelling medical issues as osteoporosis, blood pressure regulation, lung disease, and immune system deficiencies. While no one can predict the ultimate outcome of research, history has shown that the investment in space research and technology has been returned many fold in the form of economic stimulation and scientific advances, particularly in the area of health care.

The only disappointing aspect of our mission was the necessity to return our biomedical research laboratory to earth at the end of our nine-day Shuttle flight. Each physiological system acclimates to microgravity at a different rate, and there were still many changes occurring within the human body even after nine days. Consequently, there was a great deal more to be learned had we been able to operate our laboratory on a space station.

While NASA does not seek to justify Space Station Freedom solely in terms of scientific research, there are areas of research particularly suited to an orbiting laboratory, research such as that encompassed by the life sciences. It is interesting that Robert Park would choose SLS-1 as an example of why not to build a space station when this particular Shuttle flight so clearly illustrates one of the scientific advantages a permanently manned presence in space would provide.

TAMMY JERNIGAN,
Ph.D., Space Physics and Astronomy, Rice University, NASA Astronaut.

TRIBUTE TO MARSHALL HUMPHREY

Mr. DECONCINI. Mr. President, Arizona lost an extraordinarily able and dedicated leader with the death of Marshall Humphrey on July 22. A native of Phoenix, Marty exemplified not only the best in traditional values of American family life, but also the best traditions of dedicated public service. His leadership for a period of more than 40 years were critically needed in a young and growing State like Arizona.

Marty Humphrey's strong and steadfast leadership during his 8 years of public service in the Arizona Legislature remain a model for aspiring legislators of both parties. During the period when I served as Governor Goddard's legal counsel and, later, his administrative assistant in 1964-65, Marty gave me wise counsel and advice on the best way to accomplish the Governor's agenda.

Despite the fact that we came from different political parties. Marty was simply interested in good government, and was more than willing to share his knowledge and expertise with young men and women who wanted to dedicate their lives to public service. As a longtime friend of my father, perhaps Marty was particularly eager to teach me the political ropes.

As a member of the Arizona Legislature, Marty served on various commit-

tees which reflected his underlying interests—agriculture, public lands, planning and development, and vocational education. He was an ardent and vocal advocate for the central Arizona project, and it is no exaggeration to say that his support and advocacy were crucial factors in ensuring the ultimate success of this project. Marty led by example and quiet persuasion, and always with a passion to enhance the quality of life for all.

Marty Humphrey was a big man in both stature and spirit who had an enormous compassion for those less fortunate than he. His generosity to his church, to his community, to young people's organizations, to public service, and to the ideals upon which our Nation was founded will seldom be equaled.

He was a good man and a good friend, and will be sadly missed by all who had the good fortune to know him.

I salute Marshall Humphrey, one of the true pioneers of modern Arizona and extend my sincerest sympathy to his family.

THEIR 60TH WEDDING ANNIVERSARY

Mr. BURNS. Mr. President, it is not often a Member of this body, the U.S. Senate, gets an opportunity to recognize two people who represent America in its truest form.

On July 1, 1991, there was a special gathering in a small Midwest town, Gallatin, MO. We were all there to celebrate their 60th wedding anniversary. They are my parents; Russell and Mary Frances Burns.

Russell Burns married Mary Frances Knight in April 1931. Times were not the best as this Nation was in the depth of the Great Depression. Banks were going broke, there was no money and to many, the back of this great free society, the United States of America, was broken. There was not much optimism in those days and the future did not look bright. But this young couple evidently did not see that kind of world. They bought a small farm at the courthouse steps. It was selling for taxes, as many farms were in that day. Hard times for Americans during that era of our history. It was Americans like my parents that not only existed, worked hard and pinched every penny that came their way and they survived. Besides the economic difficulties of the "dirty thirties," there was a devastating drought in 1934 and 1936. They fed and clothed their family, paid their taxes, supported the local country school, served as 4-H leaders and participated in all the local clubs and organizations that contributed to the quality of life in that farm community as in all communities across our land.

It has been said, hard times builds character and to have survived and succeed during that part of our history took a lot of character and stamina. The work was hard and one had to make do with what one had and they did not have much. They did have youth and all of it's advantages, and a great sense of humor. Both had the ability to laugh at oneself.

I cannot remember 1 hungry day. Maybe the fare at the dinner or supper table was not the same as folks in higher social status but the quantity was always sufficient. My sister Judy and I never knew a day when there was a shortage of love, respect and understanding.

These folks who have been on this 60-year honeymoon have the qualities that sets all Americans apart from the rest of the world; the ability to dream, the ability to care and love, and develop those values that are the fabric of the American society. They understand sacrifice and the benefits of it.

These values were defined and passed on to not only my generation, but the next. Love of country, a deep love and respect of the soil where all life begins, is sustained and where it returns, love of people and mankind alike, and love of community were and still are the tenets of their generation. They are the shining example of what we all hold dear, the American.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If there is no further morning business, morning business is closed.

INTERNATIONAL SECURITY AND ECONOMIC COOPERATION ACT OF 1991

The PRESIDING OFFICER. The Senate will now resume consideration of S. 1435, which the clerk will report.

The bill clerk read as follows:

A bill (S. 1435) to amend the Foreign Assistance Act of 1961 and the Arms Export Control Act, and related statutory provisions, to authorize economic and security assistance programs for fiscal years 1992 and 1993, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

(1) Simon amendment No. 826, to recognize trends in population growth.

(2) Simon amendment No. 827 (to amendment No. 826), to authorize funds for the United Nations Population Fund.

Mr. SARBANES. Mr. President, I ask unanimous consent, because we will be considering other amendments which Members have submitted over this short period before I assume we will come back to the Simon amendment on which cloture was invoked, that the time used henceforth be charged against the 30 hours under cloture.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. SARBANES. I thank the Chair.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

AMENDMENTS NOS. 842–867

Mr. SARBANES. Mr. President, in a moment Senator MCCONNELL and I will send a package of amendments to the desk and ask that they be considered en bloc. It includes those amendments on the list that was agreed to last night which the managers are prepared to accept.

There is no controversy surrounding them, and I think in each instance they represent a constructive contribution to the legislation. I am going to read through the list very quickly for purposes of the record: a Ford-McConnell amendment on human rights in Guatemala; two Kennedy amendments, one on South Africa, one on China and Tibet; a Lugar-Glenn amendment on nuclear nonproliferation; a Simon amendment concerning the Horn of Africa; a Simon amendment concerning Liberia; a Simon-Kassebaum amendment concerning the Brooke waiver; a Rockefeller amendment on subcontracting in Kuwait; a Seymour amendment making a technical correction to the amendment yesterday on the Middle East; a Biden-Graham amendment on the rule of law; an amendment by Senators DOLE and LEVIN on violence in Azerbaijan; a Mack amendment on the index of economic freedom; a Symms amendment on policy toward growth in developing nations; a Chafee-Kassebaum amendment on West Bank schools; four DeConcini amendments, one on the CSCE, one on Angola, one on the Baltics, and one on microenterprise; a Mack-Graham amendment concerning trade with the enemy as it relates to Cuba; a Wirth amendment concerning volunteers for the SEED Program; a Leahy amendment dealing with technical matters on Public Law 480; a Dodd amendment making technical changes to the Enterprise for the Americas initiative; three Helms amendments, one involving U.N. auditing, one involving U.N. reports, and one involving the PLO; and a Brown amendment concerning reporting requirements on debt under the Enterprise for the Americas initiative.

Mr. President, I send those amendments to the desk and I ask unanimous consent that they be considered en bloc.

The PRESIDING OFFICER. Without objection, the pending amendment is laid aside.

Without objection, the amendments will be considered en bloc. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Maryland [Mr. SARBANES] proposes amendments 842 through 867 en bloc.

The PRESIDING OFFICER. Is there debate on the amendments?

If not, the question is on agreeing to the amendments en bloc.

The amendments (Nos. 842-867) were agreed to en bloc, as follows:

AMENDMENT NO. 842

On page 163, line 12 through 13, strike "in particular those involving Americans." and insert "such as those of Sister Dianna Ortiz, Michael Devine and Myrna Mack."

AMENDMENT NO. 843

(Purpose: To assist the victims of apartheid in South Africa)

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

(a) AUTHORIZATION.—Funds authorized to be appropriated to carry out the provisions of chapter 10 of part I of the Foreign Assistance Act of 1961, that are allocated for programs to assist the victims of apartheid and necklacing in South Africa and are in excess of amounts allocated for such purposes for fiscal year 1991, may be made available to or through non-governmental organizations for assistance for the victims of apartheid in South Africa, in the health, education, and housing sectors.

(b) CONDITIONS ON THE USE OF FUNDS.—(1) None of the funds authorized under this section shall be transferred to the Government of South Africa, or to parastatals or any other institution financed or controlled by the Government of South Africa.

(2) Nothing in this section shall be construed to affect or limit the tertiary scholarship and bursaries programs.

(c) FUNDING FOR FACILITIES THAT RECEIVE GOVERNMENT SUPPORT.—Notwithstanding any other provision of law, funds authorized by this section may be made available to provide assistance through non-governmental organizations for health, educational, and housing institutions or facilities although such institutions or facilities may be financed or controlled by the Government of South Africa subject to the following conditions:

(1) the President consults with the appropriate Congressional committees and South Africa organizations representative of the majority population of South Africa prior to making any determination under paragraph (2).

(2) the President determines and so reports to Congress 15 days in advance of the proposed obligation of funds in accordance with section 634A of the Foreign Assistance Act of 1961 that—

(A) the provision of assistance to such entities is necessary in order to achieve the objectives of this section to assist the victims of apartheid; and

(B) the Government of South Africa is continuing to make progress towards dismantling apartheid and establishing a nonracial democracy; and

(3) the assistance is identified as having been provided by the people of the United States.

(d) Beginning on January 1, 1992, and every three months thereafter, the President shall submit to the chairman of the Committee on Foreign Relations of the Senate and the Speaker of the House of Representatives a report describing the extend and type of assistance provided under this section during the preceding three-month period.

INCREASED ASSISTANCE TO VICTIMS OF APARTHEID—AMENDMENT NO. 843

Mr. KENNEDY. Mr. President, this amendment authorizes additional assistance to the victims of apartheid in South Africa in the areas of health, education, and housing. I urge the Senate to support it.

President Bush has asked that $80 million be provided, and I hope that assistance of this magnitude can be made available in the appropriations bill. Although many of us disagreed with the administration's decision to terminate United States economic sanctions against South Africa, I am pleased that we agree on the need for the assistance proposed by this amendment.

The recent revelations that the Government of South Africa has been secretly funding Inkatha only highlight the many obstacles that impede the ending of apartheid. I urge the South African Government to make a full, impartial, and public investigation of these disturbing developments.

The amendment I offer today provides an opportunity for the United States to continue assisting the struggle against apartheid by providing support for the victims of that cruel system. The United States currently provides about $40 million a year for this purpose, primarily through scholarships and a variety of human rights, private enterprise and other assistance through nongovernmental organizations. There remains a great need, however, in the area of health, education, and housing.

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 succeed in overcoming the odds and successfully complete their education. Housing in South Africa is deplorable for the majority of the population. The 40,000 exiles returning to their country have no home or resources with which to start a new life.

While these problems will not be resolved until the majority of South Africans control their own government and the expenditure of their government's funds, there are limited but important ways for the United States to assist in providing a better life for the people of South Africa.

This amendment would do so in three areas—health, education, and housing. The funds would be channeled through nongovernmental organizations in consultation with the United States Congress and grass roots organizations representing the black majority and working in these areas, such as the South African Council of Churches, the National Medical and Dental Association, the African Teachers Association of South Africa, the National Education Coordinating Committee, and the South African Democratic Teachers Union.

In the limited instances where the victims of apartheid can best be assisted within the governmental organizations and institutions, such as schools and health clinics, the assistance could be channeled through nongovernmental organizations only if the administration first consults with Congress and the black majority in South Africa and gives the Congress 15 days to review the request.

The struggle to end apartheid is a long and difficult one. With this amendment, the people of the United States can help ease the burden for those who pay the heaviest price for that brutal system.

I urge my colleagues to support this amendment and I look forward to working together to advance the goal of democracy in South Africa.

AMENDMENT NO. 844

(Purpose: To encourage the termination of human rights abuses inside the People's Republic of China and Tibet)

At the end of the bill add the following:

SECTION 1. STATEMENT OF PRINCIPLES.

(a) PURPOSE.—It is the purpose of this Act to create principles governing the conduct of industrial cooperation projects of United States nationals in the People's Republic of China and Tibet.

(b) PRINCIPLES.—It is the sense of the Congress that any United States national conducting an industrial cooperation project in the People's Republic of China or Tibet should adhere to the following principles:

(1) Suspend the use of all goods, wares, articles, and merchandise that are mined, produced, or manufactured, in whole or in part, by convict labor or forced labor if there is reason to believe that the material or product is produced or manufactured by forced labor, and refuse to use forced labor in the industrial cooperation project.

(2) Seek to ensure that political or religious views, sex, ethnic or national background, involvement in political activities or nonviolent demonstrations, or association with suspected or known dissidents will not prohibit hiring, lead to harassment, demotion, or dismissal, or in any way affect the status or terms of employment in the industrial cooperation project. The United States national should not discriminate in terms or conditions of employment in the industrial cooperation project against persons with past records of arrests or internal exile for nonviolent protest or membership in unofficial organizations committed to nonviolence.

(3) Ensure that methods of production used in the industrial cooperation project do not pose an unnecessary physical danger to workers and neighboring populations and property and that the industrial cooperation project does not unnecessarily risk harm to the surrounding environment, and consult

with community leaders regarding environmental protection with respect to the industrial cooperation project.

(4) Strive to use business enterprises that are not controlled by the People's Republic of China or its authorized agents and departments as potential partners in the industrial cooperation project.

(5) Prohibit any military presence on the premises of the industrial cooperation project.

(6) Undertake to promote freedom of association and assembly among the employees of the United States national. The United States national should protest any infringement by the Chinese Government of these freedoms to the appropriate authorities of that government and to the International Labor Organization, which has an office in Beijing.

(7) Urge the Chinese Government to disclose publicly a complete list of all those individuals arrested since March 1989, to end incommunicado detention and torture, and to provide international observers access to all places of detention in the People's Republic of China and Tibet and to trials of prisoners arrested in connection with the pro-democracy events of April through June of 1989 and the pro-democracy demonstrations which have taken place in Tibet since 1987.

(8) Discourage or undertake to prevent compulsory political indoctrination programs from taking place on the premises of the operations of the industrial cooperation project.

(9) Promote freedom of expression, including the freedom to seek, receive, and impart information and ideas of all kinds, regardless of frontiers, either orally, in writing, or in print, in the form of art, or through any media. To this end, the United States national should raise with appropriate authorities of the Chinese Government concerns about restrictions on importation of foreign publications.

(c) PROMOTION OF PRINCIPLES BY OTHER NATIONS.—The Secretary of State shall forward a copy of the principles set forth in subsection (b) to the member nations of the Organization for Economic Cooperation and Development and encourage them to promote principles similar to these principles.

SEC. 2. REGISTRATION REQUIREMENT.

(a) IN GENERAL.—Each United States national conducting an industrial cooperation project in the People's Republic of China or Tibet shall register with the Secretary of State and indicate whether the United States national agrees to implement the principles set forth in section 1(b). No fee shall be required for registration under this subsection.

(b) EFFECTIVE DATE.—The registration requirement of subsection (a) shall take effect 6 months after the date of the enactment of this Act.

SEC. 3. REPORTING REQUIREMENTS.

(a) REPORT.—Each United States national conducting an industrial cooperation project in the People's Republic of China or Tibet shall report to the Department of State describing the United States national's adherence to the principles. Such national shall submit a completed reporting form furnished by the Department of State. The first report shall be submitted not later than 1 year after the date on which the national registers under section 2 and not later than the end of each 1-year period occurring thereafter.

(b) REVIEW OF REPORT.—The Secretary of State shall review each report submitted under subsection (a) and determine whether the United States national submitting the report is adhering to the principles. The Secretary may request additional information from the United States national and other sources to verify the information submitted.

(c) ANNUAL REPORT.—The Secretary of State shall submit a report to the Congress and to the Secretariat of the Organization for Economic Cooperation and Development describing United States nationals operating in China and Tibet have adhered to the principles outlined in Section 2(B). This report shall be submitted not later than 2 years after the date of the enactment of this Act and not later than the end of each 1-year period occuring thereafter.

SEC. 5. ENFORCEMENT OF CURRENT LAW.

(a) IN GENERAL.—Beginning 6 months after the date of enactment of this Act, and every 12 months thereafter, the Secretary of State shall submit with respect to the People's Republic of China and Tibet to the appropriate congressional committees a report describing—

(1) enforcement procedures with respect to the implementation of section 1307 of title 19, United States Code;

(2) steps taken to investigate which goods, wares, articles, or merchandise are minded, produced, or manufactured, in whole or in part, by convict labor or forced labor; and

(3) the results of such investigations.

(b) DEFINITION.—For purposes of this section, the term, "appropriate congressional committees" means the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives.

SEC. 6. DEFINITIONS.

For purposes of this Act—

(1) the terms "adhere to the principles", "adhering to the principles" and "adherence to the principles" mean—

(A) agreeing to implement the principles set forth in section 1(b);

(B) implementing those principles by taking good faith measures with respect to each such principle; and

(C) reporting accurately to the Department of State on the measures taken to implement those principles;

(2) the term "industrial cooperation project" refers to a for-profit activity the business operations of which employ more than 25 individuals or have assets greater than $25,000; and

(3) the term "United States national" means—

(A) a citizen or national of the United States or a permanent resident of the United States; and

(B) a corporation, partnership, and other business association organized under the laws of the United States, any State or territory thereof, the District of Columbia, the Commonwealth of Puerto Rico, or the Commonwealth of the Northern Mariana Islands.

AMENDMENT NO. 844

Mr. KENNEDY. Mr. President, I have offered an amendment calling for the establishment of ethical business practices in China and Tibet.

Today, jailed Tiananmen Square activists and Buddhist monks are being subjected to forced labor to assemble products for export to the United States, German, and Japanese markets. Many firms in the free world have become unknowing partners in deals with prison camps.

The United States should be doing more to end these human rights abuses. The amendment I am introducing today, which has been cosponsored by Senators GRASSLEY, PELL, DECONCINI, CRANSTON, WELLSTONE, and BROWN, would enlist U.S. businesses in this effort.

This legislation requires United States nationals engaged in commercial activities in China to follow certain guidelines in conducting business. Prisoners, including large numbers of political prisoners, are an integral part of China's labor force. Products from forced labor camps are sold in domestic and foreign markets and have become a large component of the Chinese economy. One-third of the tea produced in China, for example, comes from labor camps.

Prisoners mine, manufacture, and harvest a variety of other products including coal, textiles, steel, machine tools, automobiles, chemicals, electronic goods, fans, shoes, ceramics, and over 20 agricultural products.

The Chinese Government has actively, and successfully, sought United States markets for these goods. In scope, number of camps and prisoners, and degree of cruelty, these forced labor camps are deplorable. Between 4,000 and 6,000 exist in China and Tibet, and 10 to 20 million people are detained.

Large numbers of the forced laborers are political detainees; few have had trials. Prisoners work up to 15 hours a day and are not allowed to speak to one another. Torture with cattle prods for disobedience is common.

The United States should speak out against this shameful repression, and U.S. business should do its part, too. Our increasing commercial ties with China should not be at the expense of the forced labor of Chinese and Tibetan political prisoners.

This legislation requests United States nationals participating in joint ventures in China and Tibet to follow nine important principles:

First, to refrain from using products made by forced labor;

Second, to safeguard employees from dismissal because of their political beliefs and participation in nonviolent demonstrations;

Third, to ensure that business operations do not harm the environment;

Fourth, to use businesses not controlled by the Chinese Government when looking for business partners in China;

Fifth, to prohibit any military presence on the premises of industrial cooperation projects;

Sixth, to promote freedom of association and assembly among employees;

Seventh, to press Chinese authorities for a list of those arrested since the massacre in Tiananmen Square in 1989, for an end to secret detention, and for access by international observers to places of detention;

Eighth, to avoid political indoctrination programs on company premises, and

Ninth, to promote freedom of expression for workers.

The amendment requires the Secretary of State to report to Congress on whether U.S. companies are complying with these principles.

Current law prohibits the importation of products produced from forced labor, and the amendment also requires the Secretary of State to submit annual reports to Congress on steps taken to enforce the law.

Congress needs to take a strong stand against the gross injustices of forced labor. Our message of support for human rights in China is strongest if private industry and the Government speak with one voice. I urge my colleagues to join me in supporting this amendment.

AMENDMENT NO. 845

(Purpose: To encourage the development of regional nuclear non-proliferation regimes)

On page 98, after line 19 insert the following:

SEC. 514. NUCLEAR NON-PROLIFERATION REGIMES IN SOUTH ASIA AND OTHER REGIONS.

(a) POLICY.—It is the sense of the Congress that—

(1) the problems of halting international commerce in nuclear-weapons-related technology, of prohibiting the development, acquisition, or use of nuclear weapons, and of responding to the effects of nuclear war are global in nature;

(2) progress toward resolving these problems requires the agreement of all nations to undertake binding, universal, and nondiscriminatory commitments to global principles represented by the Nuclear Non-Proliferation Treaty and the safeguards system implemented pursuant to that Treaty by the International Atomic Energy Agency;

(3) the design, negotiation, and development of regional nuclear non-proliferation regimes in South America, the Middle East, South Asia, East Asia, and in other regions can serve the global interest by reinforcing the universal standards and principles of the Nuclear Non-Proliferation Treaty and the safeguards verification system of that Treaty, as implemented by the International Atomic Energy Agency;

(4) agreements among nations promising not to attack one another's nuclear facilities are useful measures that can contribute to the creation of nuclear non-proliferation regimes;

(5) timely information about the progress of these non-proliferation regimes toward achievement of these global non-proliferation objectives is essential to the Congress in the deliberation, formulation, and oversight of United States nuclear non-proliferation policy; and

(6) the President should pursue a regional negotiated solution to the issue of nuclear non-proliferation in the countries of South Asia, including at least the countries of the People's Republic of China, India, and Pakistan, and the President should seek an accord to be signed by all nuclear weapons states in the Asian region which would prohibit nuclear attacks or the threat to use nuclear weapons by nuclear weapons states on countries in South Asia.

(b) REPORT.—The President shall submit to the Congress in January of 1992 and in January of each year thereafter a report describing the progress made and obstacles encountered in establishing regional nuclear non-proliferation regimes in South America, the Middle East, South Asia, and other regions. Each such report shall include a description of—

(1) any new regional agreements, treaties, or institutions that are created to advance global nuclear non-proliferation objectives;

(2) any new regional verification procedures and sanctions mechanisms to ensure progress toward achieving global nuclear non-proliferation objectives;

(3) any new proposals from countries in these regions to foster the development of regional regimes that promote global nuclear non-proliferation objectives; and

(4) a classified evaluation of any evidence that any nation has engaged in the previous year in activities described in subparagraphs (A) through (D) of section 601(a)(3) of the Nuclear Non-Proliferation Act of 1978 (Public Law 95-242; 92 Stat. 120), or any other nuclear-weapon-related activity described in section 669 or 670 of the Foreign Assistance Act of 1961 (Public Law 87-195, 75 Stat. 42), together with an unclassified summary of this evidence.

(c) LIMITED WAIVER ON PROHIBITION ON ASSISTANCE.—Notwithstanding section 620E(e) of the Foreign Assistance Act of 1961, the President may, until April 1, 1993, provide agricultural commodities or other assistance under the Agricultural Trade Development and Assistance Act of 1954 (Public law 83-480) or under section 416 of the Agricultural Act of 1949 if the President determines and reports to the Congress that—

(1) it is in the national interests of the United States to do so; and

(2) such assistance would advance the nuclear non-proliferation objectives of the United States.

On page 110, line 21, strike out "September 30, 1994" and insert in lieu thereof "April 1, 1993".

On page 3, after the item relating to section 513, insert the following new item:

Sec. 514. Nuclear non-proliferation regimes in South Asia and other regions.

REGIONAL APPROACHES TO HALTING NUCLEAR PROLIFERATION

Mr. GLENN. Mr. President, in cooperation with other nations, the United States has now been trying to halt the global proliferation of nuclear weapons for 45 years. There have been many successful milestones in the evolution of these efforts, such as: The creation of the International Atomic Energy Agency [IAEA] and its safeguards system; the negotiation of the Nuclear Non-Proliferation Treaty [NPT], which now has 142 parties; the establishment of a nuclear-weapon-free zone in Latin America via the Treaty of Tlatelolco; the development of an international system of guidelines for exports of nuclear equipment and technology maintained by the Nuclear Suppliers Group; and the negotiation of numerous agreements and treaties prohibiting the deployment or testing of nuclear weapons in various parts of the world and in outer space.

I rise to speak today, however, about the continuing challenges we face in mobilizing international efforts to prevent the global spread of nuclear weapons and in searching for more effective means of regulating commerce in equipment and materials to produce such weapons. Saddam Hussein has recently shown the world how far a nation can go toward obtaining a nuclear weapon while remaining a party to the NPT and while—according to the IAEA—complying with the formal requirements of full-scope IAEA safeguards. North Korea has also signed, but not yet implemented, the NPT; so has Libya, Iran and other countries that remain of proliferation concern.

Clearly, the international community needs to continue its search for new measures of complementing and supporting the global standards embodied in the IAEA and the NPT.

REGIONAL NUCLEAR NONPROLIFERATION REGIMES

One area where progress may well be made in the 1990's relates to the development of nuclear nonproliferation regimes that are regional in focus but that implement global standards.

For example, Brazil and Argentine appear to be well on their way toward substantial improvements not only in their relations but in the development of a stronger regional nuclear nonproliferation regime. Both countries, for example, have announced their intentions to work toward placing all of their nuclear facilities under the safeguards auspices of the IAEA; this is a positive step indeed, compared with earlier attempts by both nations to restrict the role of the IAEA or to limit the whole notion of safeguards strictly to national or bilateral undertakings. Now both countries recognize the value of some universal standards and are taking some steps toward implementing them under IAEA auspices.

Brazil, in particular, has taken some extraordinary steps in publicizing the activities of a secret enterprise called, Project Solimoes, a 15-year effort by the Brazilian military to acquire a nuclear weapon. The President of Brazil took the bold steps of publicizing this project, condemning it, and according to many accounts, dismantling it. I can think of many nations that I wish would adopt this particular model for dealing with proliferation.

Although the job is far from complete in Brazil or in Argentina—since there remain certain sensitive activities outside of safeguards and since the military is still engaged in nuclear-related work in both countries—there is no doubt that some progress is being made. If only both nations would bury the hatchet and finally agree to become parties to the NPT, mutual confidence and stability would be all the more advanced. The United States should not weaken in its efforts to encourage both nations to accede to that treaty.

GLOBAL DIMENSION OF REGIONAL REGIMES

What makes the progress in establishing a nuclear-weapon-free zone in Latin America so encouraging is the

apparent readiness of the key nations in the region to acknowledge that the stability and confidence of their regional is enhanced by the support it gives to international principles and standards. In particular, both nations now officially recognize the importance of mutual agreement to apply the universal safeguards standards of the IAEA to all their nuclear activities.

What is most noteworthy about the progress in Latin America is that it is not taking place strictly in an isolated regional context. The countries in the region well recognize that a nuclear war in the region would not merely have regional consequences. They recognize that the marketplace for sensitive nuclear technology is not regional in nature, but global. They also recognize that confidence is enhanced by increased reliance on a neutral, international inspection system with over 30 years of experience in implementing safeguards. In short, what we are seeing taking place in South America is the evolution of a regional regime within a broader global nuclear nonproliferation regime.

SOUTH ASIAN NUCLEAR REGIMES

In South Asia, both India and Pakistan have begun to take some steps away from the brink of nuclear confrontation; although these steps are still preliminary and the road ahead will no doubt be both long and rough, the United States should continue to encourage greater progress in building some regional solutions to the dangerously unstable nuclear stalemate that now exists in South Asia. The agreement between Pakistan and India not to attack each other's nuclear facilities is a solid step in the right direction. It is essential that these so-called regional solutions, however, be solidly grounded in fundamental international nuclear nonproliferation standards and principles.

Pakistan has made many proposals for the development of a regional nuclear nonproliferation regime in South Asia. Although Pakistan's multiple proposals to India have not yet produced any serious Indian counterproposals, India's readiness to enter into such undertakings could only be enhanced if Pakistan would take some concrete steps to constrain its bomb program—in other words, if Pakistan were to match its peaceful words with some peaceful deeds.

Yet in South Asia, just as in Latin America or any other region, the problem of nuclear proliferation emerges again as fundamentally a global problem. The environmental and political consequences of a nuclear war in South Asia could in no way be characterized as only regional in nature. The marketplace for sensitive nuclear technology is also global in nature. Similarly, if either nation should choose to become an international supplier of sensitive nuclear technology, the consequences of such sales for other nations—including our own—around the globe could well be profound.

In addition, several nations outside South Asia can play major roles either in making or in breaking any South Asian nuclear regime. China, for example, will play a crucial role in any future nuclear regime development in South Asia. If China continues to pose a nuclear threat to India and to provide bomb technology to Pakistan, prospects for a regional regime will vanish. The Soviet Union could also play a constructive role, especially if it adopts a policy of encouraging both India and Pakistan to adopt full-scope IAEA safeguards; however, the Soviet Union and France continue to show interest in selling reactors to both nations without any such requirement.

Given its longstanding relationship with Pakistan, and given the vast quantity of foreign assistance that was provided to Pakistan while it was continuing to work on the bomb, the United States has a special obligation to use its diplomatic influence to encourage Pakistan to live up to its many assurances about the peaceful nature of its nuclear program. If America balks, and turns a blind eye once again to bomb developments, then once again prospects for any meaningful regional approach will only be further eroded. That is why it is essential for America to reaffirm its determination to apply sanctions so long as Pakistan's nuclear program is wildly out of line with the stated peaceful national policies of the government. And that is why we must continue to encourage India to offer some constructive proposals aimed at curbing the dangerous appetite for nuclear weapons in South Asia.

SUMMARY OF PROPOSED AMENDMENT

Accordingly, the amendment I am introducing today states that it is the sense of Congress that regional nuclear regimes have valuable contributions to make in reaffirming international efforts over the last 45 years to halt the global spread of nuclear weapons. In particular, Congress would reaffirm the important roles that can be played by the IAEA and the NPT in assisting nations to develop regional regimes to halt the development of nuclear weapons. The Congress would specifically acknowledge the potential contributions to regime building that can come from agreements barring attacks on nuclear facilities.

Because of the interest in Congress in monitoring the development of regional nuclear nonproliferation regimes, the amendment would require the President to submit an annual report to Congress on the progress made and obstacles encountered in developing these regimes in South America, the Middle East, South Asia, and in other regions. Each report would describe any new treaties or agreements that have been negotiated, any new verification procedures, any new proposals from countries in these regions to foster the development of such regimes, and a classified evaluation of any evidence that nations which have agreed to enter into such regimes are acting in compliance with the terms of these regimes (an unclassified summary of the evidence is also required).

The amendment would also return the length of Pakistan's waiver of section 669 of the Foreign Assistance Act—one of the so-called Glenn-Symington amendments—to 1 year—the same duration as the last two waivers. Although I am personally not inclined to support any further continuation of this waiver—given that Pakistan appears to be continuing its bomb program notwithstanding its many peaceful regional nuclear proposals—I will today support giving the President another year of authority to exercise this waiver if he believes it is in the national interest.

In doing so, however, I take note of two important facts: First, renewal of this waiver authority does not mean that America now intends to lift its foreign aid embargo on Pakistan—Pakistan still has not met the standards of the Pressler amendment. This standard, created in 1985 in the wake of a series of major export control violations and illicit nuclear weapons-related activities, was specifically applied to Pakistan because the United States needed to provide assistance as part of our effort to remove the Soviets from Afghanistan; in return for providing such assistance in the face of Pakistan's flagrant violation of the Glenn-Symington amendments, Pakistan was held to a fundamental requirement that it would not possess nuclear explosive devices. It is Pakistan's inability to satisfy this standard that has resulted in the current aid cutoff.

The second important point to note is that although the President already has waiver authority for section 669 that will not expire until April 1992, he has not yet chosen to invoke that authority. If Pakistan continues to make clandestine efforts to acquire unsafeguarded uranium enrichment technology, such procurement activities will only make it all the more difficult for the President to invoke that authority.

Economic sanctions hurt. They are meant to hurt. An argument can be made, however, that inasmuch as America's quarrel is not with the people of Pakistan but with the misguided nuclear policies of its government, that limited agricultural assistance provided under Public Law 480 and the Agricultural Act of 1949 should continue to be provided over the same period as the Glenn-Symington waiver authority is effective to Pakistan, provided that such assistance would be judged by the President to be consistent both with

the national interest of the United States and with our nuclear nonproliferation objectives.

I do not support lightly the notion of approving any further assistance to Pakistan whatsoever until it can roll back its nuclear program; yet because of the special humanitarian nature of this assistance, I am willing to support resumption of such assistance so long as it does not conflict with our national interest and nonproliferation goals. I will support the limited provision of this agricultural assistance on purely humanitarian grounds and I wish to announce that I do not expect to support in the future any new loopholes or end-runs around the embargo we now have in place on foreign aid to Pakistan.

I am pleased to welcome as a cosponsor of this amendment my distinguished colleague from Indiana, Senator LUGAR, whose efforts on behalf of our national objectives of nuclear nonproliferation are appreciated by all who work with him.

AMENDMENT NO. 846

(Purpose: To express the sense of the Congress regarding international relief efforts in the Horn of Africa)

On page 195, between lines 18 and 19, insert the following new section:

SEC. 690. INTERNATIONAL RELIEF EFFORTS IN THE HORN OF AFRICA.

(a) FINDINGS.—The Congress finds that—

(1) a massive humanitarian emergency is sweeping across the Horn of Africa today—in Ethiopia, Somalia, and Sudan—where millions of lives are at risk from famine caused by war and civil strife;

(2) refugees are on the move in all directions across the region's borders, searching for peace and relief;

(3) reports from the field indicate that in some cases sufficient food and relief supplies are stockpiled at ports within a few hundred miles of starving refugees; and

(4) the lack of effective international coordination in the field is contributing to this human tragedy, and international diplomacy is failing to break the local political and logistical obstacles to the relief effort.

(b) POLICY.—The Congress—

(1) urges the Secretary General of the United Nations to immediately appoint United Nations field coordinators for each country in the Horn of Africa who can act with the Secretary General's full authority to bring greater coordination to the United Nations and international relief effort and to better mobilize donor contributions; and

(2) urges the President to lend the full support of the United States to all aspects of the relief operation in the Horn of Africa, and to work in support of United Nations and other international and voluntary agencies, in breaking the barriers currently threatening the lives of millions of refugees and others in need.

AMENDMENT NO. 847

(Purpose: To authorize additional assistance to Economic Community of West Africa Peacekeeping effort in Liberia)

On page 191, line 21, amend section 687 by adding new subsections (c) and (d) as follows:

(c) Funds authorized by this Act, and funds made available in prior foreign assistance appropriations Acts which were allocated or used for military assistance under chapter 2 of part IV of the Foreign Assistance Act of 1961, may be made available, notwithstanding any provision of law that restricts assistance to countries, to support the members of the economic community of West Africa (ECOWAS) in expanding military involvement in Liberia for the purposes of peacekeeping.

(d) Any exercise of the authority of this section shall be subject to specific amounts provided in advance in an appropriations Act.

AMENDMENT NO. 848

SEC. . Notwithstanding any other provision of law, the President is authorized to provide assistance to Liberia, Ethiopia, and Nicaragua: *Provided*, That the President determines and so certifies to the Committee on Appropriations and the Committee on Foreign Relations of the Senate and the Committee on Appropriations and the Committee on Foreign Affairs of the House of Representatives that the country to which assistance is to be provided has made significant progress toward democratization and that the provision of such assistance will assist that country in making further progress and is otherwise in the national interest of the United States. A separate determination and certification shall be required with respect to each country and for each fiscal year in which such assistance is to be provided.

AMENDMENT NO. 849

(Purpose: Expressing the sense of the Senate that United States businesses engaged in the rebuilding of Kuwait should use United States subcontractors and all available United States goods and services)

At the appropriate place in the bill; insert the following new section:

SEC. . USE OF AMERICAN SUBCONTRACTORS IN KUWAIT.

(a)(1) Whereas Kuwait has indicated its intention to award a substantial majority of the contracts (by value) for the rebuilding of its infrastructure and industrial base to United States businesses;

(2) Whereas this Kuwaiti policy is intended to recognize the contribution of the United States and its people to the liberation of Kuwait; and

(3) Whereas the Department of Commerce has developed a policy of strongly encouraging United States businesses awarded contracts for the rebuilding of Kuwait policy extend to the awards of subcontracts to United States businesses and the procurement of United States goods and services

(b) It is the sense of the Senate that—

(1) United States businesses engaged in the rebuilding of Kuwait should, to the maximum extent possible, use United States subcontractors and available United States goods and services; and

(2) the Department of Commerce should monitor and encourage the implementation of this policy.

Mr. ROCKEFELLER. Mr. President, this amendment would express the sense of the Senate that United States businesses engaged in the rebuilding of Kuwait should use United States subcontractors and all available American goods and services.

It is currently estimated, Mr. President, that the reconstruction of Kuwait may generate up to $25 billion in contracts over the next 5 years. We in the U.S. Congress should be doing everything possible to ensure that American industry and American workers benefit from this opportunity.

Mr. President, this amendment would take a step in that direction by urging American companies already successful in obtaining contracts in Kuwait to use American subcontractors. This should significantly increase the number of United States companies that will benefit from the reconstruction of Kuwait.

Thus far, the promise of substantial procurement has not been realized. The United States has sold roughly $1.5 billion in goods this year to Kuwait. Even though this figure is nearly twice the annual average before the Iraqi invasion, it is much lower than the popular estimates. Obviously, a sense-of-the-Senate resolution by itself will not make a dramatic change in the situation, but it will make clear our determination that our contractors should be maximizing the benefits to Americans, and that the U.S. Government stands behind that effort.

To use a popular term, this legislation will allow contracts to trickle down to the workers of America. The demand for steel girders in new buildings in downtown Kuwait City will mean jobs for steel workers in West Virginia, Indiana, and Pennsylvania, among other States. Demand for new cars can translate into work for the auto parts suppliers in Detroit. And the demand for new communications equipment, should result in contracts for the computer chip maker in Silicon Valley.

By adopting this amendment, we will send a message and demonstrate that the United States is serious in its commitment to make the U.S. worker and U.S. businesses competitive in the world market.

AMENDMENT NO. 850

On page 88, after line 8, add the following:

(c) supports the unconditional recognition of the State of Israel.

AMENDMENT NO. 851

SEC. . RULE-OF-LAW INITIATIVE.

Title III of the Support for East European Democracy (SEED) Act of 1989 is amended by adding at the end thereof the following new section:

"SEC. . RULE-OF-LAW INITIATIVE.

"(a) FINDINGS ON ASSISTANCE FOR LEGAL REFORM.—Congress finds that—

"(1) a major challenge facing SEED Program countries is converting to a legal system protective of the rights and liberties integral to a representative democracy and a thriving market economy;

"(2) accomplishing this comprehensive task efficiently will require sound academic and practical advice;

"(3) the American Bar Association has in the past cooperated successfully with AID in the development and operation of training programs for lawyers and judges in foreign countries;

"(4) The ABA has now undertaken a Central and East European Law Initiative [CEELI] that is mobilizing the Association's

considerable resources to provide technical assistance and training in the areas of constitutional law, criminal justice, and judicial reform in SEED Program countries;

"(5) such an undertaking offers a uniquely powerful means of assisting the process of legal reform in SEED Program countries; and

"(6) in recognition of the potential value of the ABA contribution to East European reform, the President has, as a part of a larger Rule-of-Law Initiative, begun to cooperate with and support the ABA's CEELI effort.

"(b) ABA CONTRIBUTION TO RULE-OF-LAW INITIATIVE.—Congress urges the President to continue to cooperate with and support the American Bar Association in its efforts to assist SEED Program countries in establishing the modern legal framework necessary for a transformation to representative democracy and free market economies.".

AMENDMENT NO. 852

(Purpose: To Condemn the Violence in Nagorno-Karabakh)

It is the sense of the Senate that the Senate:

(1) condemns the attacks by internal security forces and the forces of the Azerbaijani government on innocent children, women, and men in Armenian areas and communities in and around Nagorno-Karabakh and in Armenia;

(2) condemns the indiscriminate use of force, including the shelling of civilian areas, on Armenia's eastern and southern borders;

(3) calls for the end of the blockades and other uses of force and intimidation directed against Armenia and Nagorno-Karabakh, and calls for the withdrawal of forces newly deployed for the purpose of intimidation;

(4) calls for an immediate and to deportations of Armenians from Nagorno-Karabakh and the freedom for all refugees to return to their homes;

(5) calls for dialog among all parties involved as the only acceptable route to achieving a lasting resolution of the conflict;

(6) Reaffirms the commitment of the United States to the success of democracy and self-determination in the Soviet Union and its various repubblican; and

(7) expresses its deep concern over acts of retribution or intimidation against those republics which are seeking greater independence.

Mr. LEVIN. Mr. President, this amendment I have proposed along with Senator DOLE is similar to a resolution the Senate passed on May 17, 1991. Now as then, I have proposed this amendment because of my continued concern about the ongoing conflict between Armenia and Azerbaijan, and the turmoil and violence in and around Nagorno-Karabakh. Language identical to this amendment was included in the foreign aid authorization passed last month by the House of Representatives.

This amendment condemns the attacks against innocent children, women, and men in and around Nagorno-Karabakh, and calls for the end of the blockades and other uses of force and intimidation directed against Armenia and Nagorno-Karabakh. This amendment calls for dialog; dialog among all parties is the only acceptable way to achieve a lasting peace.

All Americans want to do whatever is possible to foster the success of democracy and self-determination in the Soviet Union and its republics. The amendment reconfirms this commitment by the United States.

Mr. President, this amendment condemns the violence, calls for dialog, and reconfirms our commitment to the success of democratic reforms. For these reasons, I support its adoption.

Mr. DOLE. Mr. President, I am pleased to join Senators LEVIN, SEYMOUR, and SIMON in cosponsoring this timely and important amendment.

The amendment speaks for itself. The people of Armenia—both those within the Republic of Armenia, and those in Nagorno-Karabakh—are the victims of brutal aggression; an aggression perpetrated by the Azerbaijan Republic, and aided and abetted by the Soviet Central Government and Army.

Mr. President, time and again the Senate has spoken out clearly on our insistence that the Soviet Government not suppress through violence, intimidation or blackmail the clear desire of the people of the country's constituent Republics for Democracy and self-determination. Nowhere is that desire more manifest than in Armenia; and nowhere have the Soviets undertaken more blatant measures of force and threat and deceit to thwart the legitimate goals of the people.

Despite all that, the people of Armenia will persist. Even more, they are playing by the rules the Soviets themselves laid down. Unique among all the republics who have publicly declared their intention to achieve their own sovereignty, they have agreed to move toward that goal within the guidelines laid down by the Soviets.

Mr. President, the people of Armenia need our support, and deserve our support. We have sent them one signal of support today, by joining to agree to this amendment.

AMENDMENT NO. 853

At the end add the following:

TITLE —INDEX OF ECONOMIC FREEDOM ACT OF 1989

SEC. 1301. SHORT TITLE.

This title may be cited as the "Index of Economic Freedom Act of 1989".

SEC. 1302. CONGRESSIONAL FINDINGS.

The Congress finds that:

(1) Economic growth is a prerequisite for the sustained alleviation and elimination of poverty and its symptoms, including illiteracy, infant mortality, malnutrition, and landlessness.

(2) Economic freedoms are necessary for the poorest members of developing societies to break out of the cycle of poverty, through land ownership, access to credit, and removal of barriers to entrepreneurship.

(3) The United States, in partnership with developing nations, derives mutual benefits from economic freedoms that generate economic growth, increased trade, and investment opportunities.

(4) United States assistance to developing nations should be used to encourage policies that further sustainable economic growth, rather than offset the costly effects of policies which discourage individual initiative, produce capital flight, and subsidize environmentally destructive or wasteful use of resources.

(5) The American offer of assistance to developing nations constitutes a partnership based on mutual benefit, devotion of resources, and commitment to the achievement of policies conducive to the sustainable economic growth necessary for the alleviation of poverty. Development assistance, which is a limited American resource, should be primarily directed to those nations that exhibit the greatest commitment to the partnership for development through policies conducive to economic development.

(6) Economic reforms leading to sustainable economic growth can require short-term assistance for economic sectors where the previous growth-impeding policies which distort the allocation of resources. The United States should work with developing countries to alleviate possible short-term costs associated with economic reform.

(7) To be effective, United States assistance should be accompanied by a policy framework that promotes long-term, self-sustainable economic growth and development.

(8) To gauge a country's progress in providing economic incentives, an Index of Economic Freedom is needed which will gauge a country's progress toward policies conducive to sustainable economic growth.

SEC. 1303. AMENDMENT TO FOREIGN ASSISTANCE ACT OF 1961.

The Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new section:

"SEC. 671. INDEX OF ECONOMIC FREEDOM.—

(a) DEVELOPMENT OF INDEX.—Not later than 6 months after the date of enactment of this Act, the Administrator of the Agency for International Development shall develop, for every country receiving development assistance under chapter 1 of part I of this Act, a system for determining and evaluating the progress being made by each such country to foster and enhance the freedom and opportunity of individuals to participate in the economic growth of their respective countries. Such system shall be referred to as the "Index of Economic Freedom" (hereafter in this section referred to as the "Index"). The Index shall be developed in consultation with such Federal agencies and private organizations as the Administrator deems appropriate.

(b) EXTENSION OF TIME.—The Administrator may extend the date by which the Index is required to be developed by an additional 90 days if he determines that the period specified in subsection (a) for the development of the Index is inadequate.

(c) FACTORS EVALUATED BY THE INDEX.—The Index should take into account such factors as the following and should be able to assess the degree of economic freedom and opportunity in a country:

"(1) PROPERTY RIGHTS.—The extent to which poor or landless individuals are illegally or otherwise artificially constrained from acquiring land or other forms of property or are unable to gain secure legal title to land, the degree to which laws and an independent judiciary protect private property and enforce contracts for individuals against the government, the extent of nationalization of property and the state's power to nationalize private property, and the degree of access of private parties to the judicial system.

"(2) REGULATIONS.—The difficulty and costliness of securing a business license, regulations which inherently favor established

business at the expense of newcomers, and limitations on the freedom and ability of citizens to establish businesses or add prohibitive costs or additional risks to maintaining such businesses.

"(3) INFORMAL SECTOR.—The extent to which government policies force economic activity into nominally illegal informal sectors where otherwise legal activities are conducted outside of government regulations and requirements, and the extent to which those policies discourage the development of locally controlled non-governmental institutions.

"(4) WAGE AND PRICE CONTROLS.—The identity of industries or goods which are subject to government mandated wages or prices, the value of goods sold wholesale and retail subject to price controls, the degree to which private farmers are forced to sell produce at government established prices, and the degree to which farmers are not allowed to profit from the real market price of their products.

"(5) TAXATION.—The highest rate of taxation, the income level at which this rate takes effect, the relationship between per-capita income and the level at which the highest rate of taxation takes effect, rate of the value added tax (VAT), the level of taxation on assets, and the rate of monetary inflation.

"(6) TRADE POLICY.—Customs duty rates, quantitative restrictions on imports, import quotas, import prohibitions, foreign exchange availability for those engaged in international trade, export taxes, restrictive export practices, marketing-distorting export incentives such as subsidies, import licenses, and country-of-origin restrictions.

"(7) RESTRICTIONS ON INVESTMENT AND CAPITAL FLOWS.—Limitations on foreign investment and foreign ownership, limits on repatriation of principal and profits for foreign investors, and restrictions on removal of foreign or domestic capital from the home country.

"(8) SIZE OF STATE SECTOR.—Value of industries owned by the government, percentage of GNP produced by state-owned industries, prohibitions on private economic activities in certain sectors and the value of the state sector assets.

"(9) BANKING.—Degree of government ownership of banking sector, private citizens rights to own and operate banks and citizens' access to private sources of credit.

"(d) REPORT.—Beginning two years after the date of enactment of this section, and every 12 months thereafter, the Administrator shall apply the Index to each country which is eligible for development assistance under chapter 1 of part I of this Act on that date and, based upon such evaluation, shall submit to the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate a report setting forth the findings of that evaluation. In making that evaluation, the Administrator shall rely, to the maximum extent practicable, on data supplied by private indigenous institutions in less developed countries.

"(e) DETERMINATION OF COUNTRIES ELIGIBLE FOR UNITED STATES SUPPORT.—Beginning two years after the date of enactment of this section, no assistance (except as otherwise provided by this Act) may be provided under chapter 1 of part I of this Act" with respect to a foreign country unless the advisability of furnishing support for that country has been considered in light of the data on that country contained in the latest report submitted under subsection (d).

"(f) USE OF INDEX TO EVALUATE COUNTRIES RECEIVING UNITED STATES ASSISTANCE.—In furnishing development assistance under chapter 1 of part I of this Act, the Administrator shall use the Index to promote improvements in the underlying economic conditions evaluated by the Index while retaining flexibility in designing and implementing development programs and projects. The Administrator shall use the Index as a basis for evaluating the direction of policy changes in less developed countries and as a basis for evaluating specific projects and programs assisted by the Agency for International Development.".

SEC. 1304. ELIGIBILITY OF COUNTRIES FOR FINANCIAL ASSISTANCE FROM CERTAIN INTERNATIONAL INSTITUTIONS.

The Secretary of the Treasury shall direct the United States executive directors to the International Monetary Fund, the International Bank for Reconstruction and Development, the International Development Association, the Inter-American Development Bank, the African Development Bank, the African Development Fund, the Asian Development Bank, and the Asian Development Fund to consider the advisability of opposing the extension of any loan or other financial assistance to countries which the Secretary determines have rated poorly under the latest report submitted under section 671(d) of the Foreign Assistance Act of 1961.

INDEX OF ECONOMIC FREEDOM

Mr. MACK. Mr. President, I have offered an amendment with a modification. The amendment requires the administration to develop an index of economic freedom. The modification makes some important changes that we have worked out with administration and with the managers of this bill. I thank all concerned for their cooperation in working out this amendment.

The purpose of this amendment is simple. It recognizes that economic freedom is the key to economic growth, which has made this country a dynamo of prosperity and a model to millions in developing countries across the globe. It says that we should develop an index of economic freedom and apply it to every nation that receives U.S. foreign assistance so we can know if they are making progress on economic reform.

This amendment has passed the Senate before, and the Foreign Operations bill of last year did contain language "encouraging" AID and Treasury to "seriously consider" developing such an index.

The development of an index of economic freedom is long overdue. Recognition of the link between economic freedom and growth and prosperity has been growing in the past few years and is becoming universal.

As a front-page article in the New York Times, Sylvia Nasar, "Third World Embracing Reforms To Encourage Economic Growth," July 8, 1991, stated:

> The old strategy for transforming a poor country into a rich one, advocated from the 1930's through the 1960's, called for rapid government-led industrialization at the expense of agriculture, protecting infant industry from foreign competition and replacing imports with domestic production for the local markets.
>
> At the nub of this philosophy was the notion that government should guide economic development. Thus came a tight web of licensing requirements, restrictions on who could enter or leave industries, constraints on bankruptcy filings and layoffs, and price controls. * * * "These views have not stood the test of time," the World Bank says bluntly.
>
> * * * And seemingly small steps toward deregulation have often produced great spurts of economic activity. Ghana, for instance, used to levy confiscatory taxes of 50 percent or more on cocoa, and some farmers left crops to rot in the fields or smuggled them out. When it sharply lowered the taxes, cocoa production and exports soared. When South Korea lifted interest rates on bank deposits in the 1970's, the size of its banking system quadrupled in less than 4 years.

We do have success stories we can point to now—countries where free market economic reforms have dramatically reversed decades of capital flight and resulting in a windfall of investment spurring economic growth. As the New York Times continued:

> Today Mexico * * * has taken to heart a notion that has won converts in Eastern Europe: when it comes to government, smaller is better. Since 1982, Mexico has sold 875 to 1,155 government-owned companies * * * the payoff has been 3 years of 3 to 4 percent growth and an inflation rate that is less than 20 percent—low by Latin standards. Even more promising, an estimated $10 billion that had been taken overseas has returned, as investors' confidence in the stability of Mexico's economy has grown.

Even the World Bank, not always known as a bastion of free market principles has become, in its 1991 World Development Report, trumpets the need for free market reforms. To quote from the report:

> Developing countries' prospects are principally in their own hands * * * governments need to intervene less in industrial and agricultural pricing, to deregulate restrictions to entry and exit * * * market-based incentives for saving and investment are essential if domestic resources are to play their essential part in financing development.
>
> * * * A measure of optimism is justified now that more and more countries are opting for a market-friendly approach. With strong international cooperation, the opportunities for development will be brighter.

This amendment provides for the establishment of a basis for measuring the progress of nations toward free market policies. The result will be a report to the Congress similar to the annual human rights report provided by the State Department. In other words, a report that gives us a sense of progress, or lack of progress, across a range of free market policies.

Mr. President, this is an important amendment that I hope will lead to the development of an important resource both to the Congress and to countries around the world. I support its adoption.

AMENDMENT NO. 854

(Purpose: To express the sense of the Congress that the United States should encourage growth in developing nations in order to create new markets for United States products and services)

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

SEC. . POLICY ON DEVELOPING NATION GROWTH.

(a) FINDINGS.—The Congress finds that—

(1) the creation of new employment worldwide is increasingly needed to maintain stability as populations expand;

(2) such job growth in developing nations would open vital new markets for the products and services of the advanced nations; and

(3) private direct investment is needed to bring about growth in the developing nations.

(b) POLICY.—It is the sense of the Congress that—

(1) the United States should urge developing nations to pursue policies conducive to growth through private direct investment;

(2) the United States should urge industrialized nations to avoid erecting trade barriers which could have the effect of restricting imports from developing nations; and

(3) the United States should encourage developing nations to pursue a policy that supports "national treatment" for private direct investors.

Mr. SYMMS. Mr. President, as this body considers the multibillion dollar foreign assistance legislation, I believe we have overlooked a critical component to truly improving the economic welfare of developing nations and their citizens.

Often times, and many of my colleagues will agree, the assistance we have provided to developing nations has done little to promote economic growth. While Third World economic problems are mostly self-imposed and bureaucrats in less-developed-countries have hindered the economic development of their country, the United States and multinational lending agencies have compounded the problem by rarely encouraging growth-oriented policies linked to the economic assistance it provides. Simply turning money over to these countries will not promote economic change. In most cases, the economic aid has been used by the recipients to repay previous foreign aid loans, or continue to prop-up inefficient State-run industries.

Mr. President, one clear way in which we can take a step in the right direction would be to adopt the amendment I am offering which states the sense of the Congress that the United States should promote growth-oriented, private direct investment into these developing nations.

As the populations of developing nations rises, the demand for employment opportunities will increase significantly. Jobs mean individual stability thereby enhancing a country's collective stability and success—an extremely important point to consider.

Mr. President, many of these nations do pose an economic and security risk to the United States. History proves that less developed countries caught in an economic cesspool are ripe for even greater political and social unrest.

Clearly, it is in the United States best interest to link our foreign assistance and economic development loans to the promotion of free enterprise, private direct investment and serious growth-oriented policies.

It astounds me that year after year, we throw money—the taxpayer's hard earned money—to countries who squander it away rather than utilizing it to promote economic development.

Although I have never been a supporter of foreign aid, I can recognize the unlikelihood of ending this multibillion-dollar program. However, rather than merely dumping this money on the countries, we should make every effort to incorporate policies to promote development. Though the amendment I am offering is only a sense of the Congress, I believe this can be the first step toward recognizing the deficiencies in our current policies and opening the door toward true economic and political gains for developing nations as well as our own.

Mr. President, I support the adoption of the amendment.

AMENDMENT NO. 855

The United States Congress understands that all Palestinian schools and universities in the West Bank and Gaza Strip will be opened at an early date, and expresses the hope that they will remain open, and will be respected and regarded by all parties as places of learning.

THE REOPENING OF PALESTINIAN UNIVERSITIES IN THE ISRAELI OCCUPIED TERRITORIES

Mr. CHAFEE. Mr. President, I would like to thank Senator KASSEBAUM for joining me in proposing an amendment calling on the Israeli Government to reopen and keep open all Palestinian schools and universities in the Israeli occupied territories. She has long been interested in the treatment of Palestinian students in the West Bank and Gaza Strip. I would also like to thank Senators SARBANES and MCCONNELL, the distinguished floor managers of this bill, for accepting our amendment.

I would like to commend the Israeli Government for its decision to reopen Al-Quds, Bethlehem, and Hebron Universities. All these institutions are Palestinian schools located in the Israeli occupied West Bank. I am very hopeful that we will see the remaining Palestinian universities—An-Najah, Bir Zeit, and Gaza—reopen soon so that young Palestinians will be able to once again turn their attention to their own education.

Since the beginning of the Intifada in December 1987, all Palestinian schools and universities have been closed for varying periods of time. The ostensible reason for closing these institutions of learning has been that they are centers of Palestinian violence and that they must be closed to preserve order in the occupied territories.

In the past 2 years, I have successfully sought the passage of legislation calling on the Israeli Government to reopen these schools and universities. I have always felt that children and their education should not be held hostage to any political issue. Further, I firmly believe that if the endless cycle of Palestinian/Israeli violence is to stop, there has to be greater respect for human rights of all people in the region.

In this light, I would urge the Israeli Government to announce its plans for the other universities. Coming on the heels of Secretary of State James Baker's fifth visit to the area since the end of the Persian Gulf war, opening Palestinian universities may signal a willingness on the part of the Israeli Government to ease some of its restrictions in the occupied territories. It would also address the need, as expressed by Secretary Baker, for both sides to engage in confidence building measures. Opening these universities would be an important step toward laying the groundwork for better lines of communication between the Israeli Government and the Palestinians living in the occupied territories.

I sincerely hope that the Israeli Government will listen to the concerns of the American Congress and reopen all the remaining Palestinian universities.

AMENDMENT NO. 856

On page 142, between lines 3 and 4, add the following:

"(c) INTERIM ACTION.—As an interim step, the United States should consider introducing, during the ongoing negotiations on confidence and security-building measures at the Conference on Security and Cooperation in Europe (CSCE), a proposal regarding the international exchange of information, on an annual basis, on the sale and transfer of major defense equipment, particularly to the Middle East and Persian Gulf region."

THE NEED FOR AN INFORMATION EXCHANGE MECHANISM FOR INTERNATIONAL ARMS SALES AND TRANSFERS

Mr. DECONCINI. Mr. President, I have offered an amendment today urging the administration to introduce a proposal, at the ongoing negotiations on confidence- and security-building measures, to provide for an annual exchange of information in arms sales and transfers of the CSCE participating States. The recent war in the Persian Gulf underlines the threat to peace and stability posed by global arms transfers. A first step toward obtaining a more accurate picture of the extent and impact of this trade could be taken through the provision of more complete and detailed information on arms sales and transfers. There is an urgent need to address this issue which has a global scope and we feel that the United States, as a key actor, should exercise leadership in seeking steps toward a more responsible approach to the international arms trade.

The CSCE provides a logical forum for the countries of Europe and North

America to take a first step toward greater disclosure of the international arms trade. The CSCE has a proven track record in the confidence-building field. It is also important to keep in mind that 9 of the top 10 conventional arms-exporting States are CSCE participating States. In addition, the CSCE offers the benefit of having a mechanism already in place in Vienna which could facilitate such an information exchange. The 25 CSCE foreign ministers, meeting recently in Berlin, recognized the need for transparency in the transfer of conventional weapons and weapons technologies.

The introduction of a proposal on information exchange at CSCE in no way precludes more ambitious initiatives currently under discussion. It would be unfortunate to miss this opportunity to take a small, but meaningful step, in the right direction.

AMENDMENT NO. 857

(Purpose: To provide for limited assistance for Angola)

On page 195, between lines 18 and 19, insert the following:

SEC. 690. LIMITED ASSISTANCE FOR ANGOLA.

(a) DEMOCRACY-BUILDING AND OTHER ASSISTANCE.—(1) Beginning with fiscal year 1992, the President shall provide—

(A) nonpartisan election and democracy-building assistance to Angola for support in developing democratic institutions and supporting such institutions; and

(B) assistance for the voluntary relocation and resettlement of refugees, the demobilization and retraining of former military members of UNITA and the armed forces of the Government of Angola, the provisions of emergency medical assistance, with a special emphasis on the medical needs of children, and the provision of other appropriate assistance to implement the Estoril peace accords.

(b) SUPERSEDING EXISTING LAW.—Assistance under this section shall be provided without regard to any provision of law which prohibits direct or indirect assistance for Angola.

(c) PROHIBITION.—In the event that the Government of the People's Republic of Angola (PRA) or the National Union for the Total Independence of Angola (UNITA) violates the Peace Accords for Angola, then none of the funds made available under this Act or any other Act may be used for Angola.

(d) DEFINITION.—The term "Estoril peace accords" refers to the document entitled "Fundamental Principles for the Establishment of Peace in Angola", done at Lisbon on May 1, 1991.

At the bottom of page 5, after the item relating to section 689, add the following new item:

Sec. 690. Limited assistance for Angola.

(e) REPORTING REQUIREMENT.—The Secretary of State shall submit a report to Congress on June 1, 1992, and every six months thereafter providing details of how the authorized funds have been used.

Mr. DECONCINI. Mr. President, today I have offered an amendment to authorize the President to provide nonpartisan election assistance and other assistance to Angola in support of the peace accords. On May 31, 1991, after 16 long, bloody years of civil war, Dr. Jonas Savimbi of UNITA and President Eduardo Dos Santos of the MPLA met in Lisbon, Portugal to sign the Estoril accords. That act brought a cease-fire in the war and began a 16-month process which will culminate in free and fair elections in the fall of 1992.

We can consider our policy of cease-fire, national reconciliation and free and fair elections in Angola a success. I am optimistic. But, I would caution my colleagues—we are not there yet. The process is in its infancy and we will undoubtedly encounter many potholes and roadblocks along the way.

The amendment I am offering today is designed to assist this delicate process. It begins to lay the groundwork for the future of Angola and our future relationship with a freely elected Angolan Government. I am pleased to announce that I am supported in this effort by the chairman of the Africa Subcommittee, Senator SIMON, and the ranking member, Senator KASSEBAUM. This amendment is also supported by the State Department.

My amendment is a simple one.

First, it authorizes nonpartisan election and democracy-building assistance to Angola for support in developing democratic institutions and supporting such institutions.

Second, it also authorizes assistance for the voluntary relocation and resettlement of refugees, the demobilization and retraining of former members of UNITA and the armed forces of the Government of Angola, the provision of emergency medical assistance—with a special emphasis on the medical needs of children, and the provision of other appropriate assistance to implement the Estoril peace accords.

Let me remind my colleagues of a few facts about this issue which has been a contentious one in the past. We currently do not recognize the Government of Angola. This body affirmed U.S. policy on May 23 of this year when a sense of the Senate resolution sponsored by this Senator, and cosponsored by Senator SIMON, was passed by the full Senate. That resolution stated that we would recognize the new Government of Angola upon the completion and verification of free and fair elections. Under the peace accords, these elections are to be held sometime between September 1 and October 31, 1992.

We also have a policy of support for the anti-government organization known as UNITA. Any current support for UNITA will be terminated prior to the beginning of the official campaign period leading up to the Angolan elections. Other aspects of this program will be addressed on another bill at a later day. Let me stress that the amendment I am offering today would supplement any other aid program.

But, just as we have been involved in the Angolan civil war, so do we have a responsibility in assisting the Angolan peace and democracy process. My amendment will begin that process. The people of Angola have known only war for too long. They have not had the opportunity to participate in free and fair elections. They need to begin to learn about what is meant by "democracy" and "free elections." They cannot do that when they are focused on finding a job or trying to return to the homes that they fled during the war. They cannot do that when their children are sick and in need of medical assistance. Beginning a program of assistance to the people of Angola—as envisioned in my amendment—can help to address some of these immediate programs. It can also help to ensure that a balanced playing field is maintained during the period leading up to the elections next fall.

My amendment is a modest step toward beginning the process which will ultimately lead to the normalization of relations with Angola following free and fair elections. I urge my colleagues to put the antagonisms of the past behind us and support this amendment.

AID PROGRAM TO ANGOLA

Mrs. KASSEBAUM. Mr. President, I rise today to discuss the evolving United States aid program in Angola. Senator DECONCINI has proposed an amendment which would begin an overt United States aid program in Angola.

The authority in this amendment does two things: First, it provides assistance to the election process. In small sums, such aid could be very useful in the technical preparation for the election and the building of institutions for a postelection Angola.

Second, the amendment authorizes assistance for refugees, the demobilization of both MPLA and UNITA troops, the provision of medical aid, and the implementation of the Angola peace accords.

I am supporting this authority language because I view it as the first step in our efforts to convert our entire assistance program to Angola to an overt program.

I had intended to offer an amendment to this bill which would have changed our nonlethal aid program to UNITA from a covert to an overt one. After discussions with the administration and chairman of the Intelligence Committee, I am convinced that the United States is committed to this course of action.

Mr. President, I support the continuing U.S. program of nonlethal assistance to UNITA. The United States has a clear responsibility to support the humanitarian needs of UNITA and to assist the group in the implementation of the Lisbon accords.

However, I also strongly believe that our nonlethal program to UNITA should be an open, overt program. In this delicate transition period, U.S. policy must seek to ensure a peaceful transition to free and fair elections.

As long as our program remains covert, the United States leaves itself open to charges of misconduct, charges which could upset the process toward free and fair elections. A covert aid program will continue to raise questions of improprieties.

Mr. President, since the signing of the Angola peace accords, the goal of our covert aid program has been to support the peace agreement. That is also what we are doing here today with this amendment. This language begins an open U.S. aid program, which will hopefully lead to a completely overt program early next year.

I commend the Senator from Arizona for beginning the move toward an open assistance program in Angola. His amendment provides the framework for the ending of our covert program, and I would urge the administration and the Intelligence Committee to move at the earliest possible date toward an overt assistance program to UNITA. Such an above the board approach would serve the interests of the United States and UNITA as Angola moves toward their election campaign process.

AMENDMENT NO. 858

(Purpose: To foster additional support for the democratic aspirations of the Baltic States)

On page 119, at the end of line six, strike out the quotation marks and the second period, and between lines 6 and 7, add the following:

"(4) the United States Government should channel directly to the Baltic states United States Government technical and humanitarian assistance.

"(5) the United States should maintain direct contacts with the parliaments of Lithuania, Latvia and Estonia as the legitimate, freely elected and democratic representatives of the people of the Baltic states; and

"(6) the United States should seek support for observer status for the Baltic states in the Conference on Security and Cooperation in Europe (CSCE).".

EXPANDING SUPPORT FOR THE BALTIC STATES

Mr. DECONCINI. Mr. President, I rise today to propose an amendment providing for increased support for the peoples of Lithuania, Latvia, and Estonia. The time has come for the United States to go beyond pious words of support for the peoples of the Baltic States. Mere repetition of the U.S. nonrecognition policy will not suffice. We need to give concrete expression to this support and should expand our contacts with the Baltic States.

I was pleased to see that the committee has included both technical and humanitarian assistance for the people of Lithuania, Latvia, and Estonia. The Baltic peoples have borne a tremendous hardship, particularly as they have pursued their legitimate demand for effective independence.

It is important to ensure that United States technical and humanitarian assistance is received by the intended recipients: the peoples of Lithuania, Latvia, and Estonia. It is essential that such assistance be channeled directly to the Baltic States and not through Moscow, particularly in light of the collapsing Soviet infrastructure and Moscow's history of using such aid as a coercive political weapon.

The peoples of Estonia, Latvia, and Lithuania have made serious strides in reasserting their national independence. A major step in this process was the holding of multiparty elections in each of the Baltic States. The United States should recognize, establish, and maintain direct contacts with these democratically elected parliaments whose members are the legitimate representatives of the peoples of the Baltic States.

Finally, the United States should formally propose and seek observer status for the Baltic States in the Conference on Security and Cooperation in Europe [CSCE]. The administration, when pressed on this point, cites the fact that, under CSCE rules, the Soviet Union holds an effective veto over Baltic participation. Mr. President, if we had allowed the threat of a Soviet veto to guide our policy during the cold war, we would have never witnessed the dramatic changes which have taken place in much of Central and Eastern Europe and the Soviet Union in recent years. The truth of the matter is that the Baltic States deserve observers status in CSCE. If the Soviets want to stand in their way that is one thing. We should stop hiding behind the Soviets. The United States should formally propose and seek support for CSCE observer status for the Baltic States.

AMENDMENT NO. 859

(Purpose: To promote the development of microenterprises in developing countries)

At the end of the bill, add the following:

TITLE —MICROENTERPRISE DEVELOPMENT ACT OF 1991

SEC. 01. SHORT TITLE.

This title may be cited as the "Microenterprise Development Act of 1992."

SEC. 02. FINDINGS.

The Congress makes the following findings and declarations:

(1) More than a billion people in the developing world are living in poverty, with incomes of less than $370 a year.

(2) According to the World Bank, mortality for children under 5 averaged 121 per thousand for all developing countries.

(3) Nearly 40,000 children die each day from malnutrition and disease.

(4) Poor people themselves can lead the fight against hunger and poverty through the development of self-sustaining microenterprise projects.

(5) Women in poverty generally are less educated, have a larger workload, and have less access to economic opportunity than their male counterparts. Directly aiding women in the developing world has a positive effect on family incomes, child nutrition, and health and education.

(6) Microenterprise development offers the opportunity for the poor to play a central role in undertaking strategies for small scale, self-sustaining businesses that can bring them out of poverty.

(7) The World Bank estimates that there are over 400,000,000 self-employed poor in the developing world and projects that, by the year 2020, 95 percent of African workers will be employed in the informal sector.

(8) For many people, lack of credit creates an obstacle to the development of self-sustaining enterprises.

(9) Projects like the Grameen Bank of Bangladesh, the Badan Kredit Kecamatan in Indonesia, and ADEMI in the Dominican Republic have been successful in promoting credit programs that have lent money directly to the poor. Repayment rates in these programs are 95 percent or higher indicating that it is possible to "bank on the poor".

(10) The Agency for International Development has been a leader in small and microenterprise development in the past 20 years.

(11) The Congress earmarked funds for fiscal years 1988, 1989, 1990, and 1991 for microenterprise development activities and has called upon the Agency for International Development to take steps to ensure that its microenterprise activities included a credit component designed to reach the poorest sector of the developing world.

(12) In 1990, the Agency for International Development created the Office of Small and Microenterprise Development within the Bureau for Private Enterprise to lead and coordinate the Agency's microenterprise efforts.

(13) In March 1990, the Agency for International Development reported that new spending for microenterprise development was $58,800,000 for 1988 and $83,300,000 for 1989 and that the average loan size for the credit component of the program averaged $329 for 1988 and $387 for 1989. However, less than 10 percent of the spending for the 1988 program, and less than 7 percent of the spending for the 1989 program, was for loans of under $300.

(14) A February 1991 report by the General Accounting Office indicated that data in that March 1990 report was of "questionable validity" and that the Agency for International Development did not have a system to track detailed information concerning its microenterprise credit activities. Furthermore, the General Accounting Office found that none of the three missions that it visited targeted their microenterprise projects specifically to women or to the poorest 20 percent of the population, as recommended by the Congress.

(15) The Agency for International Development has stated its belief that it should have a system established to track this detailed information concerning its microenterprise credit activities during the fiscal year 1992.

(16) The Congress recognizes that provision of credit alone may not be sufficient to generate opportunities for successful microenterprise development and that assistance focused in the areas of institutional development, technical assistance, training, and policy reform may also be appropriate for assisting microenterprise development.

(17) The Agency for International Development has indicated its willingness to explore the idea of holding a series of regional workshops on microenterprise development. The Congress encourages the Agency to include in these workshops opportunities for training Agency personnel and United States and indigenous private and voluntary organizations in activities designed to reach the poorest of the poor.

SEC. 03. PURPOSES.

The purposes of this title are—

(1) to provide for the continuation and expansion of the commitment of the Agency for International Development to microenterprise development;

(2) to increase the amount of assistance going to credit activities designed to reach the poorest sector in developing countries; and

(3) to increase the percentage of such credit that goes to women beneficiaries.

SEC. 04. ASSISTANCE FOR MICROENTERPRISE DEVELOPMENT.

(a) GENERAL AUTHORITY.—The President, acting through the Administrator of the Agency for International Development, is authorized to provide assistance for programs of credit and other assistance for microenterprises in developing countries. In addition to providing financial resources for direct credit activities of indigenous financial intermediaries, assistance under this title may include assistance for institutional development of such intermediaries (including assistance to enable private and voluntary organizations to develop the capability to serve as financial intermediaries), technical assistance, training, and policy reform. Microenterprise credit and related activities assisted under this title shall be carried out primarily through those indigenous financial intermediaries and private and voluntary organizations that are oriented toward working directly with the poor and women.

(b) ELIGIBILITY CRITERIA FOR FINANCIAL INTERMEDIARIES.—The mission of the Agency for International Development that is responsible for a country receiving assistance under this title shall establish criteria for determining the financial intermediaries that will receive assistance under this title, taking into account the following:

(1) The extent to which the recipients of credit from the intermediary lack collateral.

(2) The extent to which the recipients of credit from the intermediary do not have access to the local formal financial sector.

(3) The extent to which the recipients of credit from the intermediary have relatively limited amounts of fixed assets.

(4) The extent to which the recipients of credit from the intermediary are among the poorest people in the country.

(5) The extent to which interest rates charged by the intermediary on loans reflect the real cost of lending.

(6) The extent to which the intermediary reaches women as recipients of credit.

(7) The extent to which the intermediary is oriented toward working directly with the poor and women.

(c) LOWER TIER FOR POVERTY LENDING ACTIVITIES.—A significant portion of the amount made available each fiscal year to carry out this title shall be used to support direct credit assistance by, and the institutional development of, those financial intermediaries with a primary emphasis on assisting those people living in absolute poverty, especially women.

(d) FOCUS ON WOMEN.—The Office of Small and Microenterprise Development in the Agency for International Development shall include in its annual action plans a strategy for increasing the access of women in developing countries to credit and other microenterprise development activities, with the goal of increasing to at least 50 percent the percentage of microenterprise credit that goes to women beneficiaries. This strategy shall be developed in consultation with the Agency's Women in Development Office.

SEC. 05. FUNDING SOURCES.

(a) SOURCES.—Funds to carry out this title shall be derived from the following sources:

(1) Funds available to carry out chapter 1 of part I of the Foreign Assistance Act of 1961 (relating to the functional development assistance accounts).

(2) Funds available to carry out chapter 10 of part I of that Act (relating to the Development Fund for Africa).

(3) Funds available to carry out chapter 4 of part II of that Act (relating to the economic support fund).

(4) Local currency accruing as a result of assistance provided under chapter 1 of part I, chapter 10 of part I, or chapter 4 of part II of that Act.

(5) Local currency proceeds available for use under titles II and III of the Agricultural Trade Development and Assistance Act of 1954 (as amended by section 1512 of the Food, Agriculture, Conservation, and Trade Act of 1990 (Public Law 101-624)).

(6) Local currency which accrues as a result of assistance provided under the Agricultural Trade Development and Assistance Act of 1954 as in effect immediately before the effective date of the amendment made by section 1512 of the Agriculture Development and Trade Act of 1990.

(7) Local currency generated under subsection (b) of this section.

(b) AUTHORITY TO GENERATE LOCAL CURRENCIES.—In order to generate local currencies for use in providing assistance under this title, the President is authorized to use funds made available to carry out chapter 1 of part I, chapter 10 of part I, or chapter 4 of part II of the Foreign Assistance Act of 1961 to provide assistance to the governments of developing countries on a loan basis repayable in local currencies, at a rate of exchange to be negotiated by the President and the foreign government. Such loans shall have a rate of interest and a repayment period determined by the President. Section 122 of the Foreign Assistance Act of 1961 shall not apply with respect to loans pursuant this subsection.

(c) NONAPPLICABILITY OF CERTAIN LAWS.—Local currencies used under this section shall not be subject to the requirements of section 1306 of title 31, United States Code, or other laws governing the use of foreign currencies owned by, owed to, or accruing to the United States.

SEC. 06. FUNDING LEVELS FOR FISCAL YEARS 1992 AND 1993.

(a) MINIMUM LEVEL OF ASSISTANCE.—There are authorized to be appropriated to the Administrator of the Agency for International Development $85,000,000 for fiscal year 1992, and $85,000,000 for fiscal year 1993, for microenterprise assistance pursuant to this title.

(b) ASSISTANCE FOR THE POOREST SECTORS.—

(1) MINIMUM FUNDING LEVEL.—Of the amounts authorized to be appropriated by subsection (a), there are authorized to be appropriated $20,000,000 for fiscal year 1992 and $30,000,000 for fiscal year 1993, to be used to support poverty lending programs.

(c) USE OF LOCAL CURRENCIES.—In order to meet the minimum funding requirement of this section, local currencies described in section 05(a) may be used in lieu of an equivalent amount of dollars.

SEC. 07. MONITORING OF MICROENTERPRISE ASSISTANCE ACTIVITIES.

The Administrator of the Agency for International Development shall develop a monitoring system to track the performance of the Agency's microenterprise development activities, including their effectiveness in reaching the poor and women in each beneficiary developing country. In developing this system, the administrator shall consult with the Congress and with appropriate private and voluntary organizations.

SEC. 08. REPORTS TO CONGRESS.

The Administrator of the Agency for International Development shall report to the Congress annually on the Agency's microenterprise development activities, including the Agency's strategy for complying with the minimum funding requirements of subsections (a) and (b) of section 06.

MICROENTERPRISE ACTIVITIES DESERVE SUPPORT

Mr. DECONCINI. Mr. President, I am pleased today to offer an amendment to ensure that a small portion of our foreign aid program goes directly to helping the poorest of the world's poor. I am joined in this effort by a bipartisan coalition of 16 Senators.

Since 1988, Congress has urged the Agency for International Development [AID] to initiate a microenterprise loan program at its various missions around the world. The program has been funded in the foreign aid appropriations bill at levels between $50 million and $75 million. In addition, I would like to point out to my colleagues that this amendment, in a slightly different form, was added to the House-passed foreign aid authorization bill.

The amendment we are offering today would do two things:

First, it authorizes the appropriation of $85 million from development assistance funds for AID's microenterprise program.

Second, it authorizes the appropriation of $20 million of that $85 million for poverty lending programs.

Let me emphasize, Mr. President, that this is not a new program. It does not add money to the microenterprise program. Instead, it essentially earmarks $85 million of the many millions of dollars in development assistance for this important loan program.

In addition, it calls for $20 million of the $85 million to be used for making loans to poor individuals who are trying to escape poverty and establish very small businesses. This is less than 25% of the entire microenterprise program. Currently, these people are forced to go to their village money lender and borrow money at exorbitant interest rates. Under this program, these people would be able to get small loans at very low interest rates to establish their businesses. Some people need these loans to buy supplies: buying straw, for example, to make baskets, or a sewing machine to make dresses. Institutions such as the Grameen Bank in Bangladesh have had great success with this program and have achieved a loan repayment rate in excess of 95 percent.

I must inform my colleagues that AID is opposed to this amendment. Officials at AID have opposed this program and have dragged their feet in getting it established. But we on the Foreign Operations Appropriations Subcommittee with the strong support of Chairman LEAHY and ranking member KASTEN have continued to support

it. While AID has fought us, to its credit, it has made great progress in getting the program operating in many AID missions around the world.

Specifically, AID is opposed to taking a portion of the entire program and targeting it for loans under $300. For some reason, AID officials believe that it is too difficult or too complicated a task to keep track of all of these small loans. Nevertheless, AID has been making improvements in meeting the goal of extending loans under $300 in its second annual report to Congress on microenterprise activities, dated April 30, 1991, the Agency comments on a number of programs which it operates in various countries whose average loans are far below the $300 threshold.

These include the Get Ahead Program in South Africa with an average loan size of $154, and Catholic Relief Services Village Banking Program in Thailand and Senegal with an average loan size of $67. In its report, AID states that it is developing a "microenterprise monitoring system" to better assist it in keeping track of the loans that its missions do make.

So, I must admit that I am confused by the signals AID is sending. The officials at AID do not like a $300 loan limit on a small portion of the overall bill. But it has many programs that are meeting that limit; it is improving its own data collection system, and it estimates that it will spend $114 million on microenterprise activities in 1991 and over $137 million in 1992. This is greatly in excess of the modest amount we are proposing in this amendment.

Mr. President, I urge my colleagues to support this amendment. Most Americans are opposed to foreign aid because they see that aid helping to make corrupt dictators wealthier while keeping their taxes higher at home. But I firmly believe the American people will support programs that will directly help people to help themselves. That is exactly what this amendment does. That is exactly what this program has been doing. I hope that this amendment will be adopted overwhelmingly.

And I also hope that the issue of the $300 loan level can be favorably addressed during conference with the House.

I ask unanimous consent that two editorials from the New York Times and the Arizona Daily Star on this issue be printed in the RECORD at this point.

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

[From the New York Times, July 22, 1991]

BLACKS NEED HELP NOW

(By Lorna Hahn)

WASHINGTON.—The lifting of Congressional sanctions against South Africa will bring few immediate benefits to the country's seven million unemployed blacks. With state and local sanctions remaining, Eastern Europe beckoning and violence in South Africa continuing, U.S. businesses are leery about reinvestments there that could create desperately needed jobs.

But many blacks, very often women, have found ways to employ themselves in vending and service activities, day care and learning centers, agricultural and handicraft cooperatives and other useful little enterprises. Many would like to follow their example. These potential entrepreneurs could be helped directly and pretty quickly if the Senate approved the Microenterprise Development Act of 1991, a part of the foreign aid bill passed last month by the House.

This legislation would expand the credit operations of the Agency for International Development's Office of Small and Microenterprise Development so that even the poorest of a country's poor—mostly women—could borrow enough money to start a tiny business. Loan recipients would also receive whatever training and technical assistance help they might need in order to make the venture viable.

In South Africa, assistance would be channeled through the urban-based Get Ahead Foundation. This black-owned nonprofit organization promotes the development of small businesses in townships like Soweto. Partly funded since 1987 by A.I.D., which began with a $3.3. million grant, it has made short-term, low-interest loans averaging $160 to more than 5,000 people, at least 90 percent of them women who belong to small-savings plans.

The participants, mostly vendors, attend workshops in bookkeeping and pricing and business skills, and receive legal advice on vendor rights and taxation. Many "graduates" have gone on to obtain individual loans from banks and to link their enterprises to larger local and even national markets—and almost every single initial loan has been repaid.

The Microenterprise Development Act would extend this program to people wholly lacking in material assets and credit histories but who can produce an idea that makes sense. The creditworthiness of such untested but ambitious people has been repeatedly shown throughout the third world by the Grameen Bank of Bangladesh, the Badan Kredit Kecamatan of Indonesia and Ademi in the Dominican Republic. Grameen provides loans averaging $67 to the very poorest women, and has a 98 percent rate of paybacks.

In South African townships, new A.I.D.-sponsored activities could be particularly beneficial if they went not only to women but also restless young people who see few constructive outlets for their frustrations and hopes.

If possible, a branch should be established to serve the wretchedly poor and often overlooked homelands, inhabited mainly by women, older men and children. There access to credit and skills could spell success for thousands who dig irrigation ditches by hand, save rand by rand to buy a few chickens, string beads and weave baskets to try to eke out the rudiments of a living.

Fostering microenterprises will hardly solve South Africa's economic problems, but it could make many people self-supporting, self-confident and socially responsible while the larger issues are being worked out. The very low budgets and lack of bureaucracies should make the program attractive to Americans who want to help deserving blacks but are weary of the waste and fraud that has beset so much foreign aid.

[From the Arizona Daily Star, July 23, 1991]

PITTANCE GOES FAR: TINY MICROENTERPRISE LOANS WORK MIRACLES

Nearly buried in the competition for U.S. foreign aid lies a proposal that could perform miracles of self-sufficiency for poor people worldwide. It's the Microenterprise Development Act, and it faces a struggle in Congress.

Compared with the usual big-time winners of U.S. foreign aid, the $85 million in microenterprise money requested for the next two years is a relative pittance to give the planet's poorest people a tiny boost toward self-sufficiency. Israel will probably get its $3 billion, Egypt its $2.1 billion, and other Mideast nations their handsome rewards for backing Operation Desert Storm. But backers of microenterprise money, including Sen. Dennis DeConcini, may have to use innovative tactics to win approval in this intensely competitive budget process.

DeConcini could amend the foreign aid authorization bill to include the Microenterprise Act. The authorization bill is usually stalemated in the Senate, so if the amendment didn't work, a rarely invoked tactic of introducing microenterprise funds as a free-standing bill might be tried. Either way, it will take considerable muscle to push it through.

When microenterprise money is awarded to poor people properly, results are amazing. The Grameen Bank of Bangladesh is an example. In just a few years, it has made loans averaging $67 to over 80,000 destitute women, and has enjoyed a 98 percent repayment rate.

The impressive success of this program lies not in big hydroelectric dams or new airports or new factories but in humble self-employment projects such as raising chickens, husking rice or making tiles. Loan recipients make the most of the small sums in ways that major projects could never achieve.

Yet microenterprise money isn't always doled out the way it was meant. DeConcini backed a General Accounting Office study of the money's use, and the office found that the U.S. Agency for International Development didn't target enough loans to the poorest individuals, specifically poor women entrepreneurs in Third World countries.

Congress actually recommended that 80 percent of the money go to people in the poorest 50 percent of the populations in each country who need money to start or operate a business. The GAO found that isn't happening, and that AID often exceeds the $300 loan guideline, for loans as high as $2,100. The agency thought $300 was too small to make a difference in some countries.

The microenterprise method, in its original design, works well. It's destructive to decide to switch to something else. Now AID has pledged to design and test a better monitoring system for the small loans.

Millions of families could improve their lives and give their children hope for survival and independence if the Senate finds its way to carry through on what the House has already passed. So many insignificant, struggling people could benefit from all these tiny loans that hang in the balance of senators' votes.

AMENDMENT NO. 860

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

SEC. . PROHIBITION ON CERTAIN TRANSACTIONS BETWEEN CERTAIN UNITED STATES FIRMS AND CUBA.

The Trading with the Enemy Act is amended by adding at the end thereof the following new section:

"SEC. 44. Notwithstanding any other provision of law, no license may be issued for any transaction described in section 515.559 of title 31, Code of Federal Regulations, as in effect on July 1, 1989, unless a license may be issued for such transaction if such transaction were undertaken by a firm organized under the laws of any of the States of the United. States.".

AMENDMENT NO. 861

On page 132, after line 22, add the following new section:

SEC. 630A. PARTNERSHIP IN ESSENTIAL GOVERNMENTAL SERVICES.

(a) POLICY.—It is the sense of the Congress that a program should be developed to make United States Federal employees available on a temporary basis to assist SEED countries in the development of essential governmental and related services. Such a program should seek to meet legitimate needs identified by eligible SEED countries with appropriate United States Government employees whose short-term secondment to a SEED country would not disrupt or interfere with the United States Government services. In-country costs of such a program, such as housing, should be borne by the host country, while the salary of United States Government employees would continue to be paid by the relevant department or agency. Management of such a program should be administered through existing institutions, such as the Citizens Democracy Corps.

(b) AUTHORITY.—The President is authorized to make available, on a volunteer basis and as appropriate, Federal civil service employees of United States Government departments, agencies, and bureaus for temporary duty in SEED countries to assist those countries in the development of essential governmental services.

(c) REPORT.—Not later than 90 days after the date of enactment of this Act, the President shall submit to the Congress a report setting forth a plan to carry out this section.

AMENDMENT NO. 862

On page 162, at the end of line 8, insert a comma and add the following: "and assistance under the Agricultural Trade Development and Assistance Act of 1954".

On page 169, line 7 after "1961", add the following: "or the Agricultural Trade Development and Assistance Act of 1954".

On page 170, line 7, after "1961", add the following: "and the Agricultural Trade Development and Assistance Act of 1954".

Mr. LEAHY. Mr. President, earlier this week the committee removed at my request language relating to agricultural trade assistance in the section establishing limitations on assistance to Guyana and Guatemala. I asked the chairman to remove this language in order to make clear that food and agricultural aid is under the jurisdiction of the Committee on Agriculture.

I did not oppose the policy represented in these sections of chapter 5.

This amendment reinserts the references to the Agricultural Trade Development and Assistance Act of 1954 in these two sections relating to limitation on assistance to these two nations.

AMENDMENT NO. 863

(Purpose: To make certain en bloc amendments with respect to the Enterprise for the Americas and the Environment)

On page 196, line 6, strike the word "and" after "Hemisphere" and insert in lieu thereof a comma.

On page 196, line 7, strike the period at the end of the sentence and insert in lieu thereof ", and broad based environmentally sustainable development.".

On page 196, between lines 20 and 21 insert the following:

"(4) the sustainable use of the hemisphere's natural resources and environmental protection."

On page 197, line 20, strike the period and insert in lieu thereof ", and the sustainable use of natural resources."

On page 199, line 14, strike the period and insert in lieu thereof ", and will not have an adverse impact on such countries' natural resources.".

On page 210, line 11 after "agencies" insert the following: "and a broad range of interested non-governmental organizations".

On page 211, line 5, after "agencies," insert the following: "a broad range of".

On page 211, line 18 after "Development" insert the following: "and the government of the eligible country,".

On page 213, line 19, after "Development" insert the following: "and the government of the eligible country".

On page 217, line 21 renumber the current "SEC. 774. Debtor Consultation," as SEC. 775 and insert the following:

"SEC. 774. ELIGIBLE INVESTMENT ACTIVITIES.

"Not later than 180 days after enactment of this title, the Administrator of the Agency for International Development, in consultation with other government agencies and a broad range of interested non-governmental organizations, shall identify activities that use natural resources on a sustainable basis or otherwise practice sound environmental management and promulgate environmental standards to review proposed activities. Such standards shall, among other things, identify, and prohibit the sale of credits in support of specific activities that typically involve significant threats to the environment, natural resources and public health."

Mr. LIEBERMAN. I want to commend my colleague, the senior Senator from Connecticut, for his fine work on the Enterprise for the Americas Initiative contained in this bill. Once again, he has shown himself to be a leader in helping our neighbors to the South. His work will certainly help to make the economies of the nations of Latin America stronger. And that is good for us at home as well. They will be better able to buy American goods and services.

I am particularly pleased by the debt reduction portion of the Americas initiative. The Senator and his staff have devised a thoughtful way to ensure that there will be maximum benefit to any debt reduction that occurs. As my colleague knows, I have introduced a similar debt for environment bill, S. 1124, that would affect not only Latin America but other developing nations as well. I am pleased that the pending bill incorporates similar elements, and I appreciate my colleague's assistance in this regard.

The language in the pending bill mentions a number of possibilities for the grant program established as a result of debt reduction. One of those possibilities is environmental activities. I wonder if this would include clean energy or energy conservation sources such as fuel cells some of which, as you know, are manufactured in Connecticut.

Mr. DODD. I want to thank my colleague for his kind words. I also want to assure him that when we mention environmental activities in the Enterprise for the Americas Initiative, this includes clean energy and energy conservation sources. We have both worked hard to ensure that the fuel cell program continues to be funded. I am sure that this type of technology could be beneficial to the nations of Latin America as they endeavor to clean up their environment.

Mr. LIEBERMAN. I want to thank my friend for his efforts and for clarifying this point.

AMENDMENT NO. 864

(Purpose: To provide for auditing of accounts of international organizations)

On page 98, after line 19, add the following new section:

SEC. 514. AUDITING OF ACCOUNTS OF INTERNATIONAL ORGANIZATIONS.

(a) UNITED NATIONS ORGANIZATIONS.—It is the sense of Congress that in the case of the United Nations and its affiliated organizations, including the International Atomic Energy Agency, the President should (acting through the United States representatives to such organizations), propose and actively seek the establishment by the governing authorities of such organizations of independent, professionally qualified auditors for the purpose of providing a continuing program of selective examinations, review, evaluation, and audits of the programs and activities of such organizations.

(b) MULTILATERAL DEVELOPMENT BANKS.—

(1) IN GENERAL.—It is the sense of Congress that in the case of each of the organizations specified in paragraph (2), the President should, acting through the United States representative to such organization, propose and actively seek the establishment by the governing authorities of that organization of independent professionally qualified auditors for the purpose of providing a continuing program of examination, review, and audits of the programs and activities of that organization.

(2) MDB'S SUBJECT TO PARAGRAPH (1).—The organizations to which paragraph (1) applies are the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Multilateral Investment Guarantee Agency, the Inter-American Investment Corporation, the African Development Bank, the Inter-American Development Bank, the African Development Fund, the Asian Development Fund, and the Asian Development Bank.

AMENDMENT NO. 865

(Purpose: To specify the procedure for reports on international organizations)

On page 98, after line 19, add the following new section:

SEC. 514. REPORTS ON INTERNATIONAL ORGANIZATIONS.

(a) SUBMISSION DATE FOR ANNUAL REPORT.—The annual reports to the Congress under section 2 of the Act of September 21, 1960 (22 U.S.C. 262a), shall be submitted within 9 months after the end of the fiscal year to which they relate.

(b) ANNUAL REPORTS ON VOLUNTARY CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS BY ALL UNITED STATES GOVERNMENT AGENCIES.—

(1) REQUIREMENT FOR REPORTS.—Not later than January 31 each year, the President shall submit a report to the Congress listing all voluntary contributions by the United States Government to international organizations during the preceding fiscal year.

(2) INFORMATION TO BE INCLUDED.—Each such report shall specify the Government agency making the voluntary contribution, the international organization to which the contribution was made, the amount and nature of the contribution, and the purpose for which the contribution was made. Contributions shall be listed on both an agency-by-agency basis and an organization-by-organization basis.

(3) OBLIGATION OF EACH AGENCY.—In order to facilitate the preparation of the report required by paragraph (1), the head of any Government agency that makes a voluntary contribution to any international organization shall report that contribution to the Director of the Office of Management and Budget on a quarterly basis.

(4) DEFINITION.—As used in this subsection, the term "contribution" means any contribution of any kind, including the furnishing of funds or other financial support, services of any kind (including the use of experts or other personnel) or commodities, equipment, supplies, or other material.

AMENDMENT NO. 866

(Purpose: To withhold U.S. proportionate share for certain programs of international organizations)

On page 98, after line 19, add the following new section:

SEC. 514. WITHHOLDING OF UNITED STATES PROPORTIONATE SHARE FOR CERTAIN PROGRAMS OF INTERNATIONAL ORGANIZATIONS.

(a) REQUIREMENT TO WITHHOLD.—Funds authorized to be appropriated by this chapter shall not be available for the United States proportionate share for programs for countries or organizations or for projects described in subsection (d). This prohibition applies notwithstanding any provision of law that earmarks funds under this chapter for a particular international organization or program.

(b) USE OF FUNDS WITHHELD.—Funds returned or not made available to programs or projects pursuant to subsection (a) shall remain available until expended for use under this chapter.

(c) OBLIGATIONS.—The President—

(1) shall review, at least annually, the budgets and accounts of all international organizations receiving payments of any funds authorized to be appropriated by this chapter; and

(2) shall report to the appropriate congressional committees the amounts of funds expended by each such organization for programs or projects described in subsection (d) and the amount contributed by the United States to each such organization.

(d) DESIGNATION OF PROGRAMS AND PROJECTS.—Subsection (a) applies with respect to programs for Cuba, Iran, Libya, Iraq, North Korea, Yemen, Syria, or the Palestine Liberation Organization and to projects whose purpose is to provide benefits to the Palestine Liberation Organization or entities associated with it.

AMENDMENT NO. 867

(Purpose: To require a Presidential certification before a country's debt is reduced)

Page 205, line 23, is amended by inserting the following:

"(4) PRESIDENTIAL REPORT.—Before announcing his intention to reduce the amount owed to the United States for any country deemed eligible pursuant to chapter 3 of this title, the President shall report to Congress on:

(i) Other efforts undertaken to make possible the repayment of the debt;

(ii) A complete report on that country's financial health, including outstanding loans from other countries;

(iii) The effect of ongoing reforms in that country and their effect upon the balance of trade between it and the United States."

Mr. SARBANES. Mr. President, I move to reconsider the vote by which the amendments were adopted en bloc.

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

The motion to lay on the table was agreed to.

Mr. MCCONNELL. Mr. President, I might say that we are down now to a precious few, and Senator CRAIG is here to offer his amendment. I understand that he is willing to enter into a 30-minute time agreement, with the time equally divided.

Mr. SARBANES. Mr. President, I ask unanimous consent that there be 30 minutes' debate on the Craig amendment, at the end of which, without any intervening business, there will be a vote on or in relation to the Craig amendment.

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

The Chair recognizes the Senator from Idaho.

AMENDMENT NO. 868

Mr. CRAIG. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

Mr. SARBANES. Mr. President, parliamentary inquiry. I assume the time will be equally divided in the usual form.

The PRESIDING OFFICER. That is correct.

The assistant legislative clerk read as follows:

The Senator from Idaho [Mr. CRAIG] proposes an amendment numbered 868.

Mr. CRAIG. 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:

Strike out Chapters 5 and 7 of Title VII, including sections 751, 752, 753, 771, 772, 773, and 774, of this Act.

Mr. CRAIG. Mr. President, this amendment as mentioned deals with debt forgiveness portions of this legislation, striking titles 5 and 7, and necessary sections thereof.

Mr. President, I understand the need to resolve the debt problem in Latin America. Certainly all of us do. It is in the best interests of our country, both economically and strategically, to help diversify and stabilize the economies of the southern region and our southern neighors. Only when those economies have reached that point will democracy be able to become a more permanent part of the political landscape of the region, beneficial to all.

However, I have a reason to believe that with the recession looming in our economy and our budget deficits causing us major problems at this time, it certainly is no time to abandon a hard-headed business sense in dealing with our neighbors to a frenzy of generosity toward our neighbors.

My amendment, Mr. President, would simply strike the debt forgiveness sections of this bill. I believe that before debt forgiveness should even be considered, we should know whether the country in question has the ability, to pay, we should explore other options of repayment, and we should work with our neighbors and other nations in Latin America that jointly deal in this debt to try to resolve it.

The idea of forgiving nearly 12 billion dollars' worth of loans at a time when we are asking our own citizens to tighten their own belts and when some of our own citizens are out of work at this moment and are looking toward their Government for some solution is, in my opinion, relatively unconscionable. But yet that is exactly what this legislation does.

One of the problems we have seen in the past, that is especially true in Latin America, is concentrating scarce resources on payments of commercially held loans rather than Government-held debt. But that does not necessarily mean a country does not have any assets with which to pay its debt. I think we need to look at options other than simply forgiveness of debt, options such as rescheduling debt and other forms of repayment, including natural resources and other products.

Let me give you an example. Several years ago I worked with the World Bank regarding the nations of Mexico and Peru. They were able to do some silver-backed bonds, issue them into the world market, and pay off some of their debt. It has worked extremely well for them, dropping their repayment costs down into the low percentage points.

Mr. President, debt forgiveness is something you just do not do with the sweep of a President's pen and the passage of a bill talking about walking away from $12 billion. It is not only, as I have said, bad for us; ultimately it is bad for the countries involved. We have what we call middle-income countries

here, who are clearly demonstrating an ability to pay back debt. Yet we are going to say to them, let us create a stigma, if you will, for them by wiping out their debt instead of working with them to be as responsible as they should be.

Just as bankruptcy, Mr. President, inflicts a stigma on the individual, it inflicts a stigma on the countries involved. Their creditworthiness comes into question.

We are going to turn right around and become generous to them, at a time when we are talking about Eastern European countries who are emerging out of 45 years of Iron Curtain rule. We will be wanting to deal with them. They will say, "Gee, look at America's Latin American neighbors. They loan them billions of dollars and then they walk away from it. Maybe we can get billions of dollars from them and then later on walk away."

What I am suggesting in this amendment is that we deal with debt the way we have always dealt with it, deal with a country on an individual basis, that we deal with all countries involved with that country, and in so doing that we hold their respect, we hold our respect, and we suggest to our taxpayers that we are going to deal with the finite resource of their dollars in a responsible and fiscally right manner.

That is the whole of my amendment. I think it is reasonable. It does not lock us away from doing anything we have not already done. It just simply says that legislatively we will not forgive nearly $12 billion of Latin American debt. At the same time, I think—as we talk about the Enterprise of the America's Initiative, and fiscal responsibility is critical—nation-by-nation presence involved in these negotiations is fundamentally important, Mr. President.

With that, I retain the remainder of my time.

Mr. SARBANES. Mr. President, 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. SARBANES. 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. SARBANES. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. SARBANES. Have the yeas and nays been ordered?

The PRESIDING OFFICER. The yeas and nays have been ordered.

Mr. SARBANES. Mr. President, I make a point of order against the amendment. It is not in order as drafted because it amends the bill in more than one noncontiguous place.

The PRESIDING OFFICER. The Senator is correct. The amendment is not in order as drafted.

Mr. CRAIG. Mr. President, I ask for the reason for the decision of the Chair in this instance.

The PRESIDING OFFICER. The amendment as drafted amends the bill in more than one noncontiguous way.

Mr. BROWN. Mr. President, is the point of order debatable?

The PRESIDING OFFICER. The point of order is not debatable.

Mr. BROWN. Mr. President, I rise in favor of the Craig amendment.

The PRESIDING OFFICER. The amendment is no longer before the Senate. The amendment falls. It has fallen on the point of order.

Mr. BROWN. Mr. President, I ask unanimous consent to speak for 5 minutes.

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

Mr. BROWN. Mr. President, the issue that has been addressed by the Senate is the appropriateness of the Craig amendment. I think it is fair to say that this particular amendment—concerning the point of order—was offered in the form it was offered because we understood the preference of the managers of the bill was to have this measure offered all at once. That is why it was presented in the form it was.

It was presented in this form as an accommodation. There was clear and sincere difference between the staff. But I hope that Senator CRAIG's—and my—willingness to accommodate the managers of the bill will not be used to extinguish Senator CRAIG's ability to have a vote on this question. I am sure there is no evil intent on anyone's part here, but I think it is also very clear that the reason it was offered in the form that it was, which apparently the managers of the bill have some concern about, was simply to accommodate their request.

I hope the Senators involved will be willing to work out something here. I am sure it is in no one's interest to extinguish the ability of this body to express their feeling on whether or not you should simply write off $11.8 billion in obligations to the United States.

It is an important issue, not one that should be denied expression by the Members of this body because of a misunderstanding between those who negotiated the rules of procedure.

I yield the remainder of my time.

Mr. SARBANES addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. SARBANES. Mr. President, I say to the distinguished Senator from Colorado that it was our very clear understanding that the inquiry about whether there could be an objection to an amendment on the grounds that it was divisible applied to the amendment that the Senator from Colorado with a certification and a reporting requirement. We earlier took that amendment after the Senator modified it as part of the package, and we agreed not to seek to make it divisible if offered as the Senator had originally intended.

That understanding was reached, it is true. It has nothing to do with this amendment just presented.

Mr. BROWN. Let me say to the Senator, the discussion I am relating, the staff had, at which point we made it clear it was a Craig amendment. And offering the Craig amendment in this form was one that I think there is a sincere disagreement on among the staffs.

My understanding of this is that the Senator is perfectly right on insisting on his point of order. My request is that he would not choose to do that, because it is because of a genuine understanding. I certainly recognize he is within his rights to do so.

Mr. SARBANES. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. LIEBERMAN). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

The Senator from Idaho.

Mr. CRAIG. Mr. President, I ask unanimous consent that I be allowed to speak for 2 minutes on the amendment.

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

Mr. CRAIG. Mr. President, obviously, the managers of this legislation have recognized a technicality in the drafting of the amendment. I have to accept the ruling of the Chair based on that.

It is my disappointment that we cannot arrive at a recognition of the simple redrafting that would go on. Obviously, it is the right of the person who raised the point of order. But, at the same time, we are dealing with some important issues here as it relates to this body wiping away billions of dollars worth of debt, when it is even questionable whether it ought to be done or whether we, as responsible nations, as guardians of taxpayers' dollars, ought not to sit down with these countries who are indebted and suggest to them some reasonable way of working out the proposition.

That is the way it has been done in the past, and it has been done effectively. That is the responsibility of the executive in some instances, certainly working with parties of the nations involved, and certainly us in establishing legislation. And this type of precedent, I think, is tremendously damaging. We will be back to revisit this question, if we cannot gain the cooperation to craft the amendment in the proper form, be-

cause this is something the American taxpayers will speak out against.

If we are to extend a helping hand to other nations around the world, then we have to do so in a fiscally responsible fashion, especially when we are looking at our deficit and our debt burden and people out of work in this country. I cannot go home to my unemployed workers and say: I am sorry, but we can forgive billions of dollars worth of debt against countries who have cash flows that can afford to handle them. That is the issue here, and that clearly will be demonstrated in the RECORD.

I yield the remainder of my time.

Mr. BROWN. Mr. President, I ask unanimous consent to address the body for 5 minutes concerning the Craig amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BROWN. Mr. President, it is clear that the issue of the Craig amendment has been resolved through a technical point of order. So be it. Those are the proper rules of procedure, and ones that help make this body function efficiently. I recognize that. But I must say that the issue is important, and I think one that merits further consideration, which I think it will have on future legislation.

Let me say that there are a couple of relevant things here. One is the list of nations whom we are granting forgiveness of debt. They include a large number of nations that have the ability to pay the United States. Let me suggest also that there is not a single one of them that owes as much money as the United States does. All of them together do not owe as much money as the United States does. For us to be forgiving their debts when we are deeper in debt than they are, is a cruel irony. They also involve a number of countries, including Venezuela, that have enormous resources from which they have every ability to pay those debts, should they desire.

Mr. President, I ask unanimous consent that the list of these nations be printed in the RECORD at this point.

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

Latin American debt to the United States Government (January 1991)

Argentina	$524,955,820
Belize	26,412,350
Bolivia	527,947,386
Brazil	2,490,464,261
Chile	431,770,695
Colombia	998,390,147
Costa Rica	235,561,176
Dominican Republic	669,072,918
Ecuador	218,399,126
El Salvador	756,358,092
Guatemala	304,169,186
Guyana	115,048,601
Haiti	134,649,101
Honduras	455,649,236
Jamaica	865,800,888
Mexico	1,538,445,576
Nicaragua	264,564,738
Panama	240,301,541
Paraguay	34,882,914
Peru	798,170,032
St. Vincent	1,481,309
Trinidad & Tobago	113,936,144
Uruguay	46,238,711
Venezuela	20,006,261
Total	11,812,676,209

Source: Mr. Thomas Moran, Manager of the Foreign Credit Reporting System, Department of Treasury. From: "Status of Active Foreign Credits," published by the U.S. Government.

Mr. BROWN. There are several other considerations that I hope the Members will consider. The poorest nations on this list, who are having their debts forgiven, who I think would have a legitimate case to bring before this body in terms of debt forgiveness, already qualify under section 572 for debt forgiveness. I will repeat that: The ones that are legitimate cases here for debt forgiveness already qualify under section 572 for debt forgiveness. There is no need to bring those into this bill.

Third, we ought to ask ourselves what kind of lesson have we put for the future? I think it is important to note that these nations, who are writing off their debts, have the ability in the future to borrow from the United States after that 5-year window, and there is no requirement on the administration to make sure that these nations whose debts we have written off have to be creditworthy in the future.

The simple fact is that we have not only written off their debts, but we have failed to put in place a mechanism that will prevent this from recurring.

I think it is worthwhile to look at the attitude of our Japanese friends, who have indicated they think it is bad policy to write off debts, that it is far better to work with the creditors.

For those who consider this policy to be wise, I would simply refer them to our Founding Fathers. When faced with a similar difficult position of overwhelming debts after the Revolutionary War, this Nation made a decision to honor its debts to protect its future creditworthiness.

I simply say to those who think we are doing a favor allowing people to walk away from the legitimate obligations to the working men and women of this country that in the long run they do them a disfavor because they establish these countries as countries which have been unable to meet their obligations, countries which followed a pattern of defaulting on legitimate obligations, and that far from helping those countries perhaps in the long term will damage not only the U.S. taxpayer but will damage the citizens of those countries far more than any other action we could have taken.

I am sorry that we do not have a vote on that on this bill. I certainly respect the legitimate rules that have been raised here. I look forward to an opportunity to give the members a chance to express willingness to forgo legitimate obligations owed to the taxpayers on future legislation.

I yield back the remainder of my time.

Mr. SARBANES. Mr. President, I say to my colleagues, Senator BROWN and Senator CRAIG, the administration has been literally importuning us to act on the Enterprise for the Americas Initiative. The President announced this initiative in June 1990 and he then went to Latin America last year. It was a major part of his appeal to the Latin Americans to join with the United States in a new cooperative effort.

The authority given to the President to make debt reduction can only be exercised beginning in fiscal year 1992 and only in such amounts and to such extent as provided by a specific appropriations act. So it is not an authority once committed that is beyond congressional review or control, and I am sure the Senator is aware of that. I just point that out in order to respond to suggestions that somehow this provision would put the issue beyond the purview of the Congress. That is not the case.

Second, in order to be eligible to participate, a country must make significant progress toward policies designed to liberalize its investment regime and undertake other essential economic reforms, including an IMF economic reform regime. So a country cannot simply come in and avail itself of this without making very fundamental internal economic reforms, which I think all of us here would consider to be desirable, designed to move toward a market system and private enterprise.

So, it is a grant of authority at a general level to the President. The President was very anxious to have that because he thought it was necessary in order to deal with the Latin American countries. I do not often find myself making the case for broad Presidential discretion, and particularly not in the last few years when we have been on opposite sides of the political watershed. But I do think that this provision responds to the administration's request for flexibility while protecting a congressional role, and I am sure the Senator will come back and revisit that congressional role. I simply wanted to make those observations.

I thank the Senator.

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

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

AMENDMENT NO. 869

(Purpose: To amend the Arms Export Control Act to delay the approval of arms sales, exports, and licensing agreements unless the corresponding memorandum of understanding, before entry into force, has been transmitted to the Congress)

Mr. DIXON. Mr. President, I send an amendment to the desk and ask for its immediate consideration. This amendment has been agreed to by the managers.

The PRESIDING OFFICER. Without objection, the Simon amendment that is pending is laid aside.

The clerk will report.

The legislative clerk read as follows

The Senator from Illinois [Mr. DIXON], for himself, Mr. BYRD, Mr. BOREN, Mr. D'AMATO, Mr. FORD, Mr. HATFIELD, Mr. HOLLINGS, Mr. SHELBY, Mr. DECONCINI, Mr. KERRY, Mr. ROCKEFELLER, Mr. WELLSTONE, and Ms. MIKULSKI, proposes an amendment numbered 869.

Mr. DIXON. 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 88, between lines 13 and 14, insert the following new section:

SEC. . REQUIREMENT REGARDING TRANSMITTAL OF MEMORANDA OF UNDERSTANDING.

Section 36 of the Arms Export Control Act is amended by adding at the end thereof the following new subsection:

"(e) Notwithstanding any other provision of this section, no Presidential certification under subsection (b), (c), or (d) shall be deemed to have been received by the Congress, for purposes of any such subsection, if the certification is made with respect to a sale, export, or agreement required by a memorandum of understanding [MOU] between the United States and a foreign government for the coproduction or codevelopment of major defense equipment, unless the President, before such MOU entered into force with respect to the United States, transmitted the text of such MOU and any related documents (including exchanges of letters between the governments) to the Speaker of the House of Representatives and the President pro tempore of the Senate.".

Mr. DIXON. Mr. President, Senators BYRD, BOREN, D'AMATO, FORD, HATFIELD, HOLLINGS, SHELBY, DECONCINI, KERRY, ROCKEFELLER, WELLSTONE, and MIKULSKI today join me in sending an important amendment to the desk and asking for its immediate consideration. This amendment, which amends the Arms Export Control Act, deals with an issue my colleagues will readily recognize as a longtime concern of mine. Indeed, this is not the first time I have introduced legislation to safeguard Congress' right, as well as duty, to review the memoranda of understanding [MOU] and all relevant documents that are part of agreements entered into by the President of the United States and foreign governments.

I continue to bring this issue up, Mr. President, because we have unfortunately experienced all too many times a situation where Congress has practically had to threathen the adminsitration before we received the critical cooperation we should have gotten from the outset. This is a grave problem—it shows a sloppy attitude on the part of the administration toward national security measures and it threatens the very integrity of our democratic governing process.

This process we adhere to with such respect and admiration was instituted by the founders of this Nation, who made it forcefully clear they did not want their country run exclusively by any one branch of government. They were wise enough even then to foresee the dangers of a system lacking the necessary checks and balances. Thus, while the President is given the responsibility for conducting negotiations with foreign nations, it is Congress to whom the Constitution in article 1, section 8, gives authority to "regulate commerce with foreign nations." The Constitution could not be more clear—Congress has the right to access any and all pertinent documents because the same Congress has the responsibility to make informed decisions on foreign commerce. Surely anyone can understand it is difficult for Congress to make informed decisions when denied necessary information.

That is why, Mr. President, I am offering this amendment which is designed to remind the administration of its duties under the law, indeed, under the Constitution. This amendment does not withdraw or impede the President's authority to negotiate sales agreements. What this amendment does is merely to require the administration to give the Speaker of the House and the President pro tempore of the Senate the actual memorandum of understanding and any side letters of agreement involved in foreign contracts for the coproduction or codevelopment of major defense equipment. The amendment also says that the 30-day period which Congress has for consideration of the agreement will not begin until Congress has received these documents.

Our amendment is designed to end once and for all the present charade in which we in Congress are continually asked to approve an agreement between the President and a foreign government, while nobody—nobody at all—in the Senate or the House is permitted to look at the document before we act.

We want no more rubberstamps, Mr. President.

I urge my colleagues to take careful note of this amendment, and the serious nature of what the administration has been doing by asking us to approve something sight unseen. Without a doubt, this is something none of us would do in conducting our private business; we can hardly do any less in conducting public business. All we are asking is that Congress be given the resources it needs to responsibly carry out its share of the governing process.

Mr. President, I thank my colleagues on both sides and the managers for accepting the amendment.

The PRESIDING OFFICER. Is there further debate?

Hearing none, the question on agreeing to the amendment of the Senator from Illinois.

The amendment (No. 869) was agreed to.

Mr. DIXON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

Mr. DIXON. I thank my distinguished colleagues.

The PRESIDING OFFICER. Who seeks recognition?

Mr. MCCAIN. Mr. President, I have an amendment at the desk and I ask for its immediate consideration. I would also like to have considered with the amendment a perfecting amendment.

The PRESIDING OFFICER. Without objection, the pending Simon amendment will be laid aside.

Mr. SARBANES. Mr. President, I do not believe we have seen the second-degree amendment.

Mr. MCCAIN. I might say to my friend from Maryland, the perfecting amendment is an additional amendment which perfects it and which really has no basic change in the amendment itself.

Mr. SARBANES. Under the agreement entered into last night, the two Senators from Arizona can offer an amendment on the United States-Mexico border environment issue, which I take it is this amendment.

Mr. MCCAIN. Yes.

Mr. SARBANES. No other amendments are in order. I suggest to the Senator that he simply modify his amendment by putting it in the form in which he wishes to have it and sending it to the desk. That would then conform with the request. At the moment the Senator's submission does not appear to do so.

Mr. MCCAIN. If the Senator will yield to me for a minute, I think I can clear this up.

I will withdraw my amendment. I will be ready in 5 minutes with those two together.

The PRESIDING OFFICER. The Senator has that right.

Mr. GRASSLEY. Mr. President, I ask unanimous consent to address the Senate as if in morning business for 5 minutes.

The PRESIDING OFFICER. Is there objection?

Hearing none, it is so ordered.

ESTABLISHING A SELECT COMMITTEE FOR OVERSIGHT OF POW/MIA MATTERS

Mr. GRASSLEY. Mr. President, I rise for three purposes: First, to thank the Rules Committee for yesterday holding a hearing on a very important question before that committee—whether or not a select committee on POW's should be set up by this body. The second purpose is to urge the leadership of this body, hopefully, to take that issue up very quickly. And, third, to inform my colleagues of my views on this particular issue of whether or not this body should establish a select committee for oversight of POW/MIA's. I feel that this should be done.

I would like to say something about the bill's primary sponsors. Senator SMITH has personally and intimately been involved with this issue for a decade or more. He knows perhaps more about this issue than anyone in this body. His knowledge and forceful leadership on the POW/MIA issue is what has built such a broad and deep coalition of support for this bill in such a short period of time.

The Senate might not be in the position it is at this point considering this issue if it had not been for the work that Senator JESSE HELMS has also done on this issue as the ranking member of the Foreign Relations Committee. Without Senator HELMS, the investigation that I spearheaded 2 years ago would have died on the vine. Now that investigation has become the center of gravity for a bipartisan investigation by a standing committee of the U.S. Senate, the Senate Foreign Relations Committee.

I want to outline why this investigation should ultimately reside with a committee that deals exclusively with the POW/MIA issue but not to the exclusion of the Senate Foreign Relations Committee dealing with it as well.

I have been investigating this issue for 2 years, now. As I mentioned, I initiated the current investigation. I reviewed allegations brought to my attention by people within the Defense Department. Because of the credibility of these people, I could not dismiss the allegations. On the other hand, I was aware that previous inquiries dispelled such allegations, and I was also aware that this issue is emotionally charged. Given this dilemma, I decided the only way to discover the truth in a way that is acceptable to this body and to the public was to change the method of inquiry. So I brought in three professional investigators to investigate this issue, using an empirical investigatory process. These three investigators, collectively, had nearly 70 years of investigative experience in the executive branch, including criminal investigative experience. In addition, they had all served in Vietnam and were knowledgeable about the history and geography of that country.

Mr. President, the product of their work cannot be ignored by this body. That product has been released under the auspices of the minority side of the Foreign Relations Committee. The report shows that the U.S. Government has grossly mishandled the POW/MIA issue. It also confirms many of the allegations initially raised by my Pentagon sources. The testimony that Colonel Peck gave yesterday before the Rules Committee parallels our findings. And, in the event it would go unnoticed, a former, long-time DIA senior analyst in DOD's POW office by the name of Sedgwick Tourison wrote yesterday in the Washington Times that he resigned 3 years before Colonel Peck resigned for some of the same reasons.

The Helms reports, and the information collected by our investigators, provide the Senate with a firm foundation for further inquiry, devoid of politicism and emotionalism. Senator HELMS will provide any of you with details about these reports. But suffice it to say that investigation is now the centerpiece of a bipartisan investigation of the Senate Foreign Relations Committee. In my view, this is an important next step. However, I do not think for one moment that the Foreign Relations Committee, with its busy schedule, will be able to devote the full, thorough attention this issue deserves over the very long term. Rather, resolving the issue requires a committee devoted specifically to POW/MIA affairs. The mere fact that seven previous inquiries turned up nothing is the strongest case in point. The conclusions of those seven inquiries fly in the face of what trained, professional investigators have turned up over the last 2 years.

There seems to be some question as to whether this issue should be resolved by the Senate Foreign Relations Committee investigation or by a select committee. Let me say that I intend to support and contribute to both. That is because, in my view, both are needed. In short term, we need to continue the momentum of the current investigation. But there are numerous complex issues that cannot be resolved by the Foreign Relations investigation. Let me outline some of these.

There are literally thousands of documents, both classified and unclassified, that pertain just to live sightings. There is abundant overhead imagery. And that only takes care of DIA. Similar and abundant information also resides at the State Department and the Central Intelligence Agency. Moreover, there are hundreds of witnesses to be interviewed, both domestically and abroad. All of this pertains to only the Vietnam war. Then there are the other wars: World War I, World War II, the Korean war. Evidence of POW's left behind after these wars is just beginning to surface. Forty-nine pages are devoted to such evidence in the recent Helms report. And then there is the matter of future conflicts. These are all areas that collectively demand additional focus beyond what our present committees can provide.

Finally, I would like to address a present-day case in point that should illustrate the need for greater expertise on and attention to this issue by the Senate. The recent surfacing of photographs purported to be those of POW's has rekindled a high-profile, emotional debate. The participants are, on the one hand, administration debunkers, and on the other, conspiracy-mongers. The fact of the matter is, neither side knows enough to support his or her position fully. They each draw premature conclusions. The debunkers never met a piece of evidence they did not want to discredit. As for the conspirators, every piece of flimsy evidence seems to prove their case.

Take the photo of the three alleged POW's. The debunkers say they are Soviets because they are wearing Soviet clothes. What do they want them to wear in that part of the world, Izod sports shirts? Or something from J.C. Penny's? That is like saying someone eating Mexican food is obviously Mexican.

The conspiracy-mongers, on the other hand, take an unverified, unanalyzed photo and say that this proves a conspiracy and a cover-up. There has been no scientific analysis done to verify the photo; yet, the unverified photo somehow verifies a conspiracy!

It is these types of wild conclusions and speculation that need to be separated from a serious investigation. Believe me, the wild conclusions are on both sides.

Meanwhile, the real significance behind the photograph was entirely missed. Whether that photograph is real or not, the fact of the matter is that it took 7 months for DIA to do anything with it. And even then, it was because the issue was forced upon them. If this is not a clear and convincing case that DOD does not consider the POW/MIA issue to be a high priority, I don't know what is.

Somehow, someone has to inject some objectivity and balance into this process. And it has to be done in an ongoing manner. It is a long-term process. And no committee, with all its workload and important matters to consider, can do an adequate job unless that committee is devoted strictly to this issue.

In my view, the only way we will be able to sort out the fact from the fiction on this issue is to continue the empirically based investigation started by myself and Senator HELMS, and now joined by Senators KERRY and BROWN. Resolving this issue requires sorting out such a muddled morass of informa-

tion that no standing committee with all its other important duties is able to do so either efficiently or effectively, in my view. Yes, there is a mountain of misinformation out there, as Ann Mills Griffiths said recently. But there is also a mountain of nonfeasance by U.S. Government officials and others, there is a mountain of explaining to do to the public and the families, and there is a mountain of resolve by Members of this body to get to the bottom of this issue and bring accountability to bear.

In conclusion, I urge my colleagues to recognize that underneath all the emotion, the politicizing, and the debunking associated with this issue, there is a core of data that supports many of the allegations raised in recent years, and a long-term, thorough investigation must go forth. In my view, we as an institution should adopt a fundamentally different attitude on this matter. We should take our lead from another institution here in this town, the Washington Post. In its July 4 lead editorial, the Post announced it is shifting its position from skepticism to agnosticism. That shift was based in large part on what our investigation has turned up. All of us in Congress would do well to adopt that same approach, shifting from skepticism to agnosticism. And once we have done that, we then need the tools, the expertise, and the resources to get the job done. That is the only way the public will ever be satisfied that the issue has been resolved, and that Congress will have any credibility on this issue with the families and the American people.

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

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

INTERNATIONAL SECURITY AND ECONOMIC COOPERATION ACT

The Senate continued with the consideration of the bill.

Mr. DODD. Mr. President, I want to take a minute, if I may. Last evening we had an extended debate on the issue of El Salvador and the issue of withholding 50 percent of the military aid to that country. As part of an extended debate, some of our colleagues went on at some length after the tabling motion failed.

As part of that discussion, rather extensive comments were made about a letter that was signed by a number of Ambassadors from various Central American countries urging this body not to support the proposition that was offered by the distinguished Senator from Vermont and myself last night. That proposition would continue the policy that had been adopted by the Congress last year to withhold 50 percent of the military aid to El Salvador and place a significant amount of pressure on both sides in that conflict to resolve their differences.

I did not engage in the latter part of that debate last evening, Mr. President. But I wanted to take the floor this morning to respond to the suggestion, made by these five Ambassadors in their letter to Members of this Chamber, urging us to spend money in El Salvador.

I always find it somewhat intriguing that other people always get very generous with our dollars. These five Ambassadors, many of whom I have respect for, always seem anxious for the American taxpayer to spend our money on some other place in the world. I note with some significance that none of these countries have spent a nickel of their money in El Salvador—not a nickel. Yet they write letters to us telling us to spend our money in another place.

I am going to take note of this and maybe when the Foreign Operations appropriations bills come around, maybe we can provide the assistance to El Salvador and just reduce the amount of assistance to these countries. If they are so generous with our tax dollars, maybe we can be a little less generous with their aid.

Mr. President, I certainly respect their right to have their own opinions. Certainly they have the right to express those opinions. I welcome their comments and their suggestions. But I suggest the next time they start offering advice as to how we ought to spend our money, they might spend a little of their own money as well. If they are so concerned about seeing that the Government of El Salvador gets $85 million in military assistance, then maybe they ought to suggest that they would be willing to forego the assistance we are providing to them for a year to make up the difference. Because we get advice from all over the world on how we ought to spend money on foreign aid, yet I rarely find any of these other countries willing to step up and contribute as well. This is particularly true for nations who are directly involved, as the nations of Central America have been over the last 10 years or so, with the issue of El Salvador.

I would also take note of the fact that some have suggested that we should listen to these countries—that they are providing good advice.

I would remind our colleagues that a few years ago they were advising us in other matters in the region, and some who suggested that we ought to follow their advice on this particular matter were unwilling to accept their advice when they were recommending support for the so-called Arias peace plan.

At any rate I did not last evening respond to the debating points raised about the suggestions that have come from the Ambassadors of these countries. But I strongly suggest the next time Ambassadors from various countries start recommending how we spend American taxpayer money, that they might first examine their own books to see whether or not they are contributing any money to the very cause they are asking us to contribute to. I urge them to think about that, and maybe we can assist them in that process as these authorization and appropriations bills go forward.

We are going to have an appropriations bill come up in September, and I will examine that bill carefully when it comes to these countries who were so anxious to support the cause they so strenuously espouse. And I will determine whether they are contributing any money whatsoever to this particular effort. To the best of my knowledge, they are not.

I strongly recommend the next time they want to write letters like this, they may want to belly up to the bar themselves first.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. McCAIN. Mr. President, this is end of the week, and the managers of the bill would like to get this done. We had ample opportunity to have extended debate. I would have yielded at any time during my comments to my friend from Connecticut, who I know feels passionately about this issue.

I look forward to September, as he said, when we will be addressing this issue in the form of an appropriations bill. I have always respected his view. I believe he is one of the most knowledgeable Members of this body on foreign policy issues in general, and Central America specifically.

I will have to take some exception to the tenor of his remarks, which plainly are veiled threats at these countries, who felt that no legislative action to cut aid—not additional aid; they did not request additional aid, but took exception to cutting aid at this particular time. I believe they will view it as a veiled threat, or not-so-veiled threat.

I find that unfortunate, because I think obviously we want to judge these countries on their own merits. Also, my friend from Connecticut knows very well that these are very poor countries. Honduras is one of the poorest countries in the world, as is Guatemala. The prospect of them extending foreign aid to their neighbors, of course, is something that probably cannot be done readily.

But I do point out that these Central American countries have attempted to join together to form a common market. They have taken economic measures to improve the lot of their people. I know that my friend from Connecticut will continue to do so.

So I hope in his disappointment over what I think was a very spirited de-

bate, and the kind of discussion and debate that needs to be done, needs to be carried out in this body, that he will not threaten these countries on the basis of their support or lack of support of another country.

As I said, the hour grows late. I look forward to a spirited involvement and engagement in September, and I want to assure my friend from Connecticut again, I have the highest respect and regard for his views and his expertise on this issue. It has been a privilege for me to work with him and travel with him on many occasions throughout the region of Central America over a long period of years.

Mr. DODD. Will the Senator yield?

Mr. McCAIN. I will be glad to yield.

Mr. DODD. I appreciate the Senator's comments. I have a great deal of fondness for the Senator from Arizona, as he knows, and I respect his views tremendously in this matter, and in many other matters as well.

I say to my friend, Mr. President, that it is not just this situation that troubles me; it was just that sense that we are so often advised by other countries on what to do. They are so willing and generous with their advice, and yet often so unwilling to do the other things a nation can do.

But I respect the point made by the Senator from Arizona. I do not say this in pique.

It is not just Central American countries; we get a lot of people, whether in Europe or the Pacific rim, who tell us what to do. We look around and ask, What do you folks do in this regard? In many cases, as I say, they are generous with their advice and stingy when it comes to sharing their responsibilities.

Incidentally, let me point out, because I know the Senator from Arizona knows him, Ruben Zamora's brother and another relative were abducted this morning on the streets on San Salvador, apparently by uniformed police. That's just one more piece of evidence of the horror that goes on in El Salvador—on both sides. I hope they will be returned quickly, we will discover who is responsible, and they will be safe and sound. But again, that's just another page in this tragic story in this country that has been so ravaged.

My colleague from Arizona and I both know that this is the kind of thing that goes on in El Salvador and we hope it stops, because these are some very good people who care deeply about their country, and we would like to see this come to an end.

I thank the Senator for his comments this morning, and I appreciate the spirit in which they are offered.

Mr. McCAIN. I thank my colleague from Connecticut.

Again, I did not know the information about Mr. Zamora's brother. We will all wait anxiously and hope and pray that his brother and his friend is returned. Another argument, and perhaps a validation in the efforts that the Senator, myself, and many other Members of this body have made in the effort towards bringing a peaceful resolution to that unhappy country because, clearly, the human suffering and agony that continues is something that deserves our attention and our every effort.

As I say, I look forward after the recess, I am sure shortly afterwards, we will engage in another spirited debate.

AMENDMENT NO. 870

(Purpose: To establish certain environmental protection procedures within the area comprising the border region between the United States and the Republic of Mexico)

Mr. McCAIN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Arizona [Mr. McCAIN] for himself and Mr. DeCONCINI, proposes an amendment numbered 870.

Mr. McCAIN. 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:

SECTION 1. SHORT TITLE.

This Act may be cited as the "United States-Mexico Border Environmental Protection Act".

SEC. 2. PURPOSE.

It is the purpose of this Act to provide for the protection of the environment within the area comprising the border region between the United States and the Republic of Mexico, as defined by the 1983 Border Environment Agreement between the United States and Mexico.

SEC. 3. FUND.

(a) ESTABLISHMENT OF FUND.—There is established in the Treasury of the United States the "United States-Mexico Border Environmental Protection Fund (hereinafter referred to as the "Fund"). The Fund shall consist of such amounts as may be appropriated or transferred to the Fund. No moneys in the Fund shall be available for obligation or expenditure except pursuant to an environmental emergency declaration pursuant to section 4.

(b) PURPOSE OF THE FUND.—The Fund shall be readily available for use by the Administrator of the Environmental Protection Agency (hereinafter referred to as the "Administrator") to investigate and respond to conditions which the Administrator determines present a substantial threat to the land, air, or water resources of the area comprising the border region of the United States and the Republic of Mexico.

(c) USES OF FUND.—(1) Moneys in the Fund shall be available, without fiscal year limitation, for use by the Administrator in carrying out field investigations and remediation of any environmental emergency declared by the Administrator under this Act.

(2) In carrying out his authority under this Act, the Administrator is authorized to expend moneys in the Fund directly or make such moneys available through grants or contracts.

(3) Moneys in the Fund shall be available for use by the Administrator for cost-sharing programs with the Republic of Mexico, any of the States of Arizona, California, New Mexico, or Texas, any political subdivision of any such State, federally recognized Indian tribes, or any other appropriate entity, for use in carrying out field investigations and remediation actions pursuant to this Act.

SEC. 4. DECLARATION OF ENVIRONMENTAL EMERGENCY

(a) DETERMINATION BY ADMINISTRATOR.—The Administrator, whenever he determines conditions exist which present a substantial threat to the land, air, or water resources of the area comprising the border region of the United States and the Republic of Mexico, may declare the existence of an environmental emergency in such region. In no case shall the Administrator declare a condition an emergency under this section if such condition is specifically within the sole jurisdiction of the International Boundary and Water Commission.

(b) PETITION OF GOVERNOR.—In addition to the authority under subsection (a), the Administrator, upon the petition of the Governor of the State of Arizona, California, New Mexico, or Texas, or the governing body of a Federally recognized Indian Tribe may declare the existence of an environmental emergency in such region. In no case shall the Administrator declare a condition an emergency under this section if such condition is specifically within the sole jurisidiction of the International Boundary * * *.

SEC. 5. INFORMATION SHARING.

The Administrator, in cooperation with the Secretary of State, the Governors of the States of Arizona, California, New Mexico, and or Texas, * * * and the Republic of Mexico, is authorized to establish a system for information sharing and for early warning to the United States, each of the several States and political subdivisions thereof, and Indian tribes, of environmental problems affecting the border region of the United States and the Republic of Mexico. The Administrator shall integrate systems and procedures authorized by this section into any existing systems and procedures established to provide information sharing and early warning regarding environmental problems affecting the border region of the United States and Mexico.

SEC. 6. REPORT TO CONGRESS.

The Administrator, after consultation with the Secretary of State, the Republic of Mexico, the Governors of the States of Arizona, California, New Mexico, and Texas, and the tribal governments of appropriate Indian tribes, shall submit an annual report to the Congress on the use of the Fund during the calendar year preceding the calendar year in which such report is filed, and the status of the environmental quality of the area comprising the border region of the United States and the Republic of Mexico.

The administrator shall publish the availability of the report in the Federal Register, along with a brief summary.

SEC. 7. ADVISORY COMMITTEE.

(a) ESTABLISHMENT.—The Administrator shall establish a United States-Mexico Border Environmental Protection Advisory Committee (hereinafter referred to as the "Advisory Committee").

(b) FUNCTIONS.—It shall be the functions of the Advisory Committee to—

(1) monitor and study environmental conditions within the border region of the United States and the Republic of Mexico;

(2) plan and make recommendations for ongoing environmental protection within such border region; and

(3) carry out such other functions as the Administrator may prescribe.

(c) COMPOSITION OF ADVISORY COMMITTEE.—The Advisory Committee shall consist of such number as the Administrator shall appoint. At least 2 of the members shall be from business, 2 from non-Government organizations, and 5 from State local or tribal governments. The term of each member shall be for a period of not more than 5 years, specified by the Administrator at the time of appointment. Before filling a position on the Advisory Committee, the Administrator shall publish a notice in the Federal Register soliciting nominations for membership on the Advisory Committee.

(d) MEETINGS AND REPORTS.—The Advisory Committee shall meet at least on a quarterly basis, and report to the President and Congress not less than annually, on the state of the border region between the United States and the Republic of Mexico, together with the recommendations of the Advisory Committee, if any. The initial report shall be submitted within 12 months following the date of the enactment of this Act.

(e) COMPENSATION.—Members of the Advisory Committee shall serve without compensation. When serving away from home or regular place of business, a member may be allowed travel expenses, including per diem in lieu of subsistence as authorized by section 5703 of title 5, United States Code, for individuals employed intermittently in the Government service.

SEC. 8. INTERNATIONAL AGREEMENTS.

(a) AUTHORITY.—The Secretary of State, acting through the United States Commissioner, International Boundary and Water Commission, United States and Mexico (hereafter "United States Commissioner") is authorized to conclude agreements with the appropriate representative of the Ministry of Foreign Relations of Mexico for the purpose of correcting border sanitation problems in international streams that cross the international boundary between the United States and the Republic of Mexico, caused by the discharge of untreated or inadequately treated sewage into such streams.

(b) RECOMMENDATIONS.—Agreements concluded under subsection (a) should consist of recommendations to the Governments of the United States and the Republic of Mexico of measures to protect the health and welfare of persons along those international streams that cross the international boundary between the United States and the Republic of Mexico, and should include—

(1) facilities that should be constructed, operated, and maintained in each country;

(2) estimates of the costs of plans, construction, operation, and maintenance of such facilities;

(3) formulas for the division of costs between the United States and the Republic of Mexico; and

(4) time schedule for the construction of facilities and other measures recommended within the agreements authorized by this section.

SEC. 9. JOINT RESPONSES TO SANITATION EMERGENCIES.

(a) CONSTRUCTION OF WORKS.—The Secretary of State, acting through the United States Commissioner, is authorized to conclude agreements with the appropriate representative of the Ministry of Foreign Relations of the Republic of Mexico for the purpose of joint response through the construction of works, repair of existing infrastructure, and other such appropriate measures in the Republic of Mexico and the United States to correct water pollution emergencies in international streams that form or cross the international boundary between the United States and the Republic of Mexico caused by the discharge of untreated or inadequately treated sewage into such streams.

(b) HEALTH AND WELFARE.—Agreements concluded under subsection (a) should consist of recommendations to the Governments of the United States and the Republic of Mexico establishing general response plans to protect the health and welfare of persons along those international streams that form or cross the international boundary between the United States and the Republic of Mexico, and should include, but not be limited to—

(1) description of types of sanitation emergencies requiring response including, but not limited to, sewer line breaks, power interruptions to wastewater handling facilities, components breakdowns to wastewater handling facilities, and accidental discharge of sewage which results in the pollution of streams that form or cross the international boundary;

(2) description of types of response to emergencies including, but not limited to, acquisition, use and maintenance of joint response equipment and facilities, small scale construction, including modifications to existing infrastructure and temporary works, and the installation of emergency and standby power facilities;

(3) formulas for distribution of costs of responses to emergencies under this section on a case-by-case basis; and

"(a) FUNCTIONS OF THE BINATIONAL ADVISORY COMMITTEE.—It shall be the functions of the Binational Advisory Committee to (1) assist EPA and SEDUE in the monitoring and study of environmental conditions within the border region of the United States and Mexico; (2) plan and make recommendations to EPA and SEDUE for ongoing environmental protection within such border region; and (3) carry out such other functions as EPA and SEDUE may prescribe."

"(b) COMPOSITION OF U.S. DELEGATION TO THE BINATIONAL ADVISORY COMMITTEE.—The U.S. Delegation shall consist of such number as the Administrator shall appoint. At least two of the members shall be from business, two from non-government organizations, and five from State or local governments. The term of each member shall be for a period of not more than five years, specified by the Administrator at the time of appointment. Before filling a position on the Advisory Committee, the Administrator shall publish a notice in the Federal Register soliciting nominations for membership on the U.S. Advisory Committee."

"(c) MEETING AND REPORTING REQUIREMENTS.—Reporting and meeting requirements of the Binational Advisory Commission will be established by the members.

(4) requirements for defining the beginning and end of an emergency.

SEC. 10. CONSTRUCTION; REPAIRS; AND OTHER MEASURES.

(a) WATER POLLUTION EMERGENCIES.—The Secretary of State, acting through the United States Commissioner, is authorized to respond through construction, repairs and other measures in the United States to correct sanitation emergencies in international streams that form or cross the international boundary between the United States and the Republic of Mexico, caused by the accidental discharge of untreated or inadequately treated sewage into such streams.

(b) CONSULTATION.—In responding to emergencies the Secretary of State shall consult and cooperate with the Administrator, affected States, counties, municipalities, Indian tribes, the Republic of Mexico, and other affected parties.

SEC. 11. BINATIONAL ADVISORY COMMITTEE.

The Administrator in cooperation with the Secretary of State, is authorized to enter into an agreement or other arrangement with the Republic of Mexico to establish an Advisory Committee comprised of members from the Republic of Mexico and the United States.

SEC. 12. TRANSFER OF FUNDS.

(a) TRANSFER AUTHORITY.—The Secretary of State, acting through the United States Commissioner, is authorized to include as part of the agreements authorized by sections 8, 9, and 10 of this Act, the necessary arrangements to administer the transfer to another country of funds assigned to one country and obtained from Federal or non-Federal governmental or nongovernmental sources.

(b) COST-SHARING AGREEMENTS.—No funds of the United States shall be expended in the Republic of Mexico for emergency investigation or remediation pursuant to section 8, 9, or 10 of this Act absent a cost-sharing agreement between the United States and the Republic of Mexico unless the Secretary of State has determined and can demonstrate that the expenditure of such funds in the Republic of Mexico would be cost-effective and in the interest of the United States. In cases where funds of the United States are expended in the Republic of Mexico without a cost-sharing agreement, the Secretary of State shall submit a report to the appropriate committees of Congress explaining why costs were not shared between the United States and the Republic of Mexico, and why the expenditure of such funds without cost-sharing was in the national interest of the United States.

(c) ESTABLISHMENT OF FUND.—(1) There is established in the Treasury of the United States the United States International Boundary and Water Commission Fund (hereinafter referred to as the "Commission Fund"). The Commission Fund shall consist of such amounts as may be appropriated or transferred to the Commission Fund.

(2) Moneys in the Commission Fund shall be available, without fiscal year limitation, for use by the Secretary of State in carrying out the provisions of sections 8, 9, 10, 11, and 12 of this Act.

(3) In carrying out the purposes of sections 8, 9, 10, 11, and 12 of this Act, the Secretary of State is authorized to expend moneys in the Commission Fund directly or make such moneys available to fulfill the purposes of any such section through grants or contracts.

SEC. 13. AUTHORIZATION.

(a) AUTHORIZATION FOR THE FUND.—There is authorized to be appropriated to the Fund $10,000,000, for use in accordance with the purposes of this Act.

(b) AUTHORIZATION FOR ADVISORY COMMITTEE.—There is authorized to be appropriated to the Administrator $500,000 for support and operation of the Advisory Committee.

(c) AUTHORIZATION FOR INTERNATIONAL BOUNDARY AND WATER COMMISSION FUND.—There is authorized to be appropriated to the International Boundary and Water Commission Fund $5,000,000 for carrying out sections 8, 9, 10, 11, and 12 of this Act.

(d) AVAILABILITY OF FUNDS.—All amounts appropriated pursuant to this Act shall remain available until expended.

SEC. 14. DISCLAIMER.

Nothing in this Act shall be construed as amending, repealing or otherwise modifying

any provision of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, the Superfund Amendments and Reauthorization Act of 1986, or any other environmental law treaty or international agreement of the United States.

Mr. MCCAIN. Mr. President, this amendment is cosponsored by Senator DECONCINI. I want to thank him for his lasting concern, interest, and action on border environmental issues. This issue is critically important to our State. We share a common commitment to protecting our border communities. I will be brief on this issue because I have received the support of both sides on this amendment, with the inclusion of a colloquy that Senator SARBANES will engage in in just a minute or two.

First, I would like to thank my colleague from Maryland and my friend from Kentucky for allowing me to bring this amendment to the floor and to agree to it.

Mr. President, this amendment provides critical environmental protection to the region along our Nation's 2,000-mile border with Mexico. The United States and Mexico have high international responsibilities to protect human health and the natural resources we share in the border region. Certainly, the successful efforts to conclude free trade agreement intensifies those responsibilities.

Mr. President, this amendment is simple and straightforward. It authorizes national and binational advisory committees on the border environment. The committees will monitor border environmental conditions and provide input from the general public and State and local officials on border environmental issues.

In addition, the amendment authorizes a binational informational sharing and early warning system on environmental hazards and increases coordination and communication between the United States and Mexico, and among Federal, State, and local governments on our side of the border. And, it authorizes the International Boundary and Water Commission to respond to sanitation emergencies along the United States-Mexico border.

Mr. President, to accomplish the aforementioned goals the measures creates a $15-million border emergency fund. This accord will enable us to respond to border environmental hazards and emergencies efficiently and with dispatch. Clearly, we have a compelling international responsibility to our neighbors, and we have Federal responsibilities to protect American lives and property along the border from the effects of pollution arising in Mexico.

President Salinas recognizes the importance of this issue and has committed to establishing a companion fund in Mexico with several million dollars as part of Mexico's contribution to this effort. Passage of this amendment is an important step in safeguarding human health and the environment of the border region.

The text of my amendment tracks very closely with Senate bill 503, the United States-Mexico Border Environmental Protection Act, which Senator DECONCINI and I introduced earlier this year.

The legislation seeks to promote environmental protection along our Nation's border with Mexico. Across that 2,000-mile boundary, numerous American and Mexican sister cities are joined, binding our two nations in a very real and personal way.

As friends and neighbors, there can be no doubt that we have profound international responsibilities to safeguard and protect the natural resources our citizens must share in the region. No activities or conditions occurring on one side of the border must be permitted to endanger the health of people or the environment on the other.

Passage of this amendment will help us ensure a healthier and safer border environment. It will do so by promoting pollution prevention in the region through binational resource monitoring, long-term planning, and public involvement. And, it will provide the resources necessary to protect American lives and property from environmental hazards which may arise unabated south of the border—an important Federal responsibility.

Most importantly, the legislation would establish a border environmental emergency fund. The creation of this account would enable us to respond to environmental hazards, particularly emergency situations, along the border with dispatch and priority.

As we all know, negotiations on border environmental issues are currently underway between EPA and Mexico's counterpart SEDUE. I'm very confident that the joint planning efforts taking place at the direction of President Bush and President Salinas will result in strong border environmental protection measures for the region. In fact, a draft agreement is expected to be released shortly.

This amendment in no way interferes or redirects those efforts. Rather it will supplement and complement those negotiations in a very meaningful way, particularly in regard to the creation of a special emergency fund. In fact, President Salinas has assured me that if Congress creates a border environmental protection fund, that Mexico would create a companion account.

Great nations, like individuals, Mr. President, must be responsible to their neighbors. This is a critical time in history. We are striving to open the doors of commerce between the United States and Mexico, joining together in the march of economic progress. In doing so, we must redouble our efforts to protect the natural resources which sustain us and upon which a happier and more prosperous future depends.

Again, this amendment will help us meet that responsibility. I thank my colleagues for their vision and support.

I would like to provide a specific example of how the authorities and resources contained in this amendment can be put to use. A plume of ground water contamination has been identified on the Mexican side of the border near Arizona in an aquifer shared by the United States and Mexico. This particular aquifer flows in a northerly direction toward the United States. We hope and expect, of course, that the Mexican authorities will take every step necessary to clean up the contamination and its sources, just as we must investigate this matter to determine if any activities in the United States are contributing to the problem. The emergency fund would provide resources for U.S. participation in the field investigation, and enable us to take remedial action should the plume endanger U.S. water resources. This is just one example. Other environmental hazards affecting ground water and the border air shed exist in varying degrees along the international boundary.

While the Environmental Protection Agency would utilize the fund to address issues under its jurisdiction, international sewage problems fall under the jurisdiction of the International Boundary and Water Commission. The commission was created by treaty with Mexico in 1944 to control floods, manage salinity and develop municipal sewage treatment facilities along international streams.

In my home State, the IBWC has constructed international wastewater treatment facilities in Nogales and Naco, AZ. However, the commission's authority to respond to emergencies involving the sewage contamination of surface waters is a matter of some doubt. This measure provides the IBWC with explicit authority and resources to protect American lives and property from emergency conditions and establishes a $5 million fund to do the job. In addition, the Secretary of State is directed to pursue agreements with Mexico for joint response to such events.

Mr. President, I'd like to offer another example of why this legislation is needed. Last October the breakage of a sewer main in Sonora, Mexico, combined with heavy rains to carry raw sewage into Arizona along the Nogales Wash.

The contamination resulted in a high incidence of hepatitis, harmed wildlife, and degraded public and private property, prompting the declaration of a state of emergency. No definitive and comprehensive action was taken to stem the flow of the sewage for several weeks due to concern about the availability of funds and uncertainty about the legal authority necessary to take action.

Had the emergency fund and response authority I'm proposing been in place,

perhaps we could have prevented much of the sickness and suffering visited on the residents of Nogales. We could have also prevented the possible contamination of drinking-water wells which may either have to be closed or cleaned up at great expense. Passage of this legislation will ensure prompt and effective response in the future.

I would like to note that certain provisions related to the IBWC in this bill are virtually identical to those in the Rio Grande Pollution Correction Act which was signed into law in 1987. Like the bill I'm introducing, the Rio Grande legislation authorized the IBWC to conclude agreements with Mexico to respond to surface-water contamination.

The United States-Mexico Border Environmental Protection Act expands the provisions of the Rio Grande bill to include the entire border, as a matter of fairness and necessity.

In addition to funding field investigations and rapid emergency response, the legislation recognizes the importance of communication between Mexico and the United States and among Federal, State, and local authorities here at home. The amendment seeks to establish an information-sharing and early-warning system so that Mexican and American officials at all levels will be apprised of environmental hazards and risks in a timely and coordinated fashion, so that response and remedy, likewise, will be timely and coordinated.

The EPA and IBWC funds will ensure comprehensive and timely response to hazards as they arise along the border. The long-term answer, however, is planning and prevention. In that regard, the bill seeks to bolster attention on the border environment and promote planning so that emergencies can be avoided. It calls for the establishment of domestic and binational advisory committees on the border environment. These groups would meet on a regular and formal basis to monitor environmental conditions along the border, as well as to plan and make recommendations for the continued protection of the region's air, land, and water resources.

Passage of this amendment is critical to the protection of the border environment and the maintenance of harmonious and productive relations with our friends to the south. Mr. President, Mexico recognizes the importance of this initiative as well. When I visited President Salinas in Mexico city last December, I informed him of my proposal to create a border environment fund. President Salinas agreed on the need for such an initiative and told me that if Congress created such an account, Mexico would do the same.

Mr. President, there is no doubt of our obligation to be a responsible neighbor to Mexico, nor of Mexico's obligation to us. As I said before, now more than ever, it's important that we commit ourselves to a clean and healthy border environment for the safety and enjoyment of Americans and Mexicans who inhabit the region. Enactment of this legislation is a vital step to achieving that end.

I urge the Senate to consider and swiftly pass the United States-Mexico Border Environmental Protection Act.

Mr. President, I conclude by saying we have had some sad experiences already along the border in my own State, most recently in Nogales, AZ. There was a case of raw sewage flowing in from Nogales, Sonora, causing a serious public health problems. The Nogales experience highlights the importance of this kind of legislation and this kind of action.

I would also suggest if we are going to ratify a free-trade agreement, these border issues, environmental issues must be addressed.

Mr. President, I ask unanimous consent to have two articles on the issue of border environmental protection, one from the Arizona Republic and the other from the Tucson Citizen, printed in the RECORD.

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

[From The Arizona Republic, Mar. 8, 1991]

U.S.-MEXICO PACT PROPOSED—FIGHTING BORDER POLLUTION

By adding to the well-being of residents of each country, a bill co-sponsored by Arizona Sens. Dennis DeConcini and John McCain has the potential for further strengthening the ties between the United States and Mexico. The purpose of the legislation is to fight border pollution.

The measure provides for rapid response to environmental hazards affecting the border region and calls for environmental monitoring and planning. It also seeks to promote international cooperation so that risk and emergencies can be avoided.

The need for such a plan, Sen. McCain says, was demonstrated last October when an area near Nogales, Ariz., was contaminated by a break in a Mexican sewer main. While a state of emergency was declared, the senator notes, comprehensive action to stem the flow of raw sewage into Arizona was delayed for several weeks by a lack of funds and uncertainty about the legal authority to take such action.

"Had the emergency fund and response authority been in place last year," the senator says, "perhaps we could have prevented much of the sickness and suffering visited on the residents of Nogales."

In urging prompt passage of the bill, Sen. McCain points to more trouble ahead. He cites a report from the Arizona Department of Environmental Quality identifying a plume of groundwater contamination in an aquifer shared by the United States and Mexico.

The Senate bill would create a $10 million emergency fund under the Environmental Protection Agency. It also would empower the International Boundary and Water Commission to respond to water pollution emergencies affecting streams that flow between the U.S. and Mexico, providing a $5 million fund for such responses.

The McCain-DeConcini measure would establish a U.S.-Mexico Border Environmental Protection Advisory Committee, under the auspices of the EPA, and assign it to oversee conditions in the border region—including activities in the U.S. that could contribute to border pollution—and make recommendations for safeguarding water and air quality.

Sen. McCain, who earlier had asked Mexico to respond to the Nogales crisis, met in December with Mexican President Carlos Salinas de Gortari. He received a commitment from Mr. Salinas of $4 million to help underwrite the cleanup of border environmental problems.

The provisions of the Senate bill, Mr. McCain notes, are similar to those in the Rio Grande Pollution Correction Act of 1987. It makes sense to include the entire border.

[From the Tucson Citizen, Mar. 6, 1991]

NOGALES HEALTH

U.S. Sens. John McCain and Dennis DeConcini have introduced legislation to provide $15 million in environmental funds to protect the health of border residents.

The money is needed to attack a border pollution problem that is so severe, it literally makes people sick.

In October, Gov. Rose Mofford declared a state of emergency after a hepatitis scare and the discovery of polio virus in the water of Nogales Wash.

Health officials say the wash, which carries raw sewage from Nogales, Mexico into Nogales, Ariz., contains high counts of nearly all disease-carrying microorganisms.

The water has been chlorinated since October, but stopping the flow of sewage was delayed for weeks due to lack of money and international authority.

McCain said sickness and suffering might have been prevented if an emergency fund and authority to use it had been in place last year.

He met in December with Mexican President Carlos Salinas de Gortari, who pledged $4 million to clean up border environmental problems.

The U.S. Congress should do its part by passing the U.S.-Mexico Border Environmental Protection Act.

Mr. DECONCINI. Mr. President, I am pleased to join my colleague, Senator MCCAIN, as an original cosponsor of the amendment. This amendment is identical to legislation we introduced earlier this year; the United States/Mexico Environmental Protection Act. This legislation responds to a real and current threat to the health and environment of those citizens living along our border with Mexico.

As many of my colleagues know, I have long been concerned about the unique nature of binational environmental problems facing the United States and Mexico. The environment does not recognize the artificial boundaries. Because of the unique geographic and ecological characteristics of this region, border communities share common aquifers and air supplies. If there is a degradation our natural resources, citizens of both countries suffer.

This amendment will enable the EPA and the State Department to respond to urgent environmental situations in an emergency fashion. This will be particularly responsive to the current situation in Nogales, Arizona. For the benefit of my colleagues, untreated

sewage from Nogales, Sonora is being discharged from damaged sewage lines into Nogales Wash and threatens drinking water supplies which service the communities on both sides of the border. Mexico lacks the resources to adequately respond to infrastructure deficiencies such as what is occurring in Nogales. This amendment will provide the resources needed to rapidly respond to this situation.

The United States-Mexico Environmental Protection Act also calls for extensive monitoring of environmental problems along the border. In my experience in working on these problems, one fact is clear to me; there is a definite lack of substantial information on the environmental issues along the border. This amendment will go a long way to rectifying this problem.

Mr. President, I want to commend Senator McCAIN for his initiative in this regard. With the United States-Mexico Environmental Protection Act, he has recognized a critical need and has responded to address it. I applaud his efforts and look forward to continuing to work with him to address these binational environmental issues.

Mr. McCAIN. I thank again my friend from Maryland for agreeing to this amendment. I yield to him.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. SARBANES. Mr. President, first of all, we are prepared to accept the amendment. I know the two Senators from Arizona, Senator McCAIN and Senator DECONCINI, are confronting a very serious problem in the United States-Mexico border area. The Environment and Public Works Committee had expressed some concerns about their jurisdiction in this matter.

Mr. BURDICK. Mr. President, the Environment Committee has reviewed the amendment offered by Senator McCAIN concerning sewage pollution in the United States-Mexico border area and does not object to the amendment in its present form.

The amendment, however, establishes specific responsibilities for the Administrator of the Environmental Protection Agency, specifically in sections 3, 4, 5, 6, 7, 14, and the corresponding subsections of the authorization section. These authorities are properly the jurisdiction of the Senate Environment and Public Works Committee. Does the distinguished floor manager of the bill agree with this assessment?

Mr. SARBANES. Yes, the sections of the amendment the Senator mentions are properly the jurisdiction of the Environment and Public Works Committee. We look forward to working with the Environment Committee in this important matter.

I am pleased it has been resolved in a manner that allows the two Senators from Arizona to move forward on a matter which I know is of very deep and critical concern to them. Frankly, as others learn more about the situatiom, it is sure to be of deep and critical concern to them as well, I would say to the Senator.

The PRESIDING OFFICER. Is there further debate? The Senator from Kentucky.

Mr. McCONNELL. I commend the Senator from Arizona for the good work he has done on behalf the people of his State.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 870) was agreed to.

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

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

AMENDMENT NO. 871

Mr. CRANSTON. I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from California [Mr. CRANSTON] proposes an amendment numbered 871.

Mr. CRANSTON. 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:

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

(a) The Congress finds that—

(1) one of the most important changes that must occur in newly emerging democracies is that a Nation's military and other security forces are fully under the control of civilian authority;

(2) the success and prestige of the United States Armed Forces and those of many other democracies have been immeasurably advanced by their unquestioned subordination to civilian political authority and their strict adherence to a mission of national defense of territory and sovereignty;

(3) the American model has an important array of lessons in the proper management of civil-military relations, such as—

(A) the clear and unequivocal direction provided by civilian political leaders of the military structure and forces;

(B) the control of the military budget by Congress provides essential oversight by elected officials responsible to the people;

(C) the existence of close interaction and contact between civilians and military, and between the four services, throughout the command and control structure;

(D) civilian-run nongovernmental agencies help inform and shape defense policy; and

(E) the United States military, which has no internal law enforcement functions except in extreme and unusual circumstances, has, therefore, remained at the margins of partisan politics;

(4) in many emerging democracies the corps of civilian managers that forms an integral part of military management in the United States does not exist, particularly within the parliaments or congresses of these new democracies;

(5) the lack of continuity in democratic political institutions can mean a loss of historical memory, gaps in technical training, and an absence of personal ties between military officers and civilians which sustain good will in times of crisis.

(b) Recognizing that democratic control over the military cannot be established without empowering civilian managers in defense and security issues and without circumscribing the role of the armed forces to that of national defense functions, it is the purpose of this section to require that, within 120 days of the enactment of this bill, the Administration shall provide to the Committee a report that—

(1) outlines a program for the training of foreign civilian officials, particularly members of national legislatures or parliaments and their staffs, in the management and administration of military establishments and budgets, and for training these civilian authorities in creating and maintaining effective military judicial systems and military codes of conduct, including the observance of internationally recognized human rights;

(2) this program shall have as its principal objectives (a) the contributing to responsible defense resource management; (b) the fostering of greater respect for and understanding of the principle of civilian control of the military, including the separation of civilian law enforcement and military national defense roles as stated in posse comitatus, and (c) the improvement of military justice systems and procedures in accordance with internationally recognized human rights."

Mr. CRANSTON. Mr. President, one of the most important changes that must occur in newly emerging democracies is that a nation's military and other security forces are placed fully under the control of civilian authority.

Without a doubt, the success and prestige of the U.S. Armed Forces and those of many other democracies have been immeasurably advanced by their unquestioned subordination to civilian political authority and their strict adherence to a mission of national defense of territory and sovereignty.

I believe that the American model has an important array of lessons in the proper management of civil-military relations, such as the clear and unequivocal direction provided by civilian political leaders of the military structure and forces; the control of the military budget by Congress provides essential oversight by elected officials responsible to the people; the existence of close interaction and contact between civilians and military, and between the four services, throughout the command and control structure; civilian-run nongovernmental agencies help inform and shape defense policy; and the U.S. military, which has no internal law enforcement functions except in extreme and unusual circumstances, has, therefore, remained at the margins of partisan politics.

In many emerging democracies the corps of civilian managers that forms an integral part of military manage-

ment in the United States does not exist, particularly within the parliaments or congresses of these new democracies.

This lack of continuity in democratic political institutions can mean a loss of historical memory, gaps in technical training, and an absence of personal ties between military officers and civilians which sustain good will in times of crisis.

My amendment would require the administration to report to the Foreign Relations Committee about the feasibility of instituting a program designed to train civilians, particularly elected officials from national legislatures and their staffs, in defense and national security issues.

This effort would be complementary to existing U.S. security assistance programs, such as the international military education and training. I urge its adoption.

The PRESIDING OFFICER. Is there further debate?

Mr. SARBANES. Mr. President, the Senator from California is addressing a very important issue, and that is civilian control over the military. We tend to take it for granted in this country. I must say, we do not fully appreciate how unusual a pattern it is here and in some of the other parliamentary democracies. An effort to provide assistance to emerging democracies in developing civilian control over the military is extremely important. I am prepared to accept the amendment.

Mr. McCONNELL. If we could withhold for just one moment.

The PRESIDING OFFICER. Is there further debate?

Mr. McCONNELL. 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. McCONNELL. 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. McCONNELL. Mr. President, we have no problem with the Cranston amendment.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 871) was agreed to.

Mr. CRANSTON. I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

Mr. SARBANES. Mr. President, I will say to Members that we have only a few amendments remaining on the list of amendments that were declared last night to be in order. We urge those few colleagues who have not yet presented their amendments to come to the floor and do so in order that we can complete the list.

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

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

Mr. HELMS. Mr. President, is there an amendment pending?

The PRESIDING OFFICER. The Simon amendment is pending.

Mr. HELMS. In order to proceed to another amendment identified in the unanimous-consent request of last night, I ask unanimous consent that the Simon amendment be temporarily laid aside.

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

AMENDMENT NO. 872

Mr. HELMS. Mr. President, I send an amendment to the desk, the Jordan amendment, and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from North Carolina [Mr. HELMS], proposes an amendment numbered 872. At the appropriate place in the bill, add the following new section:

"SEC. . It is the Sense of Congress that no U.S. policy or assistance for Israel may be conditioned upon the denial of the right of Jews to settle anywhere in the area identifiable as Biblical Israel, including Judea and Samaria.".

Mr. HELMS. Mr. President, it would be an understatement to say that I was surprised by news reports this past Tuesday that Jim Baker and Brent Scowcroft, both of whom are friends of all of us, and for whom I have admiration, had declared that the proposed loan guarantees for housing for the massive influx of Soviet Jews might be conditioned upon Israel's agreeing not to build more settlements in the Biblical territories of Judea and Samaria taken in 1976 from Jordanian occupation.

I hope these reports are not correct. Jews and Arabs will not travel the road to peace together until they first learn to live together. The notion of "the settlements are an obstacle to peace" is misguided. It is well known that Israel's presence in the territories is amply justified by international law and that the settlements in the so-called West Bank are not taking land owned by Arab residents. My amendment at the desk is sense-of-the-Senate resolution restating the right of Jews to settle in Biblical Israel.

Parenthetically, Mr. President, let me mention that at the time of the establishment of Israel, I did not like the way it was done. I stated so publicly when I was not in public life. My position won for me a lot of criticism from people who did like the way it was done. I recall that I talked with a U.S. Senator who had just come back from that area, who predicted that there would be hostilities and resentment until the end of time. He described the bitter faces of the Arabs behind the barbed wire and all of that.

So I have not been exactly a favorite of AIPAC. They are good people, entitled to their views, but the amendment I am proposing indicates that I think that the Jews are correct in their position today. I think Jim Baker and Brent Scowcroft are wrong in their position, if indeed it is their position as reported this past Tuesday.

I say all of this, Mr. President, because the idea that Jews do not have the right to live in peace in the land of their forefathers, with other residents of the territory, is deeply abhorrent to what I perceive to be the American sense of fairplay.

After all, more than 90 percent of the places named in the Bible are found in Judea and Samaria. The territories are lands where Abraham, Isaac, and Jacob tended their flocks and where, along with Joseph, they are buried. So who are we in the United States to insist that the Jews cannot live in the land of their Patriarchs?

The objection to Jewish settlements in the territories of their forefathers comes from an implied assumption that there are no circumstances under which the settlements would be allowed. In fact, that policy seems to deny the very principle upon which the movement for the return of Jews to the Holy Land was founded. It seems to say that Jews may return to the Israel of 1948, but that they will not be allowed to return to the Israel of the Patriarchs, that is to say the Israel in the Biblical sense.

If the United States arbitrarily denies Jews the right to settle in the territories simply because they are Jews, then our policy would be tantamount to embracing the Zionism-is-racism policy of the United Nations.

By mandating an arbitrary halt to the settlements as a precondition for negotiations, the United States would be in the unique set of circumstances of insisting that the central principle at stake in the negotiations—that is, the right of Israel to exist—is somehow to be surrendered before negotiations begin.

Mr. President, Baptists—and I am one of them—Methodists, all the rest of us, have to understand that if Jews cannot live in Biblical Israel, the monstrous conclusion follows that they live in Israel only out of sufferance and not out of right.

Yes, there must be negotiations in the Middle East, but they also must begin on equal terms. The United States must not be in the position of

trying to deny the fundamental issue at stake, in order to obtain some piece of paper that is only one more step toward the elimination of Israel itself.

Yet, the reports that I heard and read have been to the effect that Secretary Baker would deny loan guarantees for housing for the Soviet Jews in order to pressure Israel to give up its very rationale for existing. So how can a purely humanitarian issue be associated with the raw-power politics of the treacherous Middle East?

The loan guarantees will be debated at a later date and will no doubt be discussed in great detail. But for the moment, the Senate, I think, has a duty to go on record in strong opposition to the idea that the right of Jews to live peacefully with Arabs in the Biblical Territories of Israel, is a negotiable item.

Frankly, Mr. President, I have always been deeply disturbed by Israel's overwhelming dependence on foreign aid from the United States. I have said, very candidly, that Israel ought to be viewed as an important ally in that area because of the defense aspects, and I have made that clear time and time again.

The Wall Street Journal yesterday published an article which detailed some of the problems created by Israel's dependence upon foreign aid from the United States. I ask unanimous consent that this Wall Street Journal article of July 23 be printed in the RECORD.

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

[From the Wall Street Journal, July 23, 1991]

CUT OFF AID TO ISRAEL AND WATCH IT THRIVE

(By Joel Bainerman)

JERUSALEM—Israel is being threatened with a cut-off of U.S. aid should it refuse to accept Secretary of State Baker's "invitation" to a U.N.-sponsored conference on Middle East peace. At stake is not just the $10 billion in loan guarantees that Israel had requested to help settle the wave of Soviet Jewish immigrants, but also the $3 billion a year that Israel now gets in military aid and debt forgiveness. Accepting Mr. Baker's invitation may or may not be a wise idea from the point of view of Israeli security; Israelis can, however, stop worrying about Mr. Baker's unspoken threat: The loss of U.S. aid would be a blessing for Israel's economy.

In the 42 years since the establishment of the state of Israel, the U.S. has given Israel $47.5 billion in aid; all but $2.8 billion of it since 1975. The $3 billion a year Israel now gets amounts to fully 6% of Israel's gross national product. If philanthropic donations from Jews in other countries are counted, the value of foreign assistance grows to 12% of Israel's GNP.

What has been the result of all this generosity? A group of Israeli economists recently pondered that question in a study for the Israeli International Institute for Applied Economic Policy Review in Tel Aviv.

RESULT OF GENEROSITY

Arnon Gafny, who served as governor of the Israeli central bank from 1976 to 1981, suggests that Israel is suffering from what economists call the "Dutch disease." A temporary "gift of nature," like the Dutch natural gas fields or Israel's external aid, may confer benefits for a limited period, but will often impair a country's competitiveness over the long term by encouraging it to spend beyond its people's own means.

Prof. Moshe Syrquin of Bar Han University observes that Israeli economy did pretty well until 1972, a period when U.S. aid was minimal. As aid increased, output and productivity slowed, and resources shifted from investment to consumption. Aid enabled Israel to live beyond its means: aid has jumped to 76% of the value of Israel's trade deficit in 1987 from 24% in 1970. It has also enabled Israel to maintain a sizeable welfare state: Government spending consumes more than 80% of gross domestic product; in 1970, before the aid began to flow, government spending took only 33% of GDP. At least in the Israeli context, Mr. Syrquin concludes, foreign aid permitted distortions in the economy to persist by postponing the necessity for domestic economic reform.

U.S. aid has enabled Israel to avoid the normal disastrous economic consequences of statism. Government plays an enormous role in the Israeli economy. Not only does it spend nearly four-fifths of the society's wealth, but the public sector employs more than 40% of the work force. Subsidies of food prices, farm incomes, housing, health services, credit, industry and transportation consume $5.5 billion each year, or about 10% of GNP—more than defense, whose share of GNP has dropped to 8.5% from 11.5% in 1981. The taxes to pay for these subsidies are crushing: more than 56% of earnings. Tax evasion is estimated at $3 billion a year, and the black economy is generally supposed to account for one-quarter of national output.

U.S. aid has also saved Israel from the necessity of confronting its ubiquitous trade union movement. Israel's unions enforce archaic labor laws that have cut output per employee to half the level that obtains in most industrial economies. A two-day general strike called by the Histradrut, Israel's federation of unions, in June 1990 to protest economic reform pulled 800,000 workers out of their jobs, costing the economy more than $100 million.

Israel's unions are also major investors, owning nearly one-third of the economy. Many Histradrut enterprises are moneylosers, but the unions have been able to extract government bailouts, as well as generous subsidies of their sick fund—bailouts that the government might have been considerably more reluctant to attempt in the absence of U.S. aid.

Israel could easily survive without U.S. aid, if it adopted free-market policies. The Tel Aviv Chamber of Commerce calculates that Israel's choking trade restrictions cost Israelis $2.5 billion a year in higher prices. (Even though wages average about one-third U.S. wages, the cost of living in Israel is higher.) If that's correct, free trade would offset 80% of the cost to the economy of a total U.S. aid cutoff.

Israelis could recoup even more of the money lost by an aid cutoff if they took the advice of Alvin Rabushka, a Hoover Institution fellow who directs research at the Institute for Advanced Strategic and Political Studies in Jerusalem. Mr. Rabushka has prepared an alternative state budget for Israel that slices $3 billion off Israel's $12.5 billion in non-defense government spending, by slashing subsidies and axing unnecessary programs, especially in industry and agriculture.

Israel could even eliminate the need for its requested $10 billion in settlement assistance—if indeed that assistance is needed at all—by selling some portion of its nationalized assets. The Israeli government owns 190 companies that are collectively worth at least $15 billion. On top of that, it owns 93% of all the land.

With such attractive alternatives, why does Israel swallow its pride and beg for aid from abroad? Why do its politicians maintain economic policies that retard growth?

A free market economy would undermine the way Israel's ugly political system works. If ministers of the government were deprived of the opportunity to appoint party hacks to highly paid positions in state-owned enterprises, they would lose an important means of building and maintaining personal constituencies. Losing the power to direct state funds to a religious school here, a bus line there, or a clinic over yonder would deprive them of the traditional currency of Israeli elections.

It's important for both Israel's supporters and its critics in the U.S. to understand that Israel is dependent on U.S. aid only because of its foolish economic choices. The moment that the U.S. ceases to pick up the yearly overdraft, Israel will be forced to change its ways. Israel's politicians, to do them justice, do put the security of the state ahead even of their appetite for power, and if that security requires privatization and budget cutting, then privatization and budget cutting is what they will do.

POLITICAL CHANGES

Many observers believe that economic change in Israel can only follow political reform. In fact, the economic shock of an aid cutoff could well precipitate political reform—particularly a stronger executive and the abandonment of the decrepit political system that gives tiny extremist parties veto power over national policy. At the moment, there is no chance of serious political reform because nearly every facet of life—even sports—is touched by government's spending power. The moment the market rather than politicians decides people's economic fate, the existing political parties and their complex systems of patronage will be superfluous; the principal obstacle to reform—the complex inter-relationship between political parties and civic life—will have dissolved.

Unconditional U.S. aid has been a very mixed blessing for Israel. It has genuinely made life easier for Israelis in the short term, but it has also underwritten self-destructive policies. Once Israel's Dutch disease is cured, healthy tissue—the private sector can grow and prosper. And an economically healthy Israel would be free to decide to accept or decline Mr. Baker's "invitations," without fear of losing its allowance from Uncle Sam.

Mr. HELMS. Mr. President, I have pointed out for a number of years that this unhealthy dependence on United States foreign aid—in return for supposed benefits—would eventually result in blackmail attempts to force Israel to surrender on key issues of its national survival. And now maybe that moment has come. That is the reason I am offering this sense-of-the-Senate amendment.

In the long run, Israel must realize that United States foreign aid is a two-edged sword. United States aid has become a line item in the Israeli budget.

Every dollar we give makes it more and more difficult for Israel to normalize its economy. Every dollar we give is a link in an iron chain that makes Israel so dependent upon the whims of the United States State Department that Israel's independence of action, its very freedom to pursue its most vital long-term interests, is threatened.

This is what I have been saying for a long time to my Jewish friends, as their Baptist friend. For many years it was not understood. There were political reactions to my position, which I understood then and which I understand now. That is the process in this country. But in the end, the truth generally emerges, and I think it may now be emerging, to the great discontent of a number of my friends who have in the past felt that I was wrong.

Even now, it is clear that the so-called land-for-peace policy being proposed for peace in the region is a policy that Israel has long identified as a threat to its survival. Nothing has changed since the gulf war to suggest that the surrender of actual territories for alleged peace will guarantee Israel's survival.

Indeed, the gulf war demonstrates the opposite. Saddam Hussein imposed his own kind of peace in Kuwait on August 2. Yet the United States believed, up to and including August 1, that Kuwait was secure. How wrong we were.

Israel had enough difficulty defending itself against missiles launched from a distance of 200 miles during Desert Storm. Can you imagine the problem if the missiles had been launched from the mountaintops of a PLO state 10 or 15 miles from Tel Aviv?

Moreover, the recent subjugation of the Christian community in Lebanon, and the installation of a Syrian-controlled puppet government, with the acquiescence of the United States State Department, is an example that Israel must examine with care. And I think they are doing exactly that.

Finally, Israel has already given up 90 percent of the territories that it occupied during the 6-day war, and substantially complied with U.N. Resolution 242, yet, it has had little experience of peace.

As I have said many times in the past, the massive levels of United States foreign aid that Israel has accepted in the past, and is still seeking, has created an unhealthy leverage against Israel in the forthcoming talks, and makes it difficult—I hope not impossible—for Israel to choose freely about its future.

I will do everything possible to help Israel to wean itself away from dangerous dependence on foreign aid, but for the moment the issue is whether Israel must surrender one of its fundamental principles.

Mr. President, the Government of Israel has come under intense pressure during the past week to agree to American proposals for a Middle East Peace Conference. This prospective conference, jointly sponsored by the United States and the Soviet Union, would involve the key Arab States in the Middle East—with the exception of Iraq—the United Nations in some undefined way, Palestinian representatives elected by no one, and the highest Israeli Government officials. That is supposedly the group that is going to meet.

According to the American Secretary of State, the overall structure of the generalized conference would provide for direct negotiations between Israel and its Arab adversaries, as well as between the Israelis and Palestinian representatives from Judaea and Samaria, the so-called occupied territories. Yet, none of the Arab leaders have indicated that they would actually be willing to meet face-to-face with the Israeli representatives. King Hussein of Jordan has specifically rejected such bilateral talks; yet, Secretary of State Jim Baker, would have us believe that the conference would consist of a series of bilateral negotiations. If that gentleman were here, I would like to ask him when and who will participate, because it is not clear to me.

The United Nations presence at this conference is particularly troubling, since no one is able to describe what the U.N. representative or representatives will be doing, let alone the precise U.N. role with respect to the overall negotiations. The record of the past does not provide much confidence from an international organization which still equates Zionism with racism and which has condemned the Government of Israel in literally dozens and dozens of declarations and resolutions by both the U.N. General Assembly and the U.N. Security Council. So all of these factors serve to turn on a red light—at least for this Senator.

Much has been made in the past several days of the willingness of Syria to attend the proposed conference without preconditions, and similiar claims have been made with respect to the kingdoms of Jordan and Saudi Arabia. This is the same Syria, Mr. President, which currently occupies almost all of Lebanon and rules it as a client state, having achieved that control while the United States was occupied with the war against Iraq in the Persian Gulf. So you can see how confusing it was when our Secretary of State announced this certain plan.

By the way, Syria is still on the United States terrorism list. Syria has not renounced terrorism as a weapon of national policy. Syria is still at war with Israel and keeps the bulk of its formidable military machine a mere 30 miles from the Israeli border. In fact, Mr. President, Syria has been involved in every Arab-Israeli conflict since the proclamation of the State of Israel. This is the same Syria which was involved in the blowing up of the United State marine base in Lebanon just a few short years ago.

When President, Assad, King Hussein, King Fahd, and the Palestinians indicate they will meet without preconditions, what is the real meaning of their implied assurances? Only the Deputy Foreign Minister of Syria has made any public statement on this quintessential issue, and Hafez Assad's letter to President Bush has still not been made public we do not know what is in it. It appears that the United States is going to require only one party to have to make concessions to its current enemies, and that one party is the State of Israel.

I cannot understand a foreign policy like that, nor can I support it.

The Golan Heights are on the negotiating table, the West Bank and Gaza are on the negotiating table, even the capital city of Jerusalem is on the negotiating table. I should add, Mr. President, that—incredibly—the U.S. Government considers East Jerusalem to be occupied territory and keeps its Embassy in Tel Aviv. If President Truman gave in to the Soviet pressure toward Berlin, at the time of the courageous Berlin Airlift, would there be a free and united Germany today? Of course not. The Palestinians, of course, would like all of Israel, but right now they are willing to settle for just East Jerusalem, the West Bank, and Gaza, with more territory to be added later. Do we so soon forget who the Palestinians supported in the war against Saddam Hussein? They did not support us. The Saudis, our recent allies, have never even conceded West Jerusalem to the Israelis.

In other words, Mr. President, the Arab States have historically and continually taken the position of whats ours is ours and whats yours is negotiable. These are parties which Secretary Baker maintains have no preconditions. It is Israel which must sacrifice before the Islamic altar of nonpreconditions.

Also, according to our friend, Jim Baker, United States Secretary of State, the Arab States are willing to withdraw their economic boycott of Israel if the Israeli Government stops the emigration of Soviet Jews to Judaea and Samaria and eliminates the building of new settlements or the enlarging of present settlements. What a wonderful deal this is. The Arab economic boycott of Israel is illegal in the first place, in international law, it is illegal in American domestic law, it is an absolute violation of the Bush administration's global economic policy, and it is economic warfare—illegal warfare—levied against Israel.

On the other hand, Mr. President, and this is my assessment of the situation, the Israeli possession of Judaea and Samaria has stronger claim to validity under international law and his-

torical precedent than that of any Arab State. As a Baptist, I feel very strongly about that. Camp David envisioned autonomy for the Palestinians in the West Bank and Gaza. It did not—I repeat, I am talking about the Camp David accord—it did not provide for the creation of a Palestinian state, no matter what the pro-Arab factions in the U.S. Department of State would now have us believe.

Finally, what is the Soviet role going to be in all this? Are the Soviets going to be given a major behind-the-scenes role? Soviet relations with the State of Israel have undoubtedly improved, but where is the Soviet Embassy? Where is the Soviet Ambassador? Why should we believe that the Soviets suddenly and without explanation have become even handed toward the problems of the Middle East? This is the same country that maintained military advisers in Iraq during the recent Persian Gulf conflict, and I am talking about the Soviet Union.

Let me conclude, Mr. President, by saying that it appears to me that the United States is attempting to dragooning Israel to the peace table without a careful and well-developed consideration of posible consequences, anticipated and unanticipated. Israel may well be given the choice of either total world isolation or accepting the fact that a generalized peace conference will result in the piece-by-piece dismemberment of much of the Israeli State.

By the way, what would happen if President Mubarak is removed from the scene of if King Hussein is overthrown, or if President Assad gives his personal word, such as it is, and then succumbs to a fatal illness? The leadership of all the Arab States is based upon the power of a particular personality. You stop to think about it. They are not democracies. They are not bastions of freedom. Their word has not in the past been their bond.

One final thought and I am through:

How ironic it would be, if democratic Israel—the most supportive ally we have in the world—should be reduced to the condition to pursue the romantic illusions of the pro-Arab factions in the State Department for the past half century.

No matter how any of us felt about the way Israel was created, it is nonetheless a fait accompli—and Israel is today a viable and thriving democracy. The United States is the greatest democracy in the world, and we continue to tell ourselves that. I am convinced, Mr. President, that our policy should be clear, not shrouded in fumes of oil emanating from the authoritarian dictatorship of the Middle East.

Mr. President, I ask unanimous consent that a letter, from the Senator from Florida to Secretary of State James Baker 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 23, 1991.

Hon. JAMES A. BAKER,
Department of State,
Washington, DC.

DEAR MR. SECRETARY: While I understand your frustration at the current impasse in the Arab-Israeli peace process, I disagree with the Administration's view that Israeli settlements are the "greatest obstacle to peace."

If we are to raise the issue of obstacles to peace we should be clear: the greatest obstacle to peace is the lack of democracy in the Middle East. Israel, a democracy, is faced with unelected leaders who maintain a state of war with Israel for their own purposes and care little about the interests of their own people or the region.

Democracies do not fight wars with each other, let alone attempt to erase other democracies from the map. If the Arab states treated Israel as well as they treated each other there would still be no peace—because governments that rule by force at home are quick to resort to force abroad.

Israeli democracy is not the obstacle to peace; it is the only hope for peace—not only for Israelis but all the peoples of the region.

No democracy, let alone Israel whose population has suffered so greatly from decades of war, would seek to perpetuate a conflict a single day beyond what is necessary to safeguard her freedom and security.

Israel is the Kuwait of the Arab-Israeli conflict. Israel is the state whose existence is not recognized. Israel is the victim of three attempts in as many decades to wipe her off the map. Only the bravery and sacrifice of the people of Israel has prevented Israel from sharing the fate of Kuwait.

Let's stop blaming the victim and say the truth: it is the unelected leaders of the Arab world who refuse to negotiate an end to the Arab-Israeli conflict. Israeli democracy is not the problem; it is the solution. A peace process that does not recognize these principles, I am afraid, will not succeed.

Sincerely,

CONNIE MACK,
U.S. Senate.

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

Mr. MCCONNELL. Mr. President, 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. HELMS. 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. HELMS. Mr. President, I ask unanimous consent that the distinguished Senator from Oklahoma [Mr. NICKLES] be added as a cosponsor of the present amendment.

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

Mr. HELMS. I inquire of the distinguished Republican manager of the bill, would he like a rollcall vote or for this to be considered on a voice vote?

Mr. MCCONNELL. I say to my friend from North Carolina, I discussed his amendment with the manager of the bill, Senator SARBANES, and I believe it is going to be acceptable. He is off the floor momentarily. Let us have a brief quorum call.

Mr. HELMS. If the manager is willing to accept it I am willing to have a voice vote.

Mr. MCCONNELL. I thank my friend from North Carolina.

Mr. HELMS. Mr. President, 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. KASTEN. 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. KASTEN. Mr. President, I ask unanimous consent to lay aside the pending business.

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

AMENDMENT NO. 873

(Purpose: To provide for the establishment of the Middle East Environmental Defense Network (Project EDEN), for the purpose of promoting and strengthening regional environmental conservation and protection through public awareness, national action and intergovernmental cooperation)

Mr. KASTEN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Wisconsin [Mr. KASTEN] for himself, Mr. INOUYE, Mr. BURDICK, Mr. LIEBERMAN, and Mr. LEAHY proposes an amendment numbered 873.

Mr. KASTEN. 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 234, line 24, add the following new title:

TITLE XIII—MIDDLE EAST ENVIRONMENTAL COOPERATION AND RESTORATION ACT OF 1991

SEC. 1301. SHORT TITLE.

This title may be cited as the "Middle East Environmental Cooperation and Restoration Act of 1991".

SEC. 1302. FINDINGS.

The Congress of the United States finds that—

(1) the Gulf War and the resulting damage to the environment of the Arabian Gulf graphically demonstrates the vulnerability of the natural environment of the Middle East and man's potential for inflicting untold damage on that environment;

(2) interdependence, rather than independence, characterizes the relationship of all parts of the Middle East, the natural environment, and the global community;

(3) environmental quality is an integral component of every nation's national security;

(4) through concerted, cooperative action the peoples of the Middle East can reverse the damage to their natural environment;

(5) regional cooperation is essential to the management, restoration and maintenance of the environment of the Middle East;

(6) the problems associated with environmental degradation affect all countries of the Middle East regardless of national income, religious orientation or political persuasion;

(7) environmental protection and stewardship of the earth is compatible with the major religious traditions of the peoples of the region;

(8) the President of the United States was correct in declaring before Congress on March 6, 1991 that regional cooperation will stand in the future as a central pillar of United States foreign policy in the Middle East; and

(9) there is an urgent need for the countries of the Middle East, in cooperation with the United States and other concerned parties, to address through enlightened action, the environmental problems of the region.

SEC. 1303. ESTABLISHMENT OF THE MIDDLE EAST ENVIRONMENTAL DEFENSE NETWORK.

(b) ESTABLISHMENT.—The President shall establish and direct, through the Agency for International Development, a program to be known as the "Middle East Environmental Defense Network" (hereafter in this title referred to as "Project EDEN").

(c) PURPOSE.—The purposes of Project EDEN are as follows:

(1) To develop a Middle East Regional Environmental Protection Plan.

(2) To assess the environmental problems affecting all Middle East states.

(3) To seek and advance ways in which all Middle East states can work cooperatively to ameliorate natural resource and environmental degradation.

(4) To promote national and, wherever appropriate, cross-boundary natural resource and environmental restoration and maintenance activities.

(5) To develop and disseminate educational programs to promote regional understanding and cooperation in all areas of environmental protection.

(6) To undertake and encourage both public and private initiatives to improve the quality, quantity, and management of natural resources and the environment through initiatives such as regional planning, joint infrastructure investment, water conservation, water quality management, air quality management, solid waste management, desalinization, reforestation, energy efficiency, and renewable energy utilization.

(7) To provide a framework for new interstate structures, institutions, and relationships which might be developed to further environmental and natural resource management in the Middle East region.

(8) To undertake and encourage the safe handling, minimization, substitution, and cleanup of hazardous substances as well as the restoration of degraded desert and marine ecosystems between regional states.

(9) To conserve, protect, manage, restore, maintain and promote the historical, cultural, social, archaeological, and geophysical resources and heritages of the peoples of the Middle East, where possible, within their natural environment.

(10) To conserve, protect, and enhance biodiversity, both in situ and ex situ, and to develop regional programs to advance these ends.

(11) To undertake and encourage the involvement of the private sector, governmental, nongovernmental, bilateral and multilateral organizations and entities in all aspects of environmental protection and rehabilitation.

(12) To promote environment-related technology transfer as well as identify new technologies which might contribute to environmental protection, management, restoration, and maintenance.

(13) To initiate and guide mutually beneficial environmental research and development projects between various Middle East countries.

(14) To research, investigate, document, and mitigate, wherever possible, the adverse effects on the public health and general welfare of environmental degradation.

(d) FUNDING.—(1) There are authorized to be appropriated to the President $10,000,000 for fiscal year 1992 and each fiscal year thereafter for United States participation in Project EDEN. The President may seek reimbursement for United States expenses associated with Project EDEN by the Conference as established in Sec. 1306.

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

SEC. 1304. ENVIRONMENTAL PLANNING COUNCIL.

(a) ESTABLISHMENT.—There is established an interagency Environmental Planning Council (hereafter in this title referred to as the "Planning Council").

(b) COMPOSITION.—The Planning Council shall be composed of 9 members, or their designees, as follows:

(1) The Administrator of the Agency for International Development.

(2) The Secretary of State.

(3) The Administrator of the Environmental Protection Agency.

(4) The Administrator of the National Oceanographic and Atmospheric Administration (NOAA).

(5) The Secretary of Agriculture.

(6) The Secretary of the Interior.

(7) The Director of the National Academy of Sciences, Board on Science and Technology in Development (BOSTID).

(8) The Director of the United States Trade and Development Program (TDP).

(9) The Chairman of the Council on Environmental Quality.

(c) ADMINISTRATION.—(1)(A) The Administrator of the Agency for International Development, or his designee, shall serve as Chairman of the Planning Council and shall convene not less than four meetings of the full Planning Council each year.

(B) The Administrator of the Agency for International Development shall provide the Planning Council with a permanent staff, office space and any other support, as required by the Planning Council, from within the Agency for International Development.

(2) The Administrator shall—

(A) enter into contracts, grants, and other financial arrangements, as necessary on behalf of the Planning Council, in accordance with other applicable law, to carry out the work of the Planning Council and the purposes of Project EDEN;

(B) establish, coordinate, and fund a Project EDEN postgraduate fellowship program focused on issues of environmental public policy in the Middle East; and

(C) maintain and coordinate the work of the United States Environmental Center pursuant to section 1309(f) of this Act.

(d) PLANNING COUNCIL RESPONSIBILITIES.—The Planning Council, shall have the following responsibilities:

(1) To prescribe policies and procedures to establish and implement Project EDEN.

(2) To coordinate United States activities in support of Project EDEN with the Permanent Conference on Environmental Security and Cooperation and its Secretariat.

(3) To establish working groups, as necessary, to assist in the carrying out of Planning Council responsibilities and the purposes of Project EDEN.

(4) To prepare an annual 5-year strategic environmental plan for the Middle East which shall be presented to the Secretariat of the Permanent Conference on Environmental Security and Cooperation for annual review and then to the Permanent Conference on Environmental Security and Cooperation for ratification.

(5) To encourage the establishment of Environmental Planning Councils by each member state participating in Project EDEN.

(6) To recommend to the Administrator of the Agency for International Development specific ways to enhance existing bilateral and multilateral programs of the United States established to promote the diffusion of knowledge on regional environmental issues through joint research and development, cooperative exchanges, education, and mutual assistance.

(7) To advise the Administrator on the operation of the United States Environmental Center.

(f) ANNUAL REPORTING REQUIREMENTS.—Not later than June 1 of each year, the Administrator of the Agency for International Development shall submit a report to the Committees on Appropriations of the Senate and House of Representatives and the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives, on the work and future agenda of Project EDEN, including—

(1) an evaluation of the progress Project EDEN is making to environmental management in the Middle East;

(2) a timetable, a budget, and an action plan for the execution of Project EDEN initiatives during the coming fiscal year; and

(3) a detailed accounting of the operating expenses of the Planning Council, the Permanent Conference on Environmental Security and Cooperation in the Middle East, and the Secretariat of the Conference.

SEC. 1305. ACTIONS OF THE PRESIDENT OF THE UNITED STATES.

The President is authorized to enter into negotiations and agreements with governments of Middle East for the purpose of concluding, by September 1, 1992, an international agreement establishing a Permanent Conference on Environmental Security and Cooperation, a Conference Secretariat, a Middle East Regional Environmental Fund, and Middle East Environmental Centers.

SEC. 1306. THE PERMANENT CONFERENCE ON ENVIRONMENTAL SECURITY AND COOPERATION.

(a) ESTABLISHMENT.—The President is authorized to enter into agreements with the governments of countries described in subsection (b) on the establishment of a Permanent Conference on Environmental Security and Cooperation in the Middle East (hereafter in this title referred to as the "Conference"), by September 1, 1992.

(b) COMPOSITION.—The countries referred to in subsection (a) are those countries designated by the United States Agency for International Development as Middle East and North Africa or which choose to participate in Project EDEN.

(c) RESPONSIBILITIES AND OBJECTIVES.—The Conference should have the following responsibilities and objectives:

(1) To carry out the purposes of Project EDEN.

(2) To serve as the focus for substantive interaction on environmental matters among Project EDEN member states.

(3) To provide regional leadership in the advancement of new ideas for environmental management.

(4) To approve by a majority vote the annual operating budgets of the Conference and the Secretariat.

(5) To establish the Middle East Regional Environmental Fund.

(6) To approve by a majority vote of the members the projects to be funded from the income derived from the Middle East Regional Environmental Fund.

(7) To maintain a corpus within the Middle East Regional Environmental Fund of not less than the equivalent of $100,000,000 in United States dollars.

(8) To solicit from donor countries, multilateral institutions, private entities, the United Nations Iraq reparations account and other sources, initial funding and subsequent capital increases for the Middle East Regional Environmental Fund.

(9) To promote the maximum exchange of information and research data on the state of the environment in the Middle East.

(10) To involve and solicit the views of nongovernmental organizations.

(11) To coordinate the work of the national Planning Councils.

(12) To hold an annual meeting of Conference members.

(13) To approve and amend operating procedures for the Conference.

SEC. 1307. SECRETARIAT TO THE PERMANENT CONFERENCE ON ENVIRONMENTAL SECURITY AND COOPERATION.

(a) ESTABLISHMENT.—The President is authorized to enter into an agreement with foreign governments on the establishment of a Secretariat to the Permanent Conference on Environmental Security and Cooperation in the Middle East (hereafter in this title referred to as the "Secretariat"), by September 1, 1992. Such agreement should provide for the United States to serve as permanent head of the Conference Secretariat.

(b) RESPONSIBILITIES.—An agreement negotiated under subsection (a) should provide for the Conference Secretariat to—

(1) devise and recommend changes to the operating procedures of the Conference;

(2) manage the regular affairs of the Conference;

(3) establish the work plan for the Conference, including project solicitation, project development, project evaluation, preparation of an annual budget for the review and approval of the Conference, and the obligation and expenditure of funds;

(4) prepare an annual operating budget and a 5-year strategic plan for the Conference;

(5) exercise full oversight and accountability over Project EDEN by maintaining full financial disclosure and planning visibility through regular project audits and other mechanisms as may be necessary;

(6) prepare an annual report for the approval of the Conference;

(7) organize an annual public meeting of Conference members;

(8) establish and support scientific committees to study, evaluate, monitor and make scientifically based recommendations to the Conference on problems connected with the purposes of Project EDEN; and

(9) establish working bilateral and multilateral relationships with governmental and nongovernmental financial, development and other institutions.

(c) ROLE OF THE ADMINISTRATOR OF AID.—The Administrator of the Agency for International Development, or his designee, should serve as the permanent chair of the Conference and shall retain the right of veto over Conference decisions and appointments.

(d) COMPOSITION OF THE SECRETARIAT.—The daily operations of the Secretariat of the Conference should be managed by a Director-General with supervisory authority over a full-time professional staff appointed by the Director-General and approved by the Conference.

(e) DIRECTOR-GENERAL.—The position of Director-General should be held for a period not to exceed one 5-year term and should rotate among member states of Project EDEN.

(f) STAFF OF THE SECRETARIAT.—(1) The staff of the Secretariat shall be vested with the same responsibilities, rights and entitlements of civil servants employed by the International Bank for Reconstruction and Development.

(2) The professional staff of the Secretariat should be drawn from Project EDEN member states and should be persons of distinction in the fields of basic sciences, engineering, ocean and environmental sciences, education, research management, international affairs, health physics, health sciences, or social sciences.

(3) The number of full-time professional staff employed by the Conference Secretariat should not exceed 50. The number of clerical staff employed by the Conference Secretariat should be as required to support the work of the professional staff and the Conference.

(g) ANNUAL ENVIRONMENTAL ASSESSMENTS.—The Secretariat of the Conference should prepare and submit to the Conference, no later than May 1 of each year, a report on the state of the Middle East environment including measures indicating the progress, or lack of progress, made by each country in the Middle East in fostering environmental cooperation and in solving and managing the regional environmental issues addressed by Project EDEN.

SEC. 1308. MIDDLE EAST REGIONAL ENVIRONMENTAL FUND.

(a) ESTABLISHMENT.—The President is authorized to enter into agreements with foreign governments on the establishment of a Middle East Regional Environmental Fund (hereafter in this title referred to as the "Fund"), by September 1, 1992.

(b) PURPOSE.—It should be the purpose of the Fund—

(1) to finance Middle East environmental projects having a transnational dimension consistent with the purposes of Project EDEN and which are authorized by the Conference; and

(2) to finance the full operating costs of the Permanent Conference on Environmental Security and the Conference Secretariat.

(c) ORGANIZATION.—The Fund should be established and managed by the Conference Secretariat.

(d) CAPITALIZATION OF FUND.—The Fund shall be capitalized with contributions solicited by the Conference Secretariat from Project EDEN member states and pursuant to the terms of section 1308(f)(2) and section 1308(f)(3) of this Act.

(e) PURPOSES FOR DISBURSEMENT OF FUNDS.—Disbursements from the Fund should be made only for projects conforming to the purposes of Project EDEN and for the administrative costs associated with the work of the Conference and the Secretariat.

(f) AUTHORITY TO INCUR OBLIGATIONS.—Obligations against the Fund should be made by the Secretariat and should be subject to the review and approval of the Conference.

(g) USE OF IRAQI REPARATIONS.—The Secretariat, with the full cooperation and active leadership of the President of the United States, should work through the United Nations to seek 25 percent of any future reparations paid by Iraq for war damages leading to, or resulting from, the Persian Gulf War is applied to the Middle East Regional Environmental Fund and used for environmental remediation, natural resource management, environmental research and environmental education.

(h) ANNUAL CONTRIBUTIONS.—The Secretariat, with the full cooperation and active leadership of the President of the United States should solicit annual contributions to the Middle East Regional Environmental Fund from national and multilateral entities, private donors, individuals and other sources as might be required to carry out the purposes of Project EDEN.

SEC. 1309. MIDDLE EAST ENVIRONMENTAL CENTERS.

(a) ESTABLISHMENT.—The President is authorized to enter into agreements with foreign governments for the establishment, by September 1, 1992, of Middle East Environmental Centers (hereafter in this title referred to as the "Environmental Centers") and an Environmental Data Network, within and between the sovereign member countries of Project EDEN.

(b) COORDINATION.—Coordination of the Environmental Centers should be carried out by and through the Conference Secretariat.

(c) PURPOSES.—The purpose of each Environmental Center would be to serve as a national focal point for regional environmental cooperation and the national support of environmental initiatives through the active fulfillment of the purposes of Project EDEN pursuant to section 1305(c) of this Act. The responsibilities of the Environmental Centers also should be, among others—

(1) to support and assist national environment ministries and regional environmental organizations and initiatives;

(2) to establish and maintain the Project EDEN Environmental Data Network through regional cooperation;

(3) to direct innovative environmental research and sustainable development initiatives;

(4) to establish and maintain a broad-based, active, and integrated early warning system for irregular or threatening interstate ecological, geophysical, biological, atmospheric, or maritime hazards;

(5) to serve as a crisis management coordination, communication, and information network between sovereign countries participating in Project EDEN, international organizations, and others;

(6) to establish and maintain a comprehensive inventory database of all significant biological, geophysical, historical and cultural resources on national lands to be freely available for public study and global dissemination; and

(7) to establish and maintain a water research authority to—

(A) monitor national water supplies;

(B) support study into more efficient means of water allocation, distribution and utilization;

(C) promote water conservation;

(D) study the environmental and social effects of water engineering projects;

(E) study the environmental and social effects of development projects on local and regional water availability;

(F) recommend new approaches toward managing or resolving local and regional water disputes; and

(G) contribute to the making of sound national water policies.

(d) ENVIRONMENTAL DATA NETWORK FOR THE MIDDLE EAST.—The Secretariat, in coordination with the permanent Conference Chair,

shall establish the Project EDEN Environmental Data Network (hereafter in this title referred to as the "Data Network").

(e) RESPONSIBILITIES.—The purpose of the Data Network would be—

(1) to support the work of Project EDEN and the Middle East Environmental Centers in which it will be housed;

(2) to provide for a voice and data link between all participating Middle East, associated states, international agencies and entities, educational institutions and private organizations in Project EDEN.

(3) to serve as a means for providing real-time communications and dissemination of information on actual or potential environmental occurrences, hazards, accidents, and crises;

(4) to promote the wide distribution of technical, scientific, and information on environmental resources in the Middle East;

(5) to assist in providing and fostering environmental education and an appreciation for the importance of regional environmental awareness;

(6) to facilitate environmental research, evaluation, and testing; and

(7) to provide on-line access to the Project EDEN environmental data bank.

(f) THE UNITED STATES ENVIRONMENTAL CENTER.—It is the sense of the Congress that the President should establish within the Agency for International Development, an Environmental Center dedicated to the purposes of Project EDEN and linked fully to the Middle East Environmental Centers and the Data Network.

Mr. KASTEN. Mr. President, this is an amendment which I, on behalf of Senator INOUYE and others, submitted for the RECORD a couple of days ago so that the Senate would have an opportunity to review it. It has to do with the establishment of a mechanism for cooperation in the management of environmental problems in the Middle East.

The environmental conditions in that region are serious and a number of people believe pose a threat to future cooperation in the region. Project EDEN establishes a mechanism for formal and informal scientific and governmental cooperation on those issues. It will promote both environmental cooperation as well as regional cooperation.

As I said, the amendment was submitted on Wednesday. It was printed in the RECORD at that time. We have also given the floor leadership an opportunity to review it. It has been available for several days. Several Senators, frankly, have had suggestions. We have worked with them and they have been accommodating over the last couple days.

The amendment is now cosponsored by Senator INOUYE, Senator BURDICK, Senator LIEBERMAN, and Senator LEAHY, in addition to myself.

I ask unanimous consent that a summary of this amendment be printed in the RECORD.

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

THE MIDDLE EAST ENVIRONMENTAL DEFENSE NETWORK

PROJECT EDEN

A new approach.—Project EDEN esablishes a new, comprehensive environmental architecture for the Middle East—addressing issues as diverse as hazardous waste disposal, water scarcity, desertification, biodiversity and oil pollution.

Advances the Peace Process.—The greatest steps on the path to peace the Middle East can be found in existing cooperation between the states on the region on specific environmental issues. EDEN will expand upon these contacts and encourage bi-lateral and multilateral problem-solving.

USAID the Guiding Force.—The United States, through the Agency for International Development, will be the guiding force behind Project EDEN.

Scientific, Problem-solving Orientation.—Project EDEN is to be a scientific, technical effort to address Middle East environmental problems—not a political forum.

International in Scope: Project EDEN recognizes the transnational nature of the region's environmental problems.

EDEN's Structure.—The amendment would establish a:

U.S. Planning Council within USAID to coordinate EDEN activities, provide recommendations on environmental strategy and priorities.

Permanent Conference on Environmental Security and Cooperation to be the forum for EDEN member states and to hold an annual meeting on the Middle East environment.

Conference Secretariat to be the working body of the Conference, providing oversight and budgeting of projects and activities.

Middle East Environmental Fund to finance EDEN activities through Iraqi reparations, member contributions and other donors, such as the World Bank.

Country Environmental Centers housing a date network between all member states and the U.S. for real time environmental crisis management, research and data exchange.

Mr. KASTEN. My hope is that this amendment can be agreed to.

Mr. SARBANES. Mr. President, I say to the distinguished Senator from Wisconsin, who is a cosponsor, we are prepared to accept the amendment. The administration has expressed misgivings about this amendment because there have been no hearings on it and they do not feel they have had an opportunity to be heard and to indicate how they think it might be changed or modified to make it more satisfactory.

I do want to note the ambitious planning council for which your amendment provides. I wish we could get such a planning council to address some of our domestic situations. That is not a bad group: The AID Administrator; the Secretary of State; the EPA Administrator; the NOAA Administrator; the Secretary of Agriculture; the Secretary of the Interior; the Director of the National Academy of Sciences Board on Science and Technology; the Director of the Trade and Development Program; and the Chairman of the Council on Environmental Quality. They would meet four times a year. That is a pretty high-powered planning council. I wish we could get a similar planning council to address some of our domestic problems and needs.

But having said that, and having noted the concern which the administration has expressed to us, I am prepared to go ahead and accept this amendment.

Mr. MCCONNELL. Mr. President, the amendment is acceptable on this side as well.

The PRESIDING OFFICER. Is there further debate on the amendment?

If not, the question is on agreeing to the amendment.

The amendment (No. 873) was agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. KASTEN. Mr. President, I thank the Senator from Maryland and the Senator from Kentucky for their help and their work on this amendment and for agreeing to further modifications that we needed to make in this concept. I look forward to their leadership and I look forward to working with them.

Mr. President, if I could have the attention of the bill managers.

Mr. President, I have an amendment on the list of amendments that are due to be considered having to do with nuclear proliferation. It is my understanding that we have now been able to work out this overall question, that a middle ground has been established, and in fact a middle-ground amendment has been adopted. So it would be my intention, simply in the interest of helping the managers of the bill, to take the Kasten amendment with regard to nuclear proliferation off the list of amendments that are due to be considered. I will not offer that amendment. I simply want to expedite the proceedings here. I will not offer that amendment. I am satisfied with the result of the compromise.

Mr. SARBANES. Mr. President, earlier today we adopted a more comprehensive amendment which I think addressed some of the concerns which the Senator had. We appreciate his statement. I thank the Senator.

Mr. KASTEN. I thank the managers of the bill.

Mr. SARBANES. Mr. President, 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. SARBANES. 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. SARBANES. Mr. President, I ask unanimous consent that the pending amendment be temporarily laid aside so that it be in order for Members to offer an amendment.

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

The Senator from Delaware is recognized.

AMENDMENT NO. 823

(Purpose: To require the transmittal of certain information to the Congress in connection with any arms sales to Middle East countries)

Mr. BIDEN. Mr. President, I have an amendment at the desk, and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Delaware [Mr. BIDEN], proposes an amendment numbered 823.

Mr. BIDEN. 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:

On page 88, between lines 13 and 14, insert the following:

SEC. 415. MIDDLE EAST SECURITY AND DEMOCRACY.

(a) SHORT TITLE.—This section may be cited as the "Middle East Security and Democracy Initiative Act of 1991".

(b) FINDINGS.—Congress finds that—

(1) United States arms sales policy in the Middle East should be designed to contribute to the stability and security of the region;

(2) in the absence of progress by governments in the region to build institutions that satisfy popular aspirations for democratic rights and economic development, arms sales alone will be insufficient to ensure the stability and security of the region and the defense of United States interests therein; and

(3) accordingly, the United States must pursue a multifaceted policy in the Middle East, emphasizing progress toward political pluralism and economic development within the security environment fostered by a sound arms sales policy.

(c) PRESIDENTIAL CERTIFICATION.—(1) Whenever the President submits to the Congress a numbered certification with respect to an offer to sell, or an application for a license to export, major defense equipment, defense articles, or defense services to a Middle East country under section 36(b)(1) or section 36(c) of the Arms Export Control Act, as the case may be, such certification shall include a report—

(A) analyzing the steps taken by the government of that country to build or maintain institutions that embody democratic principles, unless a certification is made with respect to such country under paragraph (2)(A)(i)(I); and

(B) in the case of any oil exporting country, analyzing the steps taken by the government of that country to invest and contribute, in a manner commensurate with its wealth, to the economic development of the region.

(2) Whenever a numbered certification with respect to a sale or export described in subsection (c)(1) to a Middle East country is submitted to Congress, the President shall include in such certification—

(A)(i) a certification—

(I) that the exercise of governmental power in that country is determined by free and fair elections and that such country is maintaining institutions that embody democratic principles; or

(II) that, in the case of a country that does not qualify for certification under subclause (I), such country has a record of continuing progress with respect to developing institutions that embody democratic principles; and

(ii) in the case of any oil exporting country, a certification that such country has a record of continuing and substantial achievement in making investments and contributions, in amounts commensurate with its wealth, to the economic development of the region; or

(B) a certification that the proposed transfer of such major defense equipment, defense articles, or defense services is of such compelling importance to the security interests of the United States as to warrant such transfer notwithstanding the President's inability to make the appropriate certifications required by subparagraph (A).

(d) DEFINITIONS.—For purposes of this section—

(1) the terms "defense articles", "defense services", and "major defense equipment" have the meanings given to such terms by paragraphs (3), (4), and (6), respectively, of section 47 of the Arms Export Control Act;

(2) the term "oil exporting country" means a country that exports petroleum extracted within its territory; and

(3) the term "Middle East" means the region which consists of Algeria, Bahrain, Egypt, Iran, Iraq, Israel, Jordan, Kuwait, Lebanon, Libya, Morocco, Oman, Qatar, Saudi Arabia, Syria, Tunisia, the United Arab Emirates, and Yemen.

On page 3, after the item relating to section 414, insert the following new item:

Sec. 415. Middle East security and democracy.

Mr. SARBANES. Will the Senator be willing to enter into a time agreement?

Mr. BIDEN. I will be delighted to. I believe a half-hour equally divided would be fine and it may not take that long. I think prudence would indicate that is the most appropriate time limitation.

Mr. SARBANES. I thank the Senator.

Mr. President, I ask unanimous consent that there be 30 minutes of debate on the Biden amendment equally divided in the usual form, and at the end of the 30 minutes or the yielding back of any time, without any intervening action, a vote on or in relation to the Biden amendment occur.

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

The Senator from Delaware is recognized.

Mr. President, the amendment I am offering serves a very simple purpose. It establishes the principle that our defense cooperation with nations of the Middle East during the gulf war must be put into a larger context, that we should not simply defend the status quo. The status quo is not, as one columnist recently wrote, the same as stability.

The situation in the Middle East continues to be unstable, in part as a consequence of the fact that there are a number of, essentially, oligarchies, if not monarchies, that in my view, do not, at this point, have a life expectancy that is going to go well into the next century. The fact of the matter is that there is a desire for movement toward democratization.

I am not naive, Mr. President. I have been around a long time, presumptuously to say, I have been dealing with foreign policy issues for a long time. I do not believe there is a democratic spirit prepared to spring up in every country of the world awaiting our discovery and encouragement. But, I do think, as has been clearly demonstrated by every expert who has testified before the Foreign Relations Committee, and I expect probably the Armed Services Committee and the Intelligence Committee as well, that we have essentially two compelling elements here. The President has reiterated them in the past and continues to do so. One is that U.S. interest is founded on stability, and stability is found in the existence of governments in the region that have the popular support of the people of those countries and the region itself. Secondly, stability is found in seeing to it that the have-nots of the region have some access to, some promise of, some hope for economic growth.

It is not the Saudi people or the Kuwaiti people that evoke hostility from so many in the Arab world toward Saudi Arabia or Kuwait. It is the fact that a very small number of people control and hold unto themselves what a vast majority of the 60 million Arabs in the region believe to be the birthright of all Arabs in the region—oil and its bounty. They find it somewhat inconsistent that while their bedouin brothers are roaming around the desert from hand to mouth, there are folks living in Riyadh with gold fixtures on their commodes and on their showers and on their bathtubs. It is not a situation that lends itself to long-term stability.

So I might add, what difference does this make to us? That is their problem one may say. However, it is obviously not their problem, because when any problem in that region of the world erupts in a way that threatens the prospect of the continued supply of oil to the Western World, we have a President and other leaders in this Nation and in the world who say, ah ha, we, the West, must go in and settle things.

How do we go in and settle things? We spend tens of billions of dollars sending hundreds of thousands of forces, tens of thousands of miles to settle things. What happens when it is all over? When it is all over, we have a Saudi governing family continuing to resist any democratization and not willing to share the birthright to any greater extent they have already. We have a Kuwaiti ruling family doing all that it can to suppress any instincts for democratization by engaging in a judicial system which in practice is draconian and doing everything in their power to maintain the status quo ante.

You even have Mr. Saddam Hussein wandering around Baghdad with a sidearm strapped to his side consolidating power at the expense of tens of thousands, hundreds of thousands of his people whose human rights are brutally ignored.

Mr. President, my amendment does two things. It attaches two conditions to future U.S. arms sales to the Middle East. Before weapons can be sold to a Middle Eastern country, the President must certify that the recipient nation either, first, is a democratic nation or, second, even if it is not a democracy, it is making some progress toward developing institutions that embody democratic principles. In other words, it is doing something to move from the status quo ante so that we do not have to send our sons and daughters again over to that region of the world because a significant portion of the population there concludes that they are not being represented.

Let me review this. It requires the President to certify either that the nation is already a democracy, like Israel, or that it is making some progress toward developing institutions that embody democratic principles.

In addition, the President must certify, in the case of the oil-exporting nation, that it is contributing, commensurate with its wealth, to the economic development of the region, in order that the American taxpayers are not the ones who are expending their dollars and sending their money, sending their treasure to the Middle East to generate stability, when in fact you have several families sitting upon tens of billions of dollars of wealth. They should be contributing to the stability.

Now, the out for the President is, even if he cannot certify that the recipient country is moving toward democracy and making some effort to see to it that there is economic stability in the region, he can still propose such a sale of arms if he deems the arms transfer to be of compelling importance to the security interests of the United States. In other words, the amendment seeks to promote democratic institutions and economic development. But it does provide the President with sufficient flexibility to go forward with the sale.

The amendment also provides the President the flexibility to decide the criteria to be used in submitting the certification. It does not mandate 20 steps that must be taken by a country before it can meet the test of this amendment.

Mr. President, this amendment is necessary to place U.S. policy in the Middle East on a proper course—in promotion of American ideals.

Promoting democracy, Mr. President, unfortunately, has never been our policy in the Middle East. Indeed, for years we sought precisely the opposite—the maintenance of monarchies that extend privileges and basic rights to a select few. Even now, the President apparently prefers the dictatorship of the Baath Party in Iraq—minus Saddam Hussein—to any other alternative.

Casting a blind eye to dictatorship should have no place in President Bush's new world order. Instead, we should promote political pluralism in the Middle East, encouraging our friends in the region to take steps to enhance the legitimacy—and thus the stability—of their regimes.

That is our policy around the globe—except the Middle East. Under President Reagan, we even created an institute, the very mission of which was the promotion of democratic values. That body, the National Endowment for Democracy, is working in every region of the world—Africa, Asia, Eastern Europe, Latin America—yet it has almost no operations in the Middle East.

Its Democratic Party affiliate—the National Democratic Institute for International Affairs—recently published a strategy paper on its approach to the various regions of the world. The chapter on the Middle East sheds interesting light on U.S. policy regarding democracy in the Middle East. In concluding that there is little rationale for taking a proactive approach in the region, the report cites the following reason, among others:

> We are unlikely to obtain the same type of encouragement from the U.S. Government as we have received elsewhere.

I am fully aware that democracy is not just around the corner in the Middle East. But the democratic ideal is alive in the region, and we should not shrink from encouraging it.

Nor should we be reluctant to persuade the Gulf States that investing their oil profits in the poorer nations of the Middle East is crucial to regional stability. A key cause of instability in the region is the jealousy felt by many Arabs toward the oil-rich states, whose contributions to Arab development they consider woefully inadequate.

A recent report by the Congressional Research Service that I commissioned supports this perception. According to the study, the aid programs of the Arab oil-exporting nations fell from a peak of $9.5 billion in 1980 to $1.5 billion in 1989, the lowest level in the 17-year period covered by the CRS report.

Arab leaders often speak of oil as the birthright of all Arabs. But as this study makes clear, only a handful of Arabs are benefiting from the supposed inheritance of all. In fact, in the years leading up to the gulf war, the key oil-rich countries—particularly Kuwait and Saudi Arabia—steadily reduced aid to their fellow Arabs.

Mr. President, I am sure that we will hear arguments that it is arrogant for us to suggest how other countries should proceed with their internal affairs; that democracy cannot be imposed from without; that our values are not the values of our Arab allies; that this will offend our friends in the gulf.

To those who say that this amendment might offend our allies in the gulf, I say that promoting democracy should not be an offense to anyone, especially those whom American soldiers fought to defend. It seems like the least we can expect.

We just sent 500,000 American troops to the gulf to defend these oil-rich monarchies from Iraqi aggression. I believe that our willingness to shed American blood in the Persian Gulf permits us to expect progress toward democracy and economic development.

Such progress is crucial to stability in this volatile region. Throughout the gulf crisis, many Arabs supported Saddam Hussein because of the enmity they feel toward the oil-rich monarchies. We cannot allow a future Saddam to exploit this resentment in the future.

My amendment will send a clear message to the gulf rulers—that the status quo is unacceptable. And it will send an equally clear message from Riyadh to Rabat—that pervasive economic and political progress is needed in the Middle East—far more than a new infusion of arms.

Mr. President, I ask how much time does the Senator from Delaware have remaining under his control.

The PRESIDING OFFICER (Mr. BRYAN). The Senator has 3 minutes 54 seconds.

Mr. BIDEN. Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time? The Senator from Kentucky.

Mr. MCCONNELL. Mr. President, let me first point out that this amendment was offered and subsequently withdrawn in the Foreign Relations Committee. I do not know anybody who does not support in principle the expansion of democracy to the far corners of the globe. But this amendment should be considered for what it really is, a backhanded effort to levy criticism against some of the nations which we fought beside and for in the Persian Gulf.

Senator BIDEN's amendment was a surprise in an otherwise uneventful committee markup and now once again it is surprising because of the timing. This week has brought us news of potential breakthroughs in talks in the Middle East. Secretary Baker clearly is enjoying a degree of success in his tireless effort to negotiate the terms of the peace conference in which all parties feel comfortable participating. Why in the world, Mr. President, would the Senate take aim and fire at some of the participants after all the careful confidence-building efforts is beyond this Senator's understanding.

I simply do not think the Senate should compromise the delicate peace process that is inching along in the proper direction. If Members are not persuaded to defeat this amendment on the grounds it is poorly timed, I think they should consider the fact that it sets an impossible double standard. If we insist that all aid recipients be full-fledged, home-grown American-styled democracies, frankly, there would not be many countries left around the world which could benefit from our assistance.

This is not to say that we should sell our principles out or work to achieve anything less than free market economics and universal political participation. But we should recognize that aid and our objectives are a dynamic and changing process. We should leverage our aid to achieve the political and economic reforms in which we all believe. But it is not an overnight process. I think we ought to give Secretary Baker the vote of confidence and the window of opportunity he needs to complete this crucial round of talks.

Mr. President, just summarizing, we are all interested in promoting democracy. There is no question about that. But at this particular juncture, applying that kind of standard, even with the outs that the Senator from Delaware would provide the administration, it seems to me is particularly inappropriate. There is no history of democracy in the Middle East. There is only one democracy in the Middle East. We do have to go on and deal with other countries in the Middle East.

This is the first time in anybody's memory, at least since 1979, there has been significant progress in the Middle East toward peace. Let us not complicate the matter further, Mr. President. I share the goals of the Senator from Delaware, but it just seems to me it does not in any way contribute to the peace process to offer and approve this particular amendment at this time.

I might suggest to the Senator from Delaware, would he not be willing to modify his amendment to simply require a report, something that gets at what he is seeking to achieve short of the manner in which the amendment is currently drawn? Is there anything, I would ask my friend from Delaware, short of this that might satisfy him as we move toward the end of this debate and try to wrap up this foreign aid bill, the first one we will have passed in some 5 years?

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

The PRESIDING OFFICER. The Senator from Kentucky has 11 minutes and 11 seconds.

Mr. McCONNELL. I will retain the remainder of my time and hope that my friend from Delaware might have some encouraging remarks about how we might move foward.

Mr. BIDEN. Mr. President, I find it fascinating my friend from Kentucky says he does not know of anyone who does not support democracy. I know a whole bunch of people who do not support democracy and they start in the Middle East beginning with Kuwait.

He indicates it is inappropriate to promote democracy now. I find it interesting that it is inappropriate to promote democracy now. I did not think it was ever inappropriate to promote democracy.

No. 3, I harken back to the Senator's words on this bill. Just yesterday he made the statement that encouraged me to come forward. He said, "If there is anything that America stood for in the post World War II period, it is democracy and capitalism." I would like to work on the democracy part in addition to the capitalism part.

No. 4, this has nothing to do with the peace process, zero to do with the peace process. It does not affect Israel. It does not affect the Arab States in terms of their attitude toward one another. It affects whether or not there will be in fact a peace process that we can help encourage for the people in Kuwait, for the people in Saudi Arabia, relative to their government, and other places I might add.

Last, so I can have a little bit of time left to respond if need be, the fact of the matter is that all it requires the President to do is say there is some progress toward democratization.

I sat down with the Saudi Ambassador, and I went over it in detail with him. He did not see any problem with this amendment. I do not know why my friend from Kentucky finds it a problem.

I retain the remainder of my time. I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. McCONNELL. Mr. President, let me just say that the administration certainly is not in support of this amendment of the Senator from Delaware, not because we are not in favor of promoting democracy or capitalism, but simply at the risk of being redundant for the very reason the Senator from Kentucky stated earlier. We are actually making some progress in the Middle East now. We are right on the verge it appears of significant breakthrough.

It seems to this Senator, and I think as well to the administration, that this is an amendment that is simply not needed at this particular time, which is not to say that any of us do not endorse democracy and capitalism. Obviously, we do. I hope that will emerge there in the Middle East at some point. But to set up any of these kinds of unrealistic requirements at this particular juncture in an area of the world that has no history whatsoever of democracy, it seems to me, is an unrealistic standard.

So I hope that the Biden amendment will be defeated. It seems to me it is simply not needed at this particular juncture.

We are all sort of keeping the heat on, if you will, in the Middle East with the statements that we have said about our hopes for the evolution of democracy. That is particularly the case in Kuwait. I think that setting up a process of grading our friends, giving them a grade, would be a diplomatic setback here at this particularly sensitive time. So I hope that the Senate will not approve the Biden amendment.

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

The PRESIDING OFFICER. The Senator has 9 minutes 24 seconds.

Mr. McCONNELL. I retain the remainder of my time.

Mr. BIDEN. Mr. President, let me point out a few facts. The dictatorships in the Middle East are moving backward and not forward. For example, Kuwait's aid program of $1.1 billion in 1990 dropped in 1989 to $169 million to their fellow Arabs and brethren, an 84 percent drop. Saudi Arabia's aid was $5.7 billion in 1980 to their Arab brethren, and by 1989 it dropped to $1.2 billion, a drop of nearly 80 percent.

Last, this administration has never been concerned about democracy in the Middle East that I am aware of before, or after, or during the peace process. It is not a word that comes into their jargon very often.

The fact of the matter is there is a need for a prod. It has nothing to do with the present peace process. It has nothing to do with Arab-Israeli relationships. It has everything to do with what we stand for, and what principles we have, and the President has an out. All he has to do is say there is some progress somewhere. If there is not any progress and he still wants to sell them weapons, it is in the overwhelming national interest of the United States to sell them anyway.

I retain the remainder of my time, if I have any. I yield the floor.

The PRESIDING OFFICER. The Chair informs the Senator from Delaware that he has 52 seconds left, and the Senator from Kentucky has 9 minutes and 24 seconds.

Mr. McCONNELL. Let me repeat, Mr. President, it is hard to argue at this particular juncture that an amendment targeted at the Middle East has nothing to do with the peace process. That is the big news in the Middle East right now. Three or four months ago the big news was the Persian Gulf war. Right now it is the Middle East peace process, which for the first time in a very long time appears to be moving forward.

Now it can be argued that the amendment targeted at the Middle East, the net result of which would be to have a public report card on our allies in the area, and right now virtually every-

body in the area is our ally more or less, a public report card in which we presumably give one country a C, one country a D, and one country or more countries an F, would in any way contribute to what is the most important thing going on right now in that area, which is the prospects for peace.

So the issue on the Biden amendment is not whether we are for or against democracy evolving in the Middle East. The issue as to whether at this particular juncture having a public report card on our allies in the Middle East—in which they are stood up and given a grade, presumably none would get an A, maybe somebody would get a D, probably would get an F—in what way, Mr. President, does that make any contribution whatsoever at this most delicate time in which there is quite possibly for the first time maybe ever a chance to solve once and for all the Arab-Israeli dispute.

So, Mr. President, it seems to me while I know this amendment is well-intentioned, with all due respect to my friend from Delaware it seems to me contributes nothing to what is the most important issue in the area at the moment, and that is the prospects for peace.

Mr. President, I am prepared to yield the remainder of my time if the Senator from Delaware is. We can move ahead here. I will make a motion to table at the conclusion of our debate.

Mr. BIDEN. Mr. President, I will use up the last few seconds.

Mr. President, I find the Senator's reasoning absolutely fascinating. The administration comes forward with a massive new proposal for arms sales to Saudi Arabia. How does that not affect the peace process?

Just yesterday, the administration came up with a $300 million sale for munitions to Saudi Arabia. How does that not affect the peace process if that is the case? The administration opposed an effort by the Senator from Delaware and others to stop the Chinese from selling ballistic missiles to Assad of Syria. How does that not affect the peace process?

I find it interesting that the only time my Republican friend stands up to take issue with something going on in the Middle East is when the commodity offered to the Middle East is democracy. It is all right for Assad to get ballistic missiles from China. It is all right to sell hundreds of millions of dollars worth of arms but not democracy. I find that fascinating.

The PRESIDING OFFICER. The Chair informs the Senator from Delaware that the time allocated to him has expired.

Mr. SARBANES. Mr. President, would the Senator like additional time? I would be happy to yield him some.

Mr. McCONNELL. Mr. President, I yield 2 minutes to the Senator from Rhode Island, after which, I plan to yield back my time so we can move ahead.

Mr. CHAFEE. Mr. President, I have a little difficulty with this amendment. As everyone knows, before these sales can be made now, there has to be a notification to the Congress of the United States. There is a delay process where we can consider whether we wish to proceed or not. I just am not quite sure what could be gained by this long list of items that the President must certify to the Congress.

I did not hear all of the remarks of the distinguished Senator from Delaware. I would be glad to have him respond on my time. I know he is out of his time.

But my first question is what happens in the event, for example, we give money to a nation for foreign military sales? Let us take the case of Israel where we gave them—I think it is $1.8 billion for military sales.

Would that notification be required in the case of those purchases?

Mr. BIDEN. Yes.

Mr. CHAFEE. I apologize because I was not here for his entire remarks. What is the matter with the present notification? There is nobody more familiar and knowledgeable with these matters than the distinguished Senator from Delaware. Does he know that the President has to give 45 days notice before there is a sale now?

And whereas that might be a limited—well, I think it is just a form of notice.

The PRESIDING OFFICER. The Chair informs the Senator from Rhode Island that the 2 minutes allocated to him has expired.

Mr. McCONNELL. Mr. President, I yield 2 additional minutes to the Senator from Rhode Island.

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

Mr. CHAFEE. I think the Senator well recognizes that during that period, we do not restrict ourselves to just is it a good sale from the U.S. point of view, as far as dollars and cents go. We spend a lot of time looking at, and we have had lengthy debates on those sales, as the distinguished Senator knows.

So I am not quite sure what is to be gained by this list of specifics in that declaration—exercise of governmental power, and that the Nation is determined by free and fair elections.

It seems to me this is a system of preventing or inhibiting sales to those nations that have been our allies but were not democracies. We wish they were, but every nation in the world is not just the way we would like it.

Mr. BIDEN. If I can respond, I say, Mr. President, that there is no long list. There are only two things he has to say: Either they are a democracy, or making some progress toward it; or, second, they are engaged in providing for the economic well-being of the region. The reason for it is very simple: To encourage these two things to happen. Very simple and straightforward. If the President concludes he cannot certify either of those, but the sales will still go forward, he can still go ahead and sell it.

Mr. CHAFEE. Except that, as the Senator knows, for a President to use the loophole that it is of such urgent, compelling interest to the security interests of the United States is a very, very tough hurdle to get over.

Mr. BIDEN. It does not say that. It just says "compelling." It does not even have to be urgent.

Mr. CHAFEE. I must have a misprint. The act I have says, "of such urgent and compelling interest." That may have changed. If so, maybe I am mistaken. Am I wrong on that?

Mr. BIDEN. Where is he reading from?

The PRESIDING OFFICER. The Chair would inform the manager that 1 minute——

Mr. McCONNELL. How much time do I have?

The PRESIDING OFFICER. One minute 57 seconds.

Mr. McCONNELL. Mr. President, I yield to the Senator from Rhode Island an additional 57 seconds.

Mr. CHAFEE. Is this going to take the Senator's whole time?

Mr. McCONNELL. That is right.

Mr. CHAFEE. Yes, I am reading from a description of the bill.

Mr. BIDEN. I think the Senator has an old copy. I do not mean that as a criticism. It says, "is of such compelling importance to the security interests of the United States as to warrant such transfers notwithstanding the President's inability to make such a certification."

Mr. CHAFEE. I have trouble with this. It seems we are levying a whole series of requirements and notification. We already have the notification, and the President will not be able to, in many cases, perhaps, override these objections, and so we lose the sale. The sale goes to somebody else.

By the way, have any other nations joined in this, any of the old suppliers out there?

Mr. BIDEN. Mr. President, as the——

The PRESIDING OFFICER. The Chair informs the Senator that only 45 seconds remain.

Mr. McCONNELL. Mr. President, if I can reclaim my time, let me sum it up, and I will make a motion to table the Biden amendment.

We already have the right to refuse arms sales under existing law. The only issue, I say to my colleagues, is whether in any way, at this particular juncture, it is helpful for a public report card on our allies in the Middle East on the question of whether they either, A, have a democracy, which none of them do; or, B, are making any progress toward a democracy, and will that help

the peace process when, for the first time since at least 1979, we have a real opportunity for peace in that area?

Mr. President, I yield back the remainder of my time, and 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. MCCONNELL. 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. DURENBERGER. Mr. President, I understand and support the sentiments expressed by the Senator of Delaware. All of us would like to see more democracy and representative governments in the Middle East region. That is not at all the issue at hand, however.

I must oppose this amendment because it is highly inappropriate that the Senate should inject itself into the middle of a sensitive, delicate, and promising negotiating process. We contribute very little by trying to muscle our way to the negotiating table.

Yet again, it seems that the Senate just can't leave well enough alone when this country is involved in an ongoing productive negotiating process. Too many members want to be Secretary of State. This body is not intended, or equipped, to run U.S. foreign policy. Yes, we have an important role to play. No doubt. But why must we throw ourselves in the middle of things when the administration has the matter under control.

Mr. President, it is important that we appreciate that this amendment not only links U.S. arms sales, foreign policy, and security policy to a sovereign country's form of government. It also links these critical U.S. policies to their level of foreign assistance to other countries in the region.

Where else in the world do we condition U.S. policies—policies that are intended to promote fundamental U.S. interests—on an independent, sovereign country's foreign aid programs? No where, as far as I can determine at this moment.

The objectives laid out here are superb. No doubt about it. But that doesn't mean that we should therefore automatically put our 2 cents in. Secretary Baker is managing an extremely difficult process with a great deal of care and skill. Passing this amendment, no matter how laudable the underlying objectives, will not contribute to promoting the negotiating process.

Yes, Mr. President, I enthusiastically support democratic principles and want to see them expanded all over the world. But this amendment is not a measure of our support for these principles. It's an intrusion into ongoing process where this body should leave well enough alone at this point.

Thank you, Mr. President. I yield the floor.

Mr. PELL. Mr. President, I commend the Senator from Delaware for his initiative regarding Middle East security and democracy.

This amendment will serve American interests in the Middle East by shining a light on the continuing absence of essential democratic values in the region.

The amendment will also provide American diplomats with an important tool. If nations in the region want to purchase U.S. weapons, they must demonstrate progress toward political pluralism.

The promotion of democratic values should always be a central tenet of U.S. foreign policy, and it should be applied universally—in Asia, in Europe, in Latin America, and in the Middle East.

Contrary to arguments that I am sure will be offered, this proposal does not in any way restrict the President's ability to make foreign policy. The amendment provides the President with sufficient flexibility to sell arms to the region, even if the standards required by the amendment cannot be met.

Mr. MCCONNELL. Mr. President, has my time expired?

The PRESIDING OFFICER. The chair informs the Senator that, yes, it has.

Mr. MCCONNELL. I make a motion to table, and 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 clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD: I announce that the Senator from Ohio [Mr. GLENN], the Senator from Iowa [Mr. HARKIN], and the Senator from Georgia [Mr. NUNN] are 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 39, nays 57, as follows:

[Rollcall Vote No. 152 Leg.]

YEAS—39

Bentsen	Durenberger	Lott
Bond	Exon	Lugar
Boren	Garn	McConnell
Breaux	Gore	Murkowski
Brown	Gorton	Packwood
Burns	Gramm	Roth
Chafee	Hatch	Rudman
Cochran	Hatfield	Simpson
Cohen	Helms	Smith
Craig	Jeffords	Stevens
Danforth	Kassebaum	Symms
Dole	Kasten	Thurmond
Domenici	Kerrey	Wallop

NAYS—57

Adams	Fowler	Moynihan
Akaka	Graham	Nickles
Baucus	Grassley	Pell
Biden	Heflin	Pressler
Bingaman	Hollings	Reid
Bradley	Inouye	Riegle
Bryan	Johnston	Robb
Bumpers	Kennedy	Rockefeller
Burdick	Kerry	Sanford
Byrd	Kohl	Sarbanes
Coats	Lautenberg	Sasser
Conrad	Leahy	Seymour
Cranston	Levin	Shelby
D'Amato	Lieberman	Simon
Daschle	Mack	Specter
DeConcini	McCain	Warner
Dixon	Metzenbaum	Wellstone
Dodd	Mikulski	Wirth
Ford	Mitchell	Wofford

NOT VOTING—4

Glenn	Nunn
Harkin	Pryor

So the motion to table the amendment (No. 823) was rejected.

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

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Republican leader is recognized. The Republican leader will suspend for a moment so the Chair can inform the Senate all time for debate has expired. The pending question would be, then, the vote on the amendment itself.

Mr. SARBANES. Mr. President, I ask unanimous consent the Republican leader be able to proceed for 5 minutes. I think we may be able to work something out.

The PRESIDING OFFICER. Is there objection? The request has been made for 5 minutes for the Republican leader. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I did not know there was any time agreement. It was my understanding there would be no time agreements on any of the amendments. Certainly I would not have granted a time agreement on this or any other amendments. It is my hope we can dispose of this amendment and that we can also dispose of the amendment by Senator HELMS. I think if those two were disposed of, withdrawn, then we could probably complete action on this bill in the next 10, 15, or 20 minutes. If not, I am constrained to say, even though this is a time agreement, there is no time agreement on the bill and we would be compelled to speak at length.

The PRESIDING OFFICER. The Chair reminds the Senator that under the previous order, unless there is a unanimous consent to modify that, all time has expired.

Mr. SARBANES. Mr. President, I ask unanimous consent that the managers of the bill have 10 minutes equally divided.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered. The managers have 10 minutes, equally divided, I presume under the usual form.

Does the Senator wish to yield?

Mr. SARBANES. I yield to the Senator from Delaware.

Mr. BIDEN. Mr. President, if I could have the attention of the Republican leader, the vote on this last amendment was 57 votes against tabling. I do not know, quite bluntly, whether or not I could find another three votes if I needed to. But it is not my intention to bring this legislation down.

I would be delighted to postpone the vote on this amendment and would be delighted to sit with the majority leader and with Senator HELMS if there is a possibility of Senator HELM's withdrawing. I do not want to be the only one who keeps this bill from moving forward. And I will tell everyone now there may be another vehicle upon which I bring this same amendment up at another time. I am not committing I will not bring it up again. But I would be delighted, if I am the only impediment between this bill going to passage—let me put it this way. I will not be the only impediment. I can assure my colleague of that.

But I am not going to withdraw if it turns out, because there are other items on the bill, that we are later going to be told, by the way, you know, we are going to filibuster the bill anyway.

Mr. SARBANES. I would say to the minority leader, we have the Biden amendment pending on a unanimous-consent request that set the Helms amendment aside. Then we return to the Helms amendment. Of course, the Helms amendment would be pending because the Simon amendment was set aside.

So there are three stages. If we could get the Biden amendment withdrawn and the Helms amendment withdrawn, we then will be able to move to final passage on this legislation.

So, I think we are very close to completion.

Mr. DOLE. If the Senator will yield, there are still 20-some hours on the Simon amendment. Hopefully, that could be disposed of, too, if we could reach an agreement. I understand the Senator from Wyoming has been at least meeting with the administration on the Simon amendment and also meeting with the Senator from Illinois, Senator SIMON.

I would just like to accommodate the managers. I know they worked hard. I should have indicated no time agreements earlier on the pending amendment.

Mr. MCCONNELL. If the leader will yield, it is my understanding Senator HELMS is on his way to the floor now so we may be able to work this out.

Mr. SARBANES. Mr. President, I yield to the Senator from Wyoming.

Mr. SIMPSON. Mr. President, indeed, we all know when we have a intractable situation. I just say, with regard to the Simon amendment, we have tried to revise that in a way which is now acceptable to the administration and to the sponsor. But I believe that it is not yet acceptable to one of our colleagues on this side of the aisle.

Perhaps we can work on some arrangement to lessen the time. I am certainly willing to help to do all those things. But the proposed resolvement of the Simon amendment has even been circulated to others who had previously objected to this type of program and they too have accepted this language. But I can go no further with my activities because of my colleague's feelings.

The PRESIDING OFFICER. The Chair informs the Senator, under two previous consent agreements, the Republican leader has 3 minutes and 23 seconds allocated to him; there is 5 minutes under the control of the floor manager, Senator MCCONNELL; and the floor manager, Senator SARBANES, has 1 minute and 33 seconds.

Mr. SARBANES. Mr. President, I suggest the absence of a quorum with time not to be charged.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. LAUTENBERG. Mr. President, I have consistently supported——

The PRESIDING OFFICER. The Chair would have to advise the Senator from New Jersey we are now under a time schedule on the Biden amendment.

Mr. LAUTENBERG. I ask unanimous consent that we not use any of the time on that amendment, and I ask for a 1-minute allowance under unanimous consent.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

CORRECTION OF VOTE

Mr. LAUTENBERG. Mr. President, I have consistently supported cargo preference laws and the effort to maintain a viable merchant marine in our country.

Last Wednesday, there was a vote to table the amendment of the Senator from Illinois, Mr. DIXON. It was a rollcall vote No. 146. I was recorded in the negative. I intended to be recorded in favor of the motion. It would not affect the outcome in any way. I ask unanimous consent that my vote be so recorded in the permanent RECORD as it will not affect the outcome of the vote.

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

Mr. LAUTENBERG. I thank the Chair. I note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant 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.

Mr. MITCHELL. Mr. President, I ask unanimous consent that Senator HELMS be recognized to withdraw his amendment, and then Senator HELMS be recognized to withdraw his amendment, and following the withdrawal of his amendment Senator HELMS be recognized to address the Senate for up to 10 minutes with respect to the Simon amendment.

The PRESIDING OFFICER. Is there objection? The Chair hears none and it is so ordered.

Mr. BIDEN addressed the Chair.

Mr. BYRD. Mr. President, will the distinguished Senator yield? Will the distinguished leader allow me a few minutes following the withdrawal of the Helms amendment just to speak. I want to speak with regard to that amendment.

Mr. MITCHELL. Mr. President, I ask unanimous consent that following Senator HELMS' remarks, Senator BYRD be recognized to address the Senate for up to 5 minutes.

The PRESIDING OFFICER. Is there objection? The Chair hears none and it is so ordered.

Mr. MITCHELL. Mr. President, I modify my request to ask that Senator BYRD be recognized to address the Senate for up to 15 minutes.

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

Mr. BIDEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. BIDEN. Mr. President, I ask unanimous consent that the Biden amendment be withdrawn at this time.

The PRESIDING OFFICER. The Senator has that right. The amendment is withdrawn.

The amendment (No. 823) was withdrawn.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, the Helms amendment would have carried if I had pursued it, but in the interest of the Senators who need to catch planes, I am going to withdraw it. First of all, it is a sense-of-the-Senate resolution and, second, I was offered by the managers of the bill the opportunity to accept it on a voice vote. However, to pursue that course now might result in further discussion and unnecessary delay. I believe I have made my point.

Mr. DODD. Mr. President, point of order. We cannot hear the Senator.

The PRESIDING OFFICER. Will the Senator from Connecticut repeat his statement.

Mr. DODD. Point of order. We cannot hear the Senator from North Carolina.

Mr. HELMS. Very well. The Senator did not miss much.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. These sense-of-the-Senate resolutions are worth about the paper they are printed on normally, but my reading of the Senate is that the amendment would have been agreed to notwithstanding the objections of Senators whom I respect highly, and they know I do. But the hour grows late.

Having said that, I withdraw the amendment.

The PRESIDING OFFICER. The Senator has a right to withdraw his amendment. It is withdrawn.

The amendment (No. 872) was withdrawn.

The PRESIDING OFFICER. Who seeks recognition?

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. Under the previous order, the Senator from North Carolina will be recognized for up to 10 minutes.

AMENDMENT NO. 826

Mr. HELMS. Mr. President, I want to say a few words about the amendment of the distinguished Senator from Illinois. I think those who believed last night on the tabling motion that they were casting a so-called prochoice vote may want to reconsider.

Mr. President, the pending amendment is about choice. I ask Senators who may have been considering support of the amendment to think more deeply about the implications of supporting UNFPA in any way at any time.

Many Senators who do support the amendment have stated frequently that they are prochoice. On the question of abortion, I am prochoice, too—except that I think that the unborn child should be given a chance to exercise his or her choice, too, about this business of staying alive.

But there is more to prochoice than the issue of abortion as a means of family planning. There is the whole idea of whether family planning should be a matter of voluntary choice, or whether the family should have no choice, whether the state should dictate the number of children, and the method of family planning. The central issue in the Symon amendment is whether family planning should be voluntary, or a matter of coercive state population control. Any contribution to the UNFPA is a contribution to programs of coercion.

The UNFPA has long had a hidden agenda as a strong advocate of coercive state population control. The ideologues in the so-called population movement have long been on record that coercion must be the ultimate policy. They are willing to tolerate voluntary choice as an interim, temporary policy. But the ultimate concept is that control of population must be dictated by the state, the Government that is, or dictated by global policies. The UNFPA's commitment to this doctrine in practice is obvious.

That is why UNFPA's relationship with state-enforced programs of population control in China is a very special one. UNFPA is not just a contributor, but a comanager of the Chinese program. UNFPA proudly points to China as the vanguard of future population control policies, and the model which all nations ultimately must follow.

In 1981, UNFPA Executive Director Rafael Salas stated:

> China provides a superb example of integrating population programs with the national goals of development.

In other words, coercive abortion.

In 1987, a UNFPA representative in Beijing stated that:

> China is actively working to set up a model of how social and economic factors can be harnessed in a harmonious way. The government has shown its full commitment to a family planning program that has been internationally acknowledged as one of the most successful efforts in the world today.

In 1989, UNFPA Executive Director Nafis Sadik stated—contrary to the mountains of evidence to the contrary—

> The UNFPA firmly believes, and so does the Government of the People's Republic of China, that their program is a totally voluntary program.

The monstrous assertion that the China program is voluntary in any way is proof positive that the UNFPA really believes that coercion is a necessary part of the ultimate population control program.

That is the issue. Do we, as the U.S. Senate, want to support, in any way, the programs of the UNFPA when the ultimate agenda—of that outfit—is to deny every woman in the world the ability to choose freely, without State control, whether to use family planning or not, or what methods to use.

That is why funding has been withheld from the UNFPA by the United States. It is not just that the UNFPA has participated in the programs that deny fundamental human liberty in China. The reason is that the UNFPA believes that China is the pilot program to deny fundamental human liberty in every country.

The problem in China is not only the problem of coerced abortion. The draconian measures of forced abortion and forced sterilization are only the last resort in a complex series of coercive measures against the family which begin when a couple are married.

The official policy in China is a one-child-per-family rule, although in practice it has be extended to two children. Women in China have been forced to attend propaganda sessions on a regular basis with the attention of the community focused on each woman's compliance or lack of compliance with the assigned targets. In many villages, each woman's reproductive history and use of family planning methods is posted on a public bulletin board.

These methods have led to despair, suicide, and even programs or practices of infanticide. The tremendous suffering caused by these programs led to pressures for exceptions, with corresponding savage repression. Some may claim that these results are abuses but they are the evil fruits of an evil tree.

Mr. President, I ask unanimous consent that excerpts from the books by John Aird, entitled "Slaughter of the Innocents" and "The Second-Child Loophole" and on "Family Planning Infanticide" be printed in the RECORD at the conclusion of my remarks.

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

(See exhibit 1.)

Mr. HELMS. The quality and substantial amount of UNFPA management assistance in China has a significant impact on the establishment and maintenance of an effective demographic information system, and the ability to formulate targets, monitor compliance, and enforce China's one-child policy.

This bill, Mr. President, already provides $300 million for population activities by the United States. The $20 million proposed by the SIMON amendment is just another add-on.

Therefore, the real purpose of the SIMON amendment is to legitimize the UNFPA as an instrument of the population control philosophy even though the UNFPA philosophy supports and praises coercive programs of State control under the guise of family planning.

I believe that this Senate and this Government should refrain from any participation.

Mr. President, the pending amendment seeks to separate itself from the policy of coercive abortions in China by proposing to build a fence around the money to be authorized. The amendment specifies the $20 million authorized cannot be made available for China; that the UNFPA must maintain the funds in a separate account, and not commingle them with other funds; that they cannot be used for abortion or involuntary sterilization; and finally that UNFPA must return the funds to the United States if UNFPA provides more than $57 million for family planning programs in China.

But these restrictions fail utterly to accomplish the announced purposes of the Senator from Illinois. There is no mechanism for auditing the accounts of the UNFPA. There is no mechanism provided in the U.S. Government to determine whether UNFPA has misused the funds, and there are no sanctions which can be applied against the UNFPA if it fails to live up to any agreement it might make to return the funds if UNFPA increases its support for family planning programs in China.

What the amendment of the Senator from Illinois does is set the precedent that U.S. funding of UNFPA activities is desirable, and that the United States approves of the management of UNFPA.

Mr. President, I yield the floor.

EXHIBIT 1

[From Slaughter of the Innocents: Coercive Birth Control in China]

THE SECOND-CHILD LOOPHOLE

(By John Aird)

The relaxation of family planning had also resulted in widespread disregard of the narrowly defined categories of couples "with special difficulties" who were to be allowed a second child. More and more couples who could not qualify were declared exempt from the rules and permitted to go ahead. In July 1987 the State Statistical Bureau revealed that the 1984 policy of allowing localities in Liaoning, Shaanxi, and Shandong that had strong family planning organizations to "experiment" with letting rural families with an only daughter have another child had led to an abandonment of restrictions on second births in other areas. By the end of 1986, 70 percent of the villages in Shandong were authorized to approve second births in such cases, but 80 percent of the "unplanned" births in the province in that year occurred in villages that had not been so authorized. In Jilin Province the proportion of couples having a second child went from 5 percent in 1984 to 60 percent in 1986. The corresponding national figures were 10 percent and 50 percent.

It was said that because the policies varied from one place to another, "the masses compared the differences and emulated the ones with the largest 'openings.'" Apparently, local cadres in other regions had taken the "experimental" policies as a sign that the central authorities were on the point of abandoning the one-child policy, and this probably contributed to the rumors throughout the country from 1984 onward that everyone was now allowed a second child.

The central authorities demanded that tight control of second births be resumed. A national journal warned in March 1987 that the stipulations for second children had not been changed and must be strictly enforced. The family planning journal said in April that "improving" the policy did not mean expanding the categories of persons allowed a second child and that they must not yield to the masses' desires to have more children. In July local authorities were warned to "adhere strictly to the criteria" for second births, and the same injunction was issued by Acting Premier Li Peng in January 1988.

Accordingly, the provinces spread the word. Hunan complained that many places were allowing everyone to have a second child under the guise of "perfecting the policies" and that controls must now be strengthened. Qinghai warned that some areas allowed too many exemptions from the regulations. Shaanxi ordered that the "indiscriminate granting of exemptions" be stopped. Henan said couples could have a second child "only after going through the correct procedure." Guizhou told its cadres to "refrain from granting exemptions beyond the limits set by the documents." Heilongjiang said second births must be curbed in accordance with the policies.

For all other couples the one-child rule was to be reimposed. The principal means was to insert IUDs in women with one child, sterilize couples with two or more children, and abort all unauthorized pregnancies—the same demands that had led to the massive escalation of coercion in 1983. A Yunnan circular on family planning said, "We must mobilize the masses to vigorously and conscientiously implement the measures for birth control and remedial measures." Hebei Province told its cadres that in 1987 they must "make efforts to ensure that 90 percent of the women of childbearing age who already have a child use IUDs, 90 percent of the child-bearing women with two children and more receive tubal ligations, remedies [abortions] be given to 90 percent of the unplanned pregnant women, fines be imposed on 90 percent of the women who violate regulations on family planning work, the birth control rate reach 90 percent, and multiple births [births of second and higher parity children] be controlled below 1 percent . . . The Party committees and governments at all levels should conscientiously strengthen leadership over the work. Principal responsible comrades of the Party committees and governments should define management targets for ensuring the fulfillment of the planned population growth targets and the economic construction targets."

Cadres on Hainan Island, Guangdong Province, were told to "quickly put an end to the passive state in our family planning work . . . We must resolutely promote the work of collecting fees imposed on those who have exceeded the limit set on the number of births for the purpose of promoting the implementation of measures for sterilization . . . Our current emergency task of promoting family planning work must center on energetically stressing remedial measures for unscheduled pregnancies. At the same time, we must pay attention to stressing tubal ligations for those who have already given birth to two children.

"It is necessary to focus on remedial measures regarding pregnancies not covered by the plan and also to do a good job in carrying out ligation surgery after the birth of a second child and inserting intrauterine devices after the birth of a first.

Regional family planning work has been progressing slowly, and the number of completed sterilization operations has been on the low side."

Guizhou told its cadres to take "remedial measures" as the "focal point" of work in 1987 to "ensure the fulfillment of the population plan." Liang Jimin, Director of the General Office of the State Family Planning Commission, said that "abortion remains the chief means of birth control" and that the number of abortions was equal to half the number of births.

Even minorities, who had previously been shown more lenient treatment under the family planning program, were not exempt from these measures. The human rights organization Asia Watch learned from interviews that in Tibet "a pregnant woman, prior to the birth of a [third] child, is given medicine to induce an abortion. Things are done in this way. One doesn't have the freedom to abort or not. If a woman is in a hospital and in the course of an examination [it is seen that she is pregnant], the child is aborted. She is given medicine and an abortion is done without her even being asked."

Tibetans in Qinghai Province complained of forced abortions, large fines for unauthorized third births, and refusal of food ration cards for the children.

In January 1988 the national family planning journal urged that "reliable" birth control measures be carried out and added that "IUDs and ligations still must be taken as the principal means of birth control, especially in rural areas . . . The key is to carry out concrete measures at the basic level. Carrying out reliable birth control measures is an important link in basic level family planning work. In the past we proposed that ligation not be applied indiscriminately. The intention was to stress starting from facts and treating [each case] with discrimination. Now, for the same reasons, we cannot refrain from doing ligations and IUD insertions indiscriminately."

In July 1988 a population journal quoted an undated statement by Deng Xiaoping that "in order to lower the population growth rate, it is all right to use administrative and economic measures. So long as the rate can be lowered, it will be the greatest victory."

Throughout 1988 and into the spring of 1989, provincial directives emphasized tightening controls and strict enforcement of restrictions, quotas, and targets. The return to rigid methods meant the end of the somewhat more "flexible" approach to contraception adopted in 1984, under which some couples were allowed to use contraceptive techniques other than IUDs and sterilization.

NEW FAMILY PLANNING REGULATIONS

Another sign of the tightening of control over births was the issuance of more restrictive provincial and local family planning regulations that began in 1986 and continued into 1989. As before, they were instituted at the prompting of the central authorities, modelled on those adopted at higher levels, and required higher level approval before they could be promulgated. The new regulations increased the penalties for violations and were to be vigorously enforced. Sichuan's were formally adopted on July 2, 1987. They called for sterilization of couples with two or more children, "a heavy fine" for having an unauthorized birth, a monthly fine for an unauthorized pregnancy, to be refunded after an abortion was performed, and fines for "illegal" removal of IUDs. The stated aim was to enable local authorities to "rely upon legal procedures to control population growth . . ." Sichuan's cadres were told to "resolutely implement each of the 'Regulations,' strictly block early marriages, early births, births in excess of the planned quota, and other 'large gaps,' and stop all 'crooked gaps' in order to meet the population plan for this year." In September local public security bureaus in Sichuan issued their own circular to emphasize that "where the law applies, it must be adhered to; that the execution of the law must be strict; and that those who violate the law must be prosecuted."

Though the Sichuan family planning regulations punish officials who accept bribes or practice fraud and people who insult, threaten, or beat family planning personnel, they contain no warnings against the use of coercive tactics and no penalties for cadres who resort to coercion. They do provide for appeal to the courts for reconsideration of "erroneous" penalties imposed by the family planning departments, but they give no hint as to possible bases for appeal. Clearly, the regulations do not protect people against such tactics as mass mobilizations, harassments by family planning workers and officials, and group punishments designed to induce other people to ostracize and condemn non-compliant couples, coercive measures which the central authorities have never disapproved.

By September 1989, 17 of the 30 provincial level units in China had adopted new family planning regulations, which were said to be "playing an active role in unifying thoughts,

stabilizing birth policies, and tightening family planning work." How severe the terms of subprovincial family planning regulations could be is shown by those adopted by Tianhe District, Dongpu Precinct, Guangzhou Municipality, as of January 1, 1987, as reported in a journal published by Chinese dissidents in the United States. The regulations stipulate that any woman who does not have an intrauterine device inserted within four months after giving birth shall be fined 20 yuan per month until she accepts the device. If a woman is allowed two children under the law and does not accept an intrauterine device after the birth of the second child, she must be sterilized. Before that measure is taken, she will be fined 50 yuan per month. . . . If a woman who has one child fails at birth control, the pregnancy must be terminated and the woman sterilized.

"If a woman who is eligible to have a second child has that child before she is given permission, or if any woman gives birth to a third child, all members of her family will lose their benefits. . . .

"A fine will be levied by the government on any woman who has a second or subsequent baby without permission. For the second baby, the fine will be 2,000 yuan, for the third baby 3,000 yuan, for the fourth baby 4,000 yuan, [and] each birth beyond the fourth will be assessed 4,000 yuan. If the baby born without government approval is only the second, and the mother voluntarily submits to sterilization, the penalty may be reduced by 80%. If the baby is the third, and the mother submits to sterilization, the penalty may be reduced by 50%. . . .

"For farm families in violation of the birth control laws, their share of farm profits will be garnished when profits are divided at the end of the year. If the child born illegally is the woman's second, 80% of the income will be impounded. If the child is the woman's third, 100% of the income will be taken. If the child is the second, and the penalty has not been paid but the woman has undergone sterilization, the assessment will be 50%. If the child is the third and these conditions exist, the assessment will be 70%. This assessment will stop when the penalty has been paid up. . . .

"If an unauthorized baby is the second, third, or subsequent child in a family and sterilization has not been accepted, the family will be denied permission to build a dwelling, their water and electricity will be cut off (or their water and electric rates will be increased five to ten times, depending on the type of residence), grain coupons will not be issued, [and] driver's licenses and private business licenses will be revoked. All these sanctions will end when the sterilization procedure is performed. (The above sanctions apply to all those listed in the family registration book.)

"If a cadre or staff member of a collective enterprise or cooperative business unit has an unauthorized second baby, the appropriate punishment will be administered by the employer. Birth control measures must be adopted. Both the man's and the woman's salary will be reduced by 40% and all bonuses will be suspended until the four-year required waiting period is over. If the unauthorized baby is the third or subsequent child, the employment of both parents will be terminated. . . .

"A woman who illegally removes her intrauterine device, or anyone else who violates birth control regulations or obstructs the work of the committees, should be punished in accordance with a law. . . ."

The renewed interest in family planning regulations seems to reflect a view expressed early in the 1980s that such laws legitimize the use of compulsory measures. In 1981 a writer in a national newspaper noted that "some people" who opposed the use of coercion in family planning did not approve of the formulation of a national family planning law. The writer argued that enforcement of law is "not the same as coercion." In 1982 and 1983 provincial spokesmen argued that Article 12 of the Constitution making family planning the duty of husbands and wives was "a fundamental law which the people must obey" and a "legal duty that citizens bear to the state." Nevertheless, despite urging from Qian Xinzhong and other Chinese family planning advocates, the national family planning law drafted in 1979 was never adopted.

Since July 1988, another national law has reportedly been under consideration. In February 1989, Peng Peiyun, the new Minister-in-Charge of the SFPC, who had replaced Wang Wei in January, indicated that the SFPC is actively at work on it and that it will go before the State Council "as soon as possible." In March Peng insisted that legislation must be "accelerated" because "without a legal basis, our birth control effort can hardly get anywhere." She added that the legislation was "especially urgent" and that the State Council had decided to draw up "provisional" regulations this year and adopt formal regulations "when the time is right." Peng apparently considered the national law essential in making family planning compulsory, and many other family planning supporters in China took up the demand. But some family planning officials reportedly were "not optimistic about the results of such action." One SFPC official was quoted as saying. "As long as such a great number of people ignore the law, what can the law do to them?"

FAMILY PLANNING INFANTICIDE

The most coercive measure allegedly used in the Chinese family planning program has never been alluded to in the Chinese media but has been described in several reports by outside sources. This is deliberate infanticide carried out by obstetricians in urban hospitals in China against infants born without official permission. Because these reports have not been confirmed, the extremely repugnant practices they describe have not been cited in the foregoing chapters, but their persistence and their specificity suggest that they may be more than ugly rumors.

The practice was first reported in 1981 by the Guangzhou correspondent of the Wall Street Journal, Michael Vink, who wrote that women with unauthorized pregnancies were given injections by hospital doctors that caused them to have stillbirths or to deliver nonviable infants. He also told of cases of doctors killing babies immediately after delivery if they were third children. In 1983 a British medical journalist reported that a hospital in Guangzhou required its doctors to make sure that no infant born without a permission slip from the mother's work unit be allowed to leave the hospital alive. The babies could be destroyed by "any kind of method," including strangulation. Doctors who allowed unauthorized babies to survive could be punished by loss of their jobs. In January 1985, Washington Post Beijing correspondent Michael Weisskopf reported an account from Inner Mongolia that since 1981, in accordance with a regulation banning births of second children to Han Chinese, doctors in Hohhot, the regional capital, routinely destroyed unauthorized babies by smashing the skull with forceps as the baby emerged from the womb or by injecting formaldehyde into the fontanel. Doctors who ignored the regulation risked losing their jobs, as in Guangzhou.

In 1987 the New York Chinese dissident journal China Spring carried a report by a Chinese doctor studying in Canada that hospital personnel in China destroyed unauthorized infants by injections of alcohol into the fontanel. He also reported that doctors who refused to carry out the procedure could be punished by demotion, salary reduction, or dismissal. He said the practice was followed in Haerbin, Shanghai, and Urumchi, as well as Guangzhou. A similar report was given by a Western physician involved in international human rights activities, who said that when he was in Tibet in 1987 with a medical expedition, he met a woman who said that her baby had been killed by a lethal injection and that she herself had been sterilized against her will in the Lhasa People's Hospital. This was one of several such reports he received.

In January 1989, similar practices were described in an article in a Washington Chinese newspaper by an author identified only as "a mainland scholar." The author reported that newborns were killed by injections of alcohol or ether and by stuffing gauze into their mouths. He asserted that Chinese doctors and nurses were required to carry out such practices against their will. He also alleged that organs from the destroyed infants were used in laboratory research. No specific communities or institutions were mentioned in the article.

Since 1981 female infanticide, a spontaneous action by rural Chinese families whose first and only permitted child under the one-child rule proved to be a daughter, has been repeatedly denounced by the Chinese government as barbaric and a violation of the one-child policy. Whether hospital infanticide, which supports the one-child policy, is official policy ordered from Beijing through Health Ministry channels, or whether it is a local invention that has been encouraged or at least tolerated by the central authorities, cannot be determined from the evidence available. However, it is significant that the reports come from widely scattered cities in China, that they are quite similar in details, and that the practices they describe have apparently continued over a period of years without official interdiction. It may also be significant that, as two of the above sources imply, these practices began in 1981, the year in which Deng Xiaoping is reported to have told family planning officials to "use whatever means you must, but do it!" If the reports are valid, hospital infanticide is apparently not one of the forms of coercion in the Chinese family planning program that are "stopped as soon as detected" by the authorities.

Mr. MITCHELL addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. MITCHELL. Mr. President, in order to accommodate the interests of several Senators, the distinguished President pro tempore, Senator BYRD, has authorized me to ask unanimous consent that the time allocated to him under the previous agreement be vitiated.

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

Mr. MITCHELL. I thank Senator BYRD for that courtesy.

I now yield to the distinguished manager.

AMENDMENT NO. 827

Mr. SARBANES. Is the pending business the Simon amendment?

The PRESIDING OFFICER. The Senator is correct.

The Senator from Maryland, I believe, has 1 minute and 33 seconds remaining.

The Chair stands corrected. That order was vitiated.

Is there further debate?

The yeas and nays have not been ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Illinois.

The amendment (No. 827) was agreed to.

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

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 826, AS AMENDED

The PRESIDING OFFICER. The question is now on the amendment No. 826, as amended.

Is there further debate on the amendment?

The yeas and nays have been ordered on that question.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the yeas and nays be vitiated on the amendment.

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

Without objection, the amendment (No. 826), as amended, is agreed to.

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

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 874

(Purpose: To make changes in the appointment of Members to the United States Delegation to meetings with other CSCE member nations)

Mr. SARBANES. Mr. President, on behalf of Senator MITCHELL and Senator DOLE, I send an 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 Maryland [Mr. SARBANES], for Mr. MITCHELL (for himself and Mr. DOLE), proposes an amendment numbered 874.

Mr. SARBANES. 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 136, lines 17 and 18, strike "including the Chairman of the United States Delegation" and insert "unless the Speaker determines otherwise".

On page 136, lines 21 and 22, strike "including the Vice Chairman of the United States Delegation" and insert "unless the President of the Senate, upon the recommendation of the Majority and Minority Leaders, determines otherwise".

On page 137, lines 4 and 5, strike "including the Chairman of the United States Delegation" and insert "unless the President of the Senate, upon the recommendation of the Majority and Minority Leaders, determines otherwise".

On page 137, line 11, strike "including the Vice Chairman" and insert "unless the Speaker determines otherwise".

On page 137, beginning on line 14, strike out "the period" and all that follows through "for" on line 17.

On page 137, line 24, strike "from the Committee on Foreign Affairs" and insert "designated by the Speaker".

On page 138, lines 1 and 2, strike "from the Committee on Foreign Relations" and insert "designated by the President of the Senate, upon the recommendation of the Majority Leader".

On page 138, lines 4 and 5, strike "from the Committee on Foreign Relations" and insert "designated by the President of the Senate, upon the recommendation of the Majority Leader".

On page 138, line 6, strike "from the Committee on Foreign Affairs" and insert "designated by the Speaker".

On page 138, line 12, strike "Chairman of the Committee on Foreign Affairs" and insert "chairman of the delegation".

On page 138, lines 14 and 15, strike "Chairman of the Committee on Foreign Relations" and insert "chairman of the delegation".

On page 138, line 15, insert at the end thereof the following new sentence: "Each delegation secretary shall be an officer or employee of the Senate or of the House of Representatives, as the case may be.".

Mr. SARBANES. This is an amendment to bring the provisions of the bill authorizing a U.S. delegation to the parliamentary assembly of the Conference on Security and Cooperation in Europe into conformity with the statutory authorizations for the predecessor commission and for other similar interparliamentary duties.

The PRESIDING OFFICER. Is there further debate on the amendment?

If not, the question is on agreeing to the amendment of the Senator from Maine.

The amendment (No. 874) was agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. SARBANES. Mr. President, I say to the majority leader that we think we are at or close to the point of final passage. There are still a few Senators who had listed amendments. I do not know whether any of them will choose to offer them. If not, we are prepared to go to final passage now.

Mr. MITCHELL. Mr. President, a number of Senators have inquired as to when we will be able to complete action on this bill. It is my hope that we will do so right now. If no other amendments are offered, we will proceed to a vote on final passage on the bill, and that would be the last vote of the day. We could complete action for the week with action on this bill. If not, we will stay until we complete action on this bill. We are going to finish this bill today, we hope.

The PRESIDING OFFICER. Are there further amendments to the bill?

Mr. KASTEN. Mr. President, I have an amendment which I believe has been reviewed in detail, and I think can be accepted.

The PRESIDING OFFICER. Is the amendment of the Senator from Wisconsin at the desk or does he wish to offer it?

Mr. KASTEN. I wish to offer this amendment.

AMENDMENT NO. 875

Mr. KASTEN. Mr. President, I send an 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 Wisconsin [Mr. KASTEN] proposes an amendment numbered 875.

Mr. KASTEN. 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 98, after line 19, insert the following new section:

SEC. . AUTHORIZATION ADJUSTMENTS.

In each of fiscal years 1992 and 1993, the amounts authorized by—

(1) section 532 (a) (7);

(2) section 504 (a) (1) (E); and

(3) section 302 (a) (1) (F)

of the Foreign Assistance Act of 1961, shall be deemed to be increased by amounts authorized for, respectively—

(1) section 502 (a) (1) through (6);

(2) section 504 (a) (1) (A) through (D); and

(3) section 302 (a) (1) (A) through (E)

of such Act, and any other provision of law specifying an amount of funds that may be made available for the countries, organizations, or programs identified in such section shall not apply, if—

(a) the country or organization for which such funds were authorized has significantly reduced its military, economic or political cooperation with the United States, or there has been a fundamental change in circumstances with respect to the program for which funds were authorized, or

(b) the further obligation or expenditure of the funds so authorized becomes impossible by operation of law. Nothing in this section shall render inapplicable to reprogramming provisions of section 634A of the Foreign Assistance Act.

Mr. KASTEN. Mr. President, let me just, if I can, briefly explain this amendment. I do not believe it should take a record vote. I am hopeful that the amendment can be agreed to.

But in a number of sections of this authorizing bill, particularly the sections having to do with ESF, IO&P,

which are international programs and FMS, foreign military sales, the bill, as it is written, tries to set both ceilings and floors for certain different accounts, which would mean that in a given program the authorizing bill had authorized $10 or $100 million or whatever for a program, and for one reason or another only $90 million were authorized, that remaining $10 million could not be spent in the overall program, but that remaining $10 million would in effect be dropped.

What this amendment says is that the totals within each account would remain as authorized, but that within each of these broader accounts if the dollars were switched, the dollars that were saved could still be spent and it would not be wasted.

This is an amendment which the administration is seeking. I believe that the Department of State and the White House have been in touch with the managers of the bill. I offer this amendment on behalf of the administration, and also on behalf of the Senator from Vermont [Mr. LEAHY].

The question here is whether or not the flexibility can remain in each of these different programs. Without this amendment being adopted, a degree of flexibility, which the administration desires, would not be possible.

The PRESIDING OFFICER. Is there further debate?

Mr. MCCONNELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Mr. KASTEN. Mr. President, I withdraw my amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

So the amendment (No. 875) was withdrawn.

Mr. KASTEN. Mr. President, I am withdrawing this amendment with the understanding that, first, this is a conferenceable item; second, what we are trying to do is to work with the managers of the bill and the administration.

The administration is concerned that without this amendment they will lose the flexibility that they need in implementing and operating a very difficult foreign assistance program as it exists. But the managers of the bill have assured me that we will look at this issue between now and when this bill goes to conference. At this point we will also be able to have additional input from the administration and others.

I think with that understanding and the hour being what it is, the course that we are following is the most expeditious course. The issue is not going to go away. I hope that the administration will be involved more aggressively in support of this flexibility issue. But for the time being I think that this is the most expeditious way to deal with this legislation.

Mrs. KASSEBAUM. Mr. President, I would like to commend the managers of the bill for the excellent work they have done in formulating this bill and steering it through what we all know can be a very rocky road in the Senate.

The successful completion of an authorization bill for foreign aid, in my view, contributes greatly to our legislative process and to our overall foreign policy. The managers of this bill have achieved a feat today that many of us, even just a few short months ago, would not have believed was possible.

In commending the effort, I would like to highlight that this bill contains some very important reform elements. Although much more needs to be done, I believe the managers should be complimented for taking the first steps toward improving the flexibility and efficiency of our foreign aid program.

As many of my colleagues on the Foreign Relations Committee know, I have been a strong supporter of reforming the foreign aid process for a number of years. Since 1987, I have repeatedly introduced legislation aimed to achieve this goal.

Today, I am pleased to vote for a foreign aid bill which includes such improvements as consolidating the number of functional accounts, reducing the number of earmarks, particularly in the ESF account, and allowing the President the flexibility to break earmarks by 5 percent in order to fund emergency assistance. The bill also adds infrastructure as a goal for our development policy, an objective I have supported given the difficulties I have witnessed firsthand in Africa. And, finally, Mr. President, this bill includes language calling for management reform at AID, which I offered as an amendment in committee.

While these efforts are a first step, I believe they are a significant starting point for a much broader review of how we legislate foreign aid and of how the executive administers the programs. I look forward to working with the managers of the bill and my other colleagues in this body who share these same concerns.

Mr. DURENBERGER. Mr. President, I want to congratulate my colleagues on the Foreign Relations Committee for bringing the fiscal year 1992 foreign assistance authorization bill to its fruition, making a valuable contribution to the foreign assistance process in this country.

Notwithstanding the Committee's good work in completing action on the bill, it is not possible for me to support final passage of this bill. I strongly object to several very key provisions. First, those that overturn crucially important U.S. policy on foreign assistance for family planning programs. Second, the provisions expanding cargo preference regulations.

President Bush has indicated that he will veto this bill because of these provisions, and I support him in that direction.

As many of my colleagues and constituents know, the 1972 Foreign Assistance Act forbids the use of the U.S. public funding for abortions in foreign countries. The Mexico City Policy of 1984 expanded this restriction, forbidding U.S. funding of any foreign organization that performs or provides counseling services for abortion.

I am strongly opposed to the use of taxpayers' money, directly or indirectly, to promote abortion in any way.

Mr. President, I must also object to the cargo preference provisions of the bill, which by any reasonable definition, are antifarmer and anti-American jobs. I cosponsored an amendment, which did not prevail, that would have struck the provisions that require 50 percent of U.S. goods purchased through the foreign aid program be shipped on U.S.-flag vessels.

Current cargo preference provisions are bad enough, but the measure passed by the Senate expands those provisions, compounding an already unsatisfactory system.

According to AID, U.S.-flag vessels cost almost $30 per ton more than more competitive foreign vessels. AID indicates that in 1990, that translates into 21.6 million dollars' worth of goods that were not purchased from suppliers in each and every one of our States.

To put it as succinctly as possible, Mr. President, each dollar spent for the more expensive U.S.-flag carriers is one less dollar spent to purchase U.S.-made products.

It had been my hope that I could support final passage on this important legislation, but there are simply too many objectionable provisions. I hope that these problematic sections can be corrected in the future.

Thank you, Mr. President. I yield the floor.

Mr. HELMS. Mr. President, the Foreign Relations Committee completed markup of the International Security and Economic Cooperation Act (S. 1435) on June 24. During the committee markup, the Senator from South Dakota [Mr. PRESSLER] offered several important provisions to this bill which were adopted by the committee.

At the urging of Senator PRESSLER, section 622(g) of S. 1435 was added to the bill. This section authorizes up to $10,000 for technical assistance to the Baltic States and to republics of the Soviet Union that have freely elected governments. It also authorizes the establishment of nondiplomatic liaison offices in the Baltic States and the

democratic republics of the Soviet Union.

The Support for East European Democracy [SEED] provision in S. 1435 was strengthened by a Pressler amendment. This Senator agrees with Senator PRESSLER that the private sector is uniquely qualified to take the lead in reversing the damage communism has done to the economies of Eastern Europe. The Pressler amendment insists on stronger eligibility criteria for any United States assistance to Eastern and Central Europe, the Baltic States, or to any democratic republic of the Soviet Union. This should assure that assistance will be obligated only if significant steps toward a market-oriented economy and representative democracy, including respect for private property ownership take place.

Mr. President, I commend the Senator from South Dakota for his leadership on these measures.

SAKHAROV

Mr. GRAHAM. Mr. President, this bill establishes the Andrei Sakharov Educational Exchange Program to further cooperation between the United States and the nations of Eastern Europe in the fields of environmental protection and health sciences through exchange of graduate students.

The bill urges the President to use the authority provided to make the Andrei Sakharov Educational Exchange Act an integral part of the SEED Program.

In April 1988 I had one of those memorable life experiences when, while visiting the Soviet Union, I was able to share a meal with Dr. Andrei Sakharov and his wife Yelena Bonner at our Ambassador's resident in Moscow.

I had just toured a major Soviet research center. So during dinner I turned the conversation toward a discussion of science in the Soviet Union. I asked Dr. Sakharov what are some potential areas of scientific cooperation that might be initiated between our two countries.

Dr. Sakharov recommended a graduate student exchange program in disciplines in which there were no national security implications. He specifically suggested environment and health sciences.

Those recommendations were typical of Sakharov's pragmatism, humanity, vision and his conviction that the human condition can—should be enhanced through cooperation and learning.

A man of passion and a champion of many causes, Dr. Sakharov brought a sense of urgency to his work. Yet despite the severity of the problems with which he grappled, Dr. Sakharov was optimistic that man had the ability to find solutions and improve the world in which he lived.

We should share both Dr. Sakharov's sense of urgency and his optimism. Through cooperation and learning we can lighten our collective burden.

I applaud the committee for its action in urging the administration in moving ahead on this program.

CUBA HUMAN RIGHTS

Mr. GRAHAM. Mr. President, this bill contains language of a resolution I introduced earlier this year applauding the U.N. Human Rights Commission for approving a resolution on March 6 mandating that a special representative "maintain direct contact with the Government and citizens of Cuba" and to report the results to the commission next year.

The United Nations on July 2 appointed Rafael Rivas Posada, a Columbian diplomat, as the special representative.

The Cuban Government immediately rejected the appointment, calling the U.N. initiative part of Washington's "aggressive policy toward Cuba" and saying that "there is no justification" for it."

Mr. President, that statement would be absurd if it wasn't so outrageous. Case after case of human rights abuses have been documented since Castro took power over 30 years ago. Castro has blood on his hands, and it's well documented blood.

Amnesty International, the Puebla Institute, the AFL-CIO, Americans Watch—all have carefully documented a laundry list of violations over the years.

The United Nations itself issued one of the more recent comprehensive reports in 1988—its first ever—condemning Castro's human rights violations.

The Castro government arrested, harassed, and intimidated scores of human rights monitors and independent activists, many of whom cooperated with the United Nation's 1988 investigation. This after a promise from Castro that he would take no action against those assisting U.N. investigators.

Mr. President, this bill sends a strong message that the U.S. Senate, for one, refuses to forget the daily human rights abuses taking place 90 miles off shore.

I applaud the Foreign Relations Committee for adopting this language.

THE EL SALVADOR PEACE, SECURITY, AND JUSTICE ACT OF 1991

Mr. HARKIN. Mr. President, I rise in support of the amendment offered by the distinguished Senator from Connecticut [Mr. DODD], and the distinguished Senator from Vermont [Mr. LEAHY].

Mr. President, I do not believe we should be sending any military aid to El Salvador and would have preferred that Congress adopt the Adams-Harkin bill, S. 601, to end all military aid to that nation's Armed Forces. Under current law, there is enough evidence to justify cutting off all aid to El Salvador. One provision of the law, that was overwhelmingly passed by Congress last year, called for a complete cutoff of all military aid to El Salvador if there was not a thorough and professional investigation into the murder of the six Jesuit priests, their housekeeper, and her daughter, on November 16, 1989. Nearly 2 years have passed since they were brutally murdered and little progress has been made in that case. Even after Congress cut off 50 percent of El Salvador's military aid last year, the Salvadoran Armed Forces continue to obstruct the investigation. Why? Because they know that the Bush administration will let them get away with murder and continue to provide military assistance. That's wrong.

The Jesuit case is extremely important to the future of Democracy in El Salvador. In a speech at the University of Central America in San Salvador on July 1, 1991, Representative MOAKLEY, chairman of the House Speaker's task Force, pointed out the importance of this case when he said:

> For if El Salvador, with all the international pressure, cannot bring those who murdered the Jesuits to justice, how can anyone expect justice the next time a labor leader or a teacher or a campesino is killed? How can we expect those who have seen their relatives and neighbors kidnapped and tortured and murdered to lay down their arms unless they can do so in an atmosphere of justice and law? How can we expect an end to the violence of the left unless there is an end to the impunity from prosecution of the right?

Chairman MOAKLEY continued by stating his belief that there is a strong possibility that the murders were ordered by senior military officers not currently charged. So I believe there is sufficient evidence to cut off all military aid under the existing law. President Bush, however, does not see it that way. He reads the law selectively, ignores the Salvadoran Army's violations of the law, upsets the balanced approach established by Congress last year, and provides military assistance to an Army which has committed outrageous and flagrant human rights abuse against its own citizens.

Since January 1991, when President Bush announced that he would release the military aid withheld by Congress last year, human rights abuses attributed to the security forces of El Salvador have increased dramatically, when compared to the first 6 months of 1990. According to the human rights office of the Archdiocese of El Salvador, Tutela Legal, during the first 6 months of 1991, the Salvadoran Armed Forces were responsible for 42 political killings. Just a few weeks ago, on July 7, we read about the brutal murder of Martin Ayala Ramirez. According to press accounts, in an act reminiscent of the early 1980's, the military tortured and killed Martin Ramirez because of his advocacy on behalf of slum dwellers. It seems like nothing changes.

Mr. President, as I have said in the past, the armed forces of El Salvador need to be purged of human rights vio-

lators and restructured. The impunity of military chiefs must be overcome and the Salvadoran military subjected to civilian control. Democracy will not take root in El Salvador as long as the military continues to act as if law has no power over it. In the words of the late Fr. Ignacio Ellacuria, rector of the University of Central America, "There will not be democracy without democratization of the Armed Forces." And there will not be democratization of the Armed Forces if the United States continues to provide unrestricted military assistance.

Mr. President, although I would have preferred that Congress cut off all military aid, and believe that under current law all military should be cut off, I do support the Dodd-Leahy amendment to withhold 50 percent of military aid, including 50 percent of the estimated $150 million in the pipeline. It is a modest proposal. At the very least Congress should provide incentives to the Government of El Salvador to reach a negotiated settlement with the FMLN and prosecute those responsible for the murders of the Jesuits.

History will show that real, substantive progress in the negotiations between the Government of El Salvador and the FMLN began after the congress cut off funds to El Salvador's military. This Congress has a strong desire to see a democratic society flourish in El Salvador. We have invested a lot of time, energy, and resources to that end. The least Congress can do is restore the original incentives established by the law passed last year.

Now I have heard a number of people argue that voting on this amendment will affect the ongoing negotiations. Well let me ask my colleagues, when the Bush administration announced on January 15, 1991, it was releasing the funds withheld by Congress last year, didn't that affect the negotiations? When the administration announced on January 29, 1991, that it was delivering three A-37 jet fighter-bombers and six attack helicopters, did not that affect the negotiations? When senior administration officials criticized the efforts of the United Nations Secretary General's special representative to the Salvadoran negotiations did not that affect the negotiations? And when the President recently decided to disburse more than $21 million in military aid, did not that affect the negotiations? Of course it did. Not only did those actions affect negotiations, they adversely affected the negotiation process What Congress must do now is get U.S. policy back on track and provide incentives for both sides to reach a settlement. The only mistake Congress made last year, and I am glad to see this year it was corrected in the Dodd-Leahy amendment, was not providing for a reasonable check to the administration's unbalanced approach toward El Salvador. I am very much in favor of Congress retaining the right to have a final say, over whether to release the aid that would be withheld, and I thank Senators DODD and LEAHY for including that provision in their amendment.

Mr. President, it is time to stop funding the war in El Salvador. The people of Iowa as well as the rest of our country are tired of funding the military in El Salvador, and will not permit such an outrage to continue. I urge my colleagues to support the Dodd-Leahy amendment, return a semblance of sanity to our foreign policy, and help bring peace to the war-torn nation of El Salvador.

Mr. KOHL. Mr. President, it is with mixed emotions that I have decided to vote for final passage of the foreign aid authorization bill. Any complex piece of legislation contains a mix of strengths and weaknesses—and on a purely arithmetic basis, this bill has many more strengths than weaknesses. I am particularly pleased with the treatment that the bill, as reported and as amended, gives to the Middle East. While the aid to Israel and Egypt is not insignificant, the legislative language is even more important and will, in my judgment, make a significant contribution to bringing peace to that troubled region.

My vote for final passage indicates my support for the bill. The following comments will, I hope, spell out my concerns in a few specific areas and give some direction to the Conference Committee and the administration as they move this bill through the final steps in the legislative process.

First, while I am pleased by the modifications which have been made to the Mexico City policy, I am disturbed by our failure—despite overwhelming support—to resume funding for the U.N. Fund for Population Activities. In a similar fashion, I am also disturbed by our failure—despite the support of a majority of members—to adopt the Dodd amendment on aid to El Salvador. In both areas I am disappointed by the decision made and deeply concerned about the process that was followed. To have the will of the majority thwarted so consistently is frustrating; and to see the Senate rules bent to accommodate scheduling concerns as consistently as they have been, is bothersome in term of the precedent it may set.

Second, I must make it clear that I find the provisions in this bill on cargo preference to be totally unacceptable. During the debate on the Dixon amendment, I spelled out my objections to the approach taken by the committee in some detail. I will simply say here that the provision is unfair to both the Great Lakes, which can not physically accommodate American flagged vessels, and the nations who receive our aid, which will have to pay more for transportation and as a result get less actual assistance. The impact of this provision on American agriculture will be devastating: it will reduce demand at precisely the time when foreign markets are supposed to be the salvation of the communities and people who depend on our agricultural sector. I want to make it very clear that while I found this bill, on balance, to be worthy of my support, I continue to hope that the conference committee will correct this problem. If it is not corrected, I hope the President will elect to veto the bill based on his well-known objections to the cargo preference provision. If that happens, I would have little choice but to support him, and hope that the Congress would sustain the veto, and then strip that provision from the bill and pass it again.

Mr. President, while I have very real reservations about this bill, I also have a great deal of respect for the Senators who crafted it. Chairman PELL and Senators SARBANES and MCCONNELL, certainly deserve our thanks for the effort and thought they have put into this legislation. I hope that as the process continues they will be able to correct the flaws I see in it and gain my full support to the product they have labored so long to produce.

The PRESIDING OFFICER. Are there further amendments to be proposed?

If not, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third time, and was read the third time.

The PRESIDING OFFICER. Is there further debate?

Mr. DOLE. 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 Senator from Maryland.

Mr. SARBANES. Mr. President, has the bill been read for a third time?

The PRESIDING OFFICER. Yes.

Mr. SARBANES. Mr. President, I ask unanimous consent that the Foreign Relations Committee be discharged from further consideration of H.R. 2508, the House companion bill, and that the Senate then proceed to its immediate consideration; that all after the enacting clause be stricken, and the text of S. 1435, as amended, be substituted in lieu thereof, and the bill be deemed to have been read the third time.

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

Mr. DOLE. 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 question is, Shall the bill pass?

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from New Mexico [Mr. BINGAMAN], the Senator from Iowa [Mr. HARKIN], the Senator from Ohio [Mr. METZENBAUM], the Senator from Georgia [Mr. NUNN], and the Senator from Colorado [Mr. WIRTH] are necessarily absent.

I also announce that the Senator from Arkansas [Mr. PRYOR] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from Mississippi [Mr. LOTT] and the Senator from Oklahoma [Mr. NICKLES] are necessarily absent.

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

The result was announced—yeas 74, nays 18, as follows:

[Rollcall Vote No. 153 Leg.]

YEAS—74

Adams	Exon	McConnell
Akaka	Ford	Mikulski
Baucus	Fowler	Mitchell
Bentsen	Glenn	Moynihan
Biden	Gore	Murkowski
Bond	Gorton	Packwood
Boren	Graham	Pell
Bradley	Grassley	Pressler
Breaux	Hatfield	Reid
Brown	Heflin	Riegle
Bryan	Inouye	Robb
Burdick	Jeffords	Rockefeller
Burns	Johnston	Sanford
Chafee	Kassebaum	Sarbanes
Coats	Kennedy	Sasser
Cochran	Kerrey	Seymour
Cohen	Kerry	Shelby
Cranston	Kohl	Simon
D'Amato	Lautenberg	Simpson
Danforth	Leahy	Specter
Daschle	Levin	Thurmond
DeConcini	Lieberman	Warner
Dixon	Lugar	Wellstone
Dodd	Mack	Wofford
Domenici	McCain	

NAYS—18

Bumpers	Garn	Roth
Byrd	Gramm	Rudman
Conrad	Hatch	Smith
Craig	Helms	Stevens
Dole	Hollings	Symms
Durenberger	Kasten	Wallop

NOT VOTING—8

Bingaman	Metzenbaum	Pryor
Harkin	Nickles	Wirth
Lott	Nunn	

So the bill (H.R. 2508), as amended, was passed.

Mr. SARBANES. Mr. President, I move to reconsider the vote by which the bill, as amended, was passed.

Mr. McCONNELL. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SARBANES. Mr. President, I move that the Senate insist upon its amendment, request a conference with the House, and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer (Mr. CONRAD) appointed Mr. PELL, Mr. SARBANES, Mr. BIDEN, Mr. CRANSTON, Mr. DODD, Mr. WOFFORD, Mr. HELMS, Mr. LUGAR, Mrs. KASSEBAUM, Mr. MURKOWSKI, and Mr. McCONNELL conferees on the part of the Senate.

BILL INDEFINITELY POSTPONED—S. 1435

Mr. SARBANES. Mr. President, I ask unanimous consent that S. 1435 be indefinitely postponed.

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

Mr. SARBANES. Mr. President, I want to express my appreciation to my colleagues, and particularly to those on the Senate Foreign Relations Committee, for their cooperation and assistance in the passage of this legislation. This is a very important development. We have had difficulty in the Senate over the last few years in passing a foreign assistance authorization bill. We are very pleased that this has occurred this afternoon.

There are many members of the committee who were enormously helpful in this effort, but I would be remiss if I did not particularly recognize the extraordinary contribution made by the ranking member of the subcommittee, the very distinguished Senator from Kentucky, who was a positive and constructive force from the very beginning. I credit a great deal of the fact that we have been able to pass this legislation to his very effective efforts, and I want him to know how much I appreciate it.

Mr. President, I also want to express my appreciation to the staff people who helped us in this matter: Dick McCall and Marcia Verville, who have worked directly with me on the committee staff, Janice O'Connell; and Gail Coppage, who did much of the backup work, and we are very appreciative to her. I do not know all of the people on the other side of the aisle at the staff level, but I do know Robin Cleveland, and I want to particularly acknowledge her wonderful efforts in this regard. I also want to single out Diana Ohlbaum of my own staff who has worked with me for quite a long time on Foreign Relation issues.

I also want to express my deep appreciation to the majority leader for giving us this opportunity to bring this legislation to the floor, and for his very steady and strong support throughout the effort.

Again, Mr. President, I thank my colleagues for this very significant vote in favor of this legislation. We hope in the not-too-distant future to be back to the Senate with a conference report which all Members can support.

Mr. President, I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. McCONNELL. Mr. President, let me say just briefly how much I admire and appreciate the work of my colleague from Maryland, Senator SARBANES. He is truly an expert in this very complicated and difficult field. It has been a pleasure to work with him and to have a chance to observe his extraordinary legislative skills, which were demonstrated in this difficult process.

Also, we certainly appreciate the majority leader giving us the opportunity to try to move this legislation forward. I thank Senator DOLE as well for his help.

At the staff level, I want to thank Robin Cleveland of my staff who has been a superb adviser on this process from beginning to end. But it has also been a truly cooperative venture. I thank Marcia Verville and Dick McCall of Senator SARBANE's staff. I also want to thank Lorne Craner, Todd Buchwald, and Bob Lester—Lorne and Todd at the State Department and Bob Lester at AID. Finally, I thank Senators DODD, HELMS, SIMON, and BIDEN. At the crucial time near the end their decisions allowed this process to go forward.

So, Mr. President, with those observations, I yield the floor.

Mr. PELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. PELL. Mr. President, I would like to congratulate the Senator from Maryland for the tremendously successful and skilled way he managed this bill and got it through, and his able staff, Marcia Verville and Dick McCall; the majority leader, Senator MITCHELL, who is the first majority leader in 6 years to permit this bill to come to the floor and has helped us make it work. I thank him very much indeed. I thank very much Mr. McCONNELL and Robin Cleveland for their help and support.

MORNING BUSINESS

Mr. MITCHELL. Mr. President, I ask unanimous consent that there be a period for morning business, with Senators permitted to speak therein.

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

Mr. BURNS addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

TELECOMMUNICATIONS POLICY

Mr. BURNS. Mr. President, July 25 may go down as a very monumental day in the history of the ever-changing world of telecommunications.

Ever since I was elected to this Senate, and working on the Commerce, Science, and Transportation Committee, it was obvious to me that new technologies were not being deployed and made readily available to every citizen of this country, and those new technologies not being deployed fast

enough. We live in a different world where information travels with the speed of light and in order for rural areas like my own State of Montana to compete in this fast moving arena of commerce, these new technologies must be available to them.

Yesterday, Judge Greene lifted the restrictions on information services for the telephone companies. It was a great decision for every American.

I applaud this decision by Judge Greene. It was only a matter of time. Now the telecommunication policy of this country can now be shaped by the Congress instead of in the courts. The people of this country must be the ones through their elected representatives who set the policy that will allow competition in the domestic marketplace and in the international arena.

The American public will now receive a host of new and innovative services over their telephone lines, not just from the telephone companies, but from others as well.

Competition, the fuel that drives innovation and technology, will truly bring America into the information age.

I must caution my colleagues, this is just one step toward a vision of the future. This decision only deals with narrowband technologies and the future demands the deployment of broadband fiber-optic technologies. My bill and Senator GORE's bill, S. 1200, is middle ground and allows that vision to become a reality. The Burns-Gore bill defines and shapes the future of an industry that will be a key to the infrastructure of commerce as the interstate highways are to the transportation infrastructure today. It was Senator GORE's father who was the moving force, working with the Eisenhower administration, that made that dream a reality for all Americans.

A broadband network for all Americans, schools, hospitals, elderly, business, both small and large, must be our overriding goal.

The Burns-Gore bill provides safeguards and has always been middle ground for all interests in telecommunications.

It is my hope that the Burns-Gore proposal for infrastructure modernization will be heard in September and passed by a Congress willing to reclaim its rightful role in setting communications goals and policies that are best for the Nation and the consumer, and there is balance for all interests involved.

Mr. President, I yield the floor and 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. LIEBERMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

THE U.N. DEADLINE FOR IRAQ

Mr. LIEBERMAN. Mr. President, many Americans are talking about the strange and horrible case of Jeffrey Dahmer, who allegedly dismembered at least 11 people in his Milwaukee apartment. He had previously been convicted of a sex offense in 1988. After less than a year in jail, he was given early release after telling a judge, "I can assure you that it will never happen again."

Mr. Dahmer, meet Saddam Hussein.

Saddam Hussein, who has assured the world of his own peaceful intentions many, many times, has missed another deadline, and is once again telling us it will never happen again. The day has come and gone for Iraq to fully abide by the terms of a deadline imposed by the U.N. Security Council and reveal the full extent of its nuclear program.

Is anyone surprised that Saddam Hussein has not complied?

This dictator has given us every reason over the years of his rule not to trust him. That is why it may become necessary to renew air attacks on Iraq's nuclear facilities, and other military targets. If the President decides to take that course of action, I will fully support him, as I am sure will most of this Congress and the people of this country.

It is unlikely such attacks will be launched today, tomorrow, or even in the next week or so. This was not a deadline like the one Iraq faced on January 15. But Saddam should not rest easy if another day dawns in peace for him and his cohorts. If he fails to fully comply with what the world is demanding of him—and I would guess, based on his record, that he will not—then strategic targets in Iraq must be bombed again.

Today the United Nations also confronts the issue of providing aid to the people of Iraq, many of whom are suffering from shortages of food, medicine and other staples of life. As the United Nations considers this issue, let the point not be lost as to who is responsible for this state of affairs. It is not the United States. It is not the coalition forces. It is Saddam Hussein, pure and simple.

Mr. President, whatever suffering exists in Iraq results from the brutality of Saddam, not from our hand. Yet, because we are a compassionate people—because we are so different from Saddam—we are trying to find a way to help those he continues to subjugate in his own country. But we must take care not to be used by the oppressor, as we seek to give comfort to the oppressed. Any plan to tap Iraq's frozen assets, in order to buy food, medicine, and other provisions, must be administered by outside, international agencies. Simply put, we cannot let Saddam or his cohorts get their hands on one single dollar with which we seek to help the people of Iraq. For we can be sure that dollar will be quickly laundered for us in rebuilding Iraq's military might or to feed Iraq's soldiers instead of its children.

The fastest, most efficient way to get food, medicine and other necessities of life to the children of Iraq and to bring a better day for the people of Iraq, is to get rid of Iraq's ruler. Yes, let us pursue humanitarian courses of action as best we can. But let us not let up in our desire to rid Iraq and the world of the menace of Saddam Hussein. The Iraqi people, perhaps best of all, realize that. In yesterday's Wall Street Journal, there is a fascinating account by reporter Tony Horwitz, of the open contempt many Iraqis feel toward Saddam. "American came all this way to liberate Kuwait, but did nothing to liberate us," he reports one student as saying. And the owner of a small shop yells out to him, "Tell Mr. Bush to come back and finish his business!"

I agree. Let us finish our business. Defeating Saddam, once and for all, is the key to real peace, health, security and hope for the people of Iraq and their neighbors around the region and the globe, people around the world. Whether his fate hangs on the guidance controls of a smart bomb, or in the mind of an angry Iraqi veteran, Saddam's time must be up.

Mr. President, it appears Jeffrey Dahmer's alleged crimes were not discovered by authorities earlier in part because his probation officer was excused from making on-site visits to his home, due to a heavy caseload.

Let us not make the same mistake on a global scale.

Let us not give Saddam Hussein probation for his crimes.

Let us not give up on on-site visits, by inspectors and, if necessary, our bombers.

Let us not give up our efforts to prosecute Saddam for his crimes against humanity.

Let him never forget that he will have no peace until the end of his days of power.

I thank the Chair.

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

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

DESIGNATING SENATOR KERRY MANAGER OF S. 1433

Mr. PELL. Mr. President, I understand I have been designated as the manager of the bill. I, in turn, designate the Senator from Massachusetts [Mr. KERRY] to be the manager of this bill.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized as the manager of the bill.

Mr. KERRY. Mr. President, I thank the distinguished chairman of the Foreign Relations Committee. I would like, at the request of the leaders, to propound a unanimous-consent request.

UNANIMOUS-CONSENT AGREEMENT S. 1433

Mr. KERRY. Mr. President, I ask unanimous consent that at such time the consideration of S. 1433, the State Department authorization for fiscal years 1992 and 1993, occurs that the following amendments be the only amendments in order to the bill, and that these amendments be subject to relevant second-degree amendments; and I further ask unanimous consent that no motion to recommit be in order during the pendency of these amendments.

Mr. President, the amendments are as follows: a Mitchell amendment, leadership amendment; a Dole amendment, leadership amendment; a managers' technical amendment package; an amendment by Senator LEVIN on South Africa; Senator HELMS, missile technololgy; Senator MURKOWSKI, Moscow Embassy; Senator HELMS, second degree to Senator MURKOWSKI, Moscow Embassy; Senator BUMPERS, credit guarantees; Senator GLENN, resolution on Kuwait; Senator PELL, Kurdish broadcasting; Senator PELL and Senator HELMS, chemical-biological weapons; Senator SIMON, the Foreign Service promotions, sense of Congress on Boris Yeltsin, and language on training—three amendments; Senator ROCKEFELLER, employment of U.S. citizens at U.S. Embassies; Senator HATCH, USIA Cultural Center, Moscow; Senators BROWN and LUGAR, post-open and closings, USIA: Senator BROWN, the NED Board, restrictions; Senator MITCHELL, Soviet exchanges; Senators DOLE and SIMON, Armenia; Senator KERRY of Massachusetts, personnel property loss; Senator MOYNIHAN, New York Bridge Authority; Senator PELL, East Timor; Senator SEYMOUR, PLO; Senator DIXON, passports/noncustodial; Senator ROTH, sense of the Senate, United States nuclear weapons in Europe; Senator SPECTER, Ben Franklin House; Senator LIEBERMAN, antiboycott Israel; Senator GLENN, Kuwait/U.S. contracts; Senator WALLOP, U.S.S.R. reimbursement, Embassy; Senator WALLOP, global warming; Senator WALLOP, a second amendment on global warning; Senator KERRY of Massachusetts, Moscow Embassy; Senator HELMS, arrearages on international organizations; Senator BRADLEY, student exchanges; Senator KASTEN, EEO grievance procedures; Senator MACK, economic freedom; Senator SMITH, Southeast Asia policy; Senator COATS, East-West Center; Senator PRESSLER, hiring practices; Senator WOFFORD, world net; Senator MCCAIN, Vietnam; Senator SEYMOUR, Vietnam; Senator KERRY of Massachusetts, Vietnam; Senator HATCH, special agents; Senator BROWN, China deportation; Senator BIDEN, China report; Senator HELMS, New York City reimbursement; Senator BROWN, new loans to be repaid; Senator MURKOWSKI, defense credit guarantees; Senator BROWN, striking dollars for international coffee organization; Senator BIDEN, Middle East; Senator RIEGLE, Soviet Union; and Senator BIDEN, Radio Free Europe-Radio Liberty.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request?

Mr. BROWN. Reserving the right to object.

Mr. KERRY. I add two additional amendments for Senator SMITH, one on Southeast Asia policy and two on Southeast Asia policy. Mr. President, I reserve an additional amendment for myself on Southeast Asia policy.

Mr. President, an additional amendment, Senator GRASSLEY, Treasury Department on assets, and, Mr. President, an amendment by Senator GORTON, Yugoslavia.

Mr. BROWN. Reserving the right to object, Mr. President, and I will not object, but I would like to note for the record that Senator CRAIG had wanted to offer an amendment on debt reduction for Latin American debts. An objection was raised by another Senator that threatened the entire agreement and it could have made it impossible to bring up the bill at all.

Senator CRAIG has, in an effort to accommodate the Senate, been willing to withdraw his amendment. He will offer it on another measure. But I wanted to, first of all, commend Senator CRAIG for his efforts and second, serve notice that I believe a vote on debt reduction should take place, and that I intend to do all that I can to make sure it does take place within the next week.

Certainly we ought to be willing to accommodate the schedule, but it is an important issue that should not go by. I want Members to know we will have a vote on that at the appropriate time in the coming week.

I withdraw my reservation.

The PRESIDING OFFICER. Is there objection?

Mr. KERRY. Mr. President, reserving the right to object, if I might just add to my colleague from Colorado, first of all, I appreciate his cooperation throughout this process and particularly as we have tried to narrow down the amendments. The narrowing from the list obviously has some distance yet to travel, but it is our hope, obviously, that a great many of these amendments will not necessarily materialize in the short time that we will have to consider this legislation.

I also want to thank the Senator from Idaho [Mr. CRAIG] for his forbearance. He obviously could have insisted. I think the Senator has well expressed our appreciation for his willingness today to proceed forward at this moment in time. We do acknowledge it. I hope we can have that cooperation as we proceed to consideration of this bill.

Having just been through several days that have offered enormous opportunity for creativity in foreign affairs, we hope we would be able to move this piece of legislation somewhat more rapidly.

Mr. President, I do at this point have no further amendments to add and have no objection to offer.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request propounded by the Senator from Massachusetts, as modified? If not, that will be the order of the Senate.

The agreement is as follows:

Ordered, That at 12:00 noon on Monday, July 29, 1991, the Senate proceed to the consideration of S. 1433, A bill to authorize appropriations for fiscal years 1992 and 1993 for the Department of State, and for other purposes, the following amendments be the only amendments in order, and that they be subject to relevant second degree amendments:

Mitchell—Leadership amendment.
Dole—Leadership amendment.
Managers—Technical amendments.
Levin—South Africa.
Murkowski—Moscow Embassy.
Helms—2d degree to Murkowski.
Bumpers—Credit guarantees.
Glenn—Resolution on Kuwait.
Pell—Kurdish broadcasting.
Pell/Helms—Chemical biological weapons.
Simon—Foreign Service promotions.
Simon—Sense of Congress, Boris Yeltsin.
Simon—Language training.
Rockefeller—Employment of U.S. citizens at U.S. embassies.
Hatch—USIA cultural center/Moscow.
Brown/Lugar—Post open/closings, USIA.
Biden—Radio Free Europe/Liberty.
Biden—China Report.
Helms—Missile technology.
Brown—NED board/restrictions.
Mitchell—Soviet exchanges.
Dole/Simon—Armenia.
Kerry—Personnel property loss.
Moynihan—N.Y. Bridge Authority.
Pell-East Timor.
Seymour—PLO.
Dixon—Passposts/non-custodial.
Roth—Sense of Senate on U.S. nuclear weapons, Europe.
Specter—Ben Franklin House.
Lieberman—Anti-boycott/Israel.
Glenn—Kuwait/U.S. contracts.
Wallop—USSR reimbursement/embassy.
Wallop—Global warming.
Wallop—Global warming.
Kerry—Moscow embassy reparations.
Helms—Arrearages/international organizations.
Bradley—Student exchanges.
Kasten—EEO grievance procedures.
Mack—Economic freedom.
Smith—S.E. Asia policy.
Coats—East/West Center.
Pressler—Hiring Practices.
Wofford—World net.
McCain—Vietnam.
Seymour—Vietnam.
Kerry—Vietnam.
Hatch—Special agents.
Brown—China report.

Helms—Mandela/N.Y. money.
Brown—New loans to be repaid.
Murkowski—Deficit credit guarantees.
Brown—Strike money for international coffee organization.
Biden—Middle East.
Riegle—Soviet Union.
Smith—S.E. Asia policy.
Smith—S.E. Asia policy.
Kerry—S.E. Asia policy.
Grassley—Treasury Department assets.
Gorton—Yugoslavia.

Ordered further, That no motion to recommit be in order during the pendency of this agreement.

APPOINTMENT BY THE VICE PRESIDENT

The PRESIDING OFFICER. The Chair, on behalf of the Vice President, pursuant to Public Law 86-380, appoints the Senator from Minnesota [Mr. DURENBERGER] to the Advisory Commission on Intergovernmental Relations.

TERRY ANDERSON

Mr. MOYNIHAN. Mr. President, I rise to inform my colleagues that today marks the 2,323d day that Terry Anderson has been held captive in Lebanon.

COMMENDING THE ARCHITECT OF THE CAPITOL ON PLAN FOR CAPITOL VISITOR CENTER

Mr. MOYNIHAN. Mr. President, I rise today to commend the Architect of the Capitol, Mr. George White, for the ambitious plan he presented to the Rules Committee on Tuesday, July 23, to construct a visitor center underneath the East Plaza of the Capitol. The committee approved the conceptual plan and authorized proceeding with further design.

When undertaking such endeavors we ought to preserve the original design for the Capitol Grounds by Frederick Law Olmsted, an elegant plan with patterns resembling Tiffany glass. The elevation of new fixtures, such as fountains on the East Plaza, should conform as closely as possible to the motif of the Olmsted plan. Furthermore, the Architect's plan should contain no names until and unless Congress authorizes naming the fixtures.

SUBCOMMITTEE ON HEALTH FOR FAMILIES AND UNINSURED HEARING ON MEDICAID ISSUES

Mr. BRADLEY. Mr. President, the Subcommittee on Health for Families and the Uninsured is meeting today to discuss a series of issues about which Congress has made its intent and commitment clear. Addressing the plight of the poor and vulnerable segments of our society led to the creation of the Medicaid Program almost 30 years ago and, more recently, the Materinal and Child Health Block Grant Program. The rising cost of health care, a depressed national economy, shameful national infant mortality statistics, increasing numbers of uninsured, increasing numbers of children living in poverty, and an aging society, have served as the impetus in the last few years to expand the Federal role in providing greater access for these vulnerable segments of American society to health care services through Medicaid expansions. Because the Medicaid Program is a partnership between the States and the Federal Government, these mandates necessarily placed an increasing financial burden on States.

In order to fulfill Federal Medicaid expansions at a time when the national recession is driving up the need for public assistance and driving down general tax revenues, many States have implemented innovative programs to raise the necessary matching funds required to comply with the mandates. The States have needed flexibility in financing plans to provide the mandated services to the poor, elderly, and disadvantaged. Congress rejected the administration's attempts to deny States the flexibility represented by voluntary contributions and provider taxes in 1988, 1989, and 1990. Although Congress supports the States in their efforts to comply with Federal mandates for Medicaid expansions, we would discourage gaming of the system which would compromise the Federal-State partnership for shared funding.

In order to deliver the services supported by the maternal and child health block grants, coordination with other public health service programs has been necessary and encouraged. The planned shift of the MCH programs away from Public Health Service to the newly established Administration for Children and Families in the Department of Health and Human Services may compromise the linkages and coordination of health services which have been so successful in addressing the needs of poor women and children. I question the benefits to be gained by isolating these services at a time when we have begun to see improvement in national infant mortality statistics.

Another issue which this hearing will address is an issue in which I have been actively involved, provision of health benefits and improved access to health care for our elderly poor. It concerns me that the benefits established by Congress in the qualified Medicare beneficiaries legislation is not reaching the population for which it was established.

I hope that the hearing today will shed some light and answer some questions about the programs that Congress has worked hard to establish for the more than 26 million persons on Medicaid. Cost containment concerns of Medicaid will require comprehensive restructuring of the health care delivery system. However, the over 13 million children who receive health care with Medicaid coverage and millions more pregnant women and elderly poor cannot wait for comprehensive reform.

THE BELLE FOURCHE COWBOY BAND

Mr. DASCHLE. Mr. President, this year South Dakotans celebrate their unique heritage in a special way, for this year marks the 60th anniversary of the Belle Fourche Cowboy Band. The cowboy band has been performing at parades, rodeos, band shell concerts, and special events since 1931. Our spirit and pride in South Dakota's cultural history are embodied in the band, which, over time, has grown from 26 to almost 100 members. In their red cowboy shirts, blue jeans, white chaps, and white hats, the cowboy band has entertained not only the people of South Dakota, but audiences throughout the country.

Recently the Belle Fourche Cowboy Band was featured in "A History of Butte County South Dakota," by Kay Heck. I commend this article to my colleagues and ask unanimous consent that it be printed in the RECORD at this point.

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

THE COWBOY BAND STORY

(By Kay Heck)

The Belle Fourche Cowboy Band was officially organized in 1931, but the history of local bands goes back before the turn of the century. In 1897 a band was organized involving such people as Attorney Tom La Fleisch, Dr. J.H. Champney, Dr. B.H. Harms, Prof. Rowland, Paul Bravo and J.H. Pearson. The first school band was started about 1910 by Joe Thullen, son of a pioneer blacksmith. This group was just getting a good start when Thullen moved to California to study art and music. In 1912 John Neal and Charles McClung, Sr. organized a small band which they held together about two years. Neal was an ex-theater musician from Chicago and McClung was the Butte County Register of Deeds.

In 1922, Neal and J.H. Pearson organized a band, Charlie McClung, the son, conducted a benefit concert in the old Pearson Opera House while visiting in the community. It was this appearance that led McClung to Spearfish and band work in the area. At one time Charlie had played trumpet in one of the John Philip Sousa's bands in Chicago.

In August of 1927 when the sugar factory came to town, J.H. Pearson appeared before the Commercial Club and asked for support for a band. The commission voted a one mil levy and McClung, having completed contracts in the eastern part of the state, organized the Belle Fourche Municipal band in the spring of 1928. The Black Hills Round-Up donated $500 and the Chamber of Commerce $250, which covered the budget for one year. In 1928, the high school added a band to their program with McClung as instructor. He remained instructor of the high school band and director of the municipal band until 1946.

At the urging of L.C. Morrison, secretary of the Chamber of Commerce and the Roundup, additional band support was received and

the municipal band became the first Cowboy Band in June of 1931. The band had 26 members, some of whom were just out of school and some who had played in military bands in World War I.

Members of that original band organized in 1931 included: Kenneth Jay, Wilder Mabbott, Frank Gordon, Ted Thorson, Dale Adams, Jack Feeney, Ted Weiler, Harold Sheldorf, Sylvia Palety, Edith Arnold, Dave Clark, Bob McClung, Vern Gage, Joe Arnold, Dick Whitfield, Cy Elrod, Emery Boyer, Clarence Dodson, Vern Peterson, Bill Noble, Bill Care, Andy Gilbert, Jack Eccles, Harry Critchfield, J.H. Pearson and Director Charlie McClung.

Credit for the colorful attire of the band should go to L.C. (Red) Morrison, who was the Black Hills Roundup manager and Commercial Club secretary in those days. The state had elected Tom Berry, a cowpoke in the Will Rogers mold, as governor, and Gov. Berry was invited to the Roundup. To make the governor feel at home, Morrison persuaded the band to dress as cowboys and paraded them at the Roundup as the governor's own band.

Director Charlie McClung was quoted in recalling the occasion: "We wore 10 gallon hats, black and white shirts and buff corduroy pants tucked into fancy green and brown boots. We bought the clothes on credit, banking on paying for them out of Roundup profits. That year Roundup went $8000 in the red." Gov. Berry took the band as his own. He was later invited to the state fair at Huron. Many bands offered their services but Berry said: "Thanks, but I got a band of my own. A high-heel corral band." He phoned Mayor Dan McCutcheon and told him to send "my cowpoke band down here for my visit to the state fair."

The Cowboy Band reacted. They rented a bus, which got them as far as Highmore before it broke down. When they got to the state fair grounds at Huron they slept in tents, but they were there when the governor called for them. No one really knows how the trip was financed. This was in the middle of the depression and dollars were scarce, but the band made it.

Charlie McClung was a colorful character and much of that probably rubbed off on the organization in its formative years. McClung took fluctuations of quality in stride. "When we sound good, folks talk about our music. When we sound lousy, they compliment our colorful appearance."

Through the years, the band has brought credit and publicity to Belle Fourche. The band has played summer engagements from Miles City, MT, to Colorado Springs, CO, to Sheridan, WY. In 1935 the band was invited to play for visiting dignitaries at the Stratosphere Bowl during the time the National Geographic Society and the Army were making their famous balloon flights.

In 1949, the band took the longest trip in its history. It was invited to be the official band at the "Pike's Peak or Bust" rodeo at Colorado Springs. The band was gone for a week and costs were paid by the Colorado Springs Rodeo Association.

In June of 1953, the band was invited to play for President Eisenhower at a gathering of Young Republicans he was addressing at Mount Rushmore. The band was designated as the President's official band at this occasion.

There have been many Cowboy Band directors, but the best known was the original director Charlie McClung. He was followed by Bob Bartelt, Russell Olmsted, Vic Fondy, Charles Peyton, Gene Melton, Wayne Shuck and a variety of others. For a period of years the high school band director usually took over directing the summer band.

In 1983, after a lapse in the band organization, the first mass reunion ever of Cowboy Band members was held. The band's successful appearances during the 4th of July holiday renewed interest in the band and now a reunion is held every year during this time with a "round up" being held every three years. The band plays toe the tree rodeo performances, marches in the parade, plays for the class reunions held at this time and presents a concert in the Chassell Memorial band shell in Herrmann Park. The original uniforms have given way to red cowboy shirts, blue jeans, white chaps and white hats. New members are welcome and "old" members come from as far away as Alaska, Hawaii, Ohio—all over.

It is a joy and a pleasure for the band members to be able to bring their music to the city of Belle Fourche, and perhaps, as we march or present the concert, Charlie McClung is there in spirit and maybe we still give credibility to a statement he made about his band at one time: "I can get more pep out of that cowboy bunch than any band I ever waved a baton in front of."

COMMEMORATION OF CAPTIVE NATIONS WEEK

Mr. PRESSLER. Mr. President, President George Bush proclaimed the week of July 14–21 as "Captive Nations Week." Today, I would like to acknowledge the anniversary of this traditional observance, which began in 1959. For 32 years, not 1 year has passed by without a declaration by the United States President supporting the people in all nations who are forced to live in captivity—from Armenia to Afghanistan. I commend President Bush for his contribution to this tradition.

Americans who have ethnic roots in the Ukraine, Lithuania, or Cuba and all people who support freedom have inspired hope in the people of the captive nations. The desire for individual liberty and freedom has never died in those countries.

Despite the fall of the Berlin Wall and the spectacular and heartening events in Eastern Europe over the last few years, freedom remains elusive for many. I note especially the Baltic States of Lithuania, Latvia, and Estonia, which to this day are militarily occupied by the Soviet Union. I wish to speak also of the brave Armenians and Georgians, who over the last several years have suffered in the pursuit of freedom.

Mr. President, as Lenin himself acknowledged, Soviet Russia is a prison of nations. Indeed, the Soviet Union is composed of over 150 different nationalities with their own ancient cultures and proud traditions that have been stifled by Sovietization. This campaign to annihilate the cultural uniqueness and the diversity of the Soviet Union's many nationalities was resisted by the families and small communities which kept alive their history and traditions. These men and women are heroes in their nations.

Mr. President, empires are no match for the struggle of men and women for freedom. Unfortunately, the struggle for freedom is not won easily. I'll never forget the sight of innocent Lithuanians slaughtered by Soviet troops and tanks this past January. As President Woodrow Wilson so aptly stated in 1917:

> No peace can last or ought to last, which does not accept the principle that governments derive all their powers from the consent of the governed, and that no right anywhere exists to hand peoples about from sovereignty to sovereignty as if they were property.

Mr. President, I introduced a resolution last month with Senator HELMS that sets out the history and the struggles of the people of Moldavia. Moldavia, once a part of Romania, was annexed by the Soviet Union in 1940 under the terms of the Nazi-Soviet Pact of 1939. My resolution calls for U.S. support for the right of the Moldavian people to self-determination as defined in the Helsinki Final Act. My resolution does not take a radical position. It simply spells out the facts and asks for justice.

I applaud all those who seek to improve their lives through democracy. Captive Nations Week gives all Americans the opportunity to reflect on our own revolutionary past and our own battle for independence over 200 years ago.

FAMILY INCOME GROWTH IN THE 1980'S

Mr. KASTEN. Mr. President, I rise today to respond to the Center on Budget and Policy Priorities distorted report on family income. This report combines every conceivable methodological bias used to distort facts and promote class warfare.

The report released on July 24 looked at changes in family income from 1977 to 1988, using data calculated by the Congressional Budget Office [CBO] and adjusting for household size and inflation. The report concluded that the income gap between rich and poor widened in the 1980's and that "changes in Federal tax policy also contributed to the widening gap in aftertax income."

Mr. President, the Senate Republican Conference Task Force on Economic Growth and Job Creation, of which I am the chairman, released an analysis refuting the assertions in the Center on Budget and Policy Priorities report:

First of all, the base years in the report include the Carter administration.

The center's report lumps the 4 years of Jimmy Carter's administration, 1977–80, with the Reagan-Bush years, 1981–88, in its definition of the decade of the 1980's. Including the Carter years in an analysis of the Reagan-Bush years is not only intellectually dishonest but it biases the results; 1980—the last full year of the Carter administration—was the worst single year for

family income in postwar history; real middle American family income dropped by $1,817.

Second, the U.S. Census Bureau is the authoritative source for family income statistics.

The U.S. Census Bureau, not CBO, is the authoritative source of family income data. According to the Census Bureau, since 1982—the year that the Reagan-Bush economic policies were implemented—real family income for the bottom fifth of families jumped 12 percent. Middle American family income is at an all-time high of $34,213.

Third, CBO family income data are flawed.

The real family income data used in the report is presented as inflation adjusted. However, inflation is not removed from capital gains income. As a result, capital gains as a share of income and as a source of income changes over time are grossly overstated. The CBO data are misrepresented as being inflation adjusted, and the lack of appropriate inflation adjustment for capital gains distorts all of the income data. It is simply a mistake to present real family income data which includes the effects of inflation.

The CBO data fully includes capital gains in income but does not include capital losses over $3,000. This asymmetrical treatment of capital income also distorts the income measures, and is misleading. Consequently, income in the top two quintiles is exaggerated.

While fully including capital gains realized by the affluent, the CBO data exclude capital gains accrued to the middle-class such as pensions and housing. This further distorts the CBO family income data.

Mr. President, I would hope that in the future my colleagues would examine the hard facts first before quoting reports based on flawed data and biased methodologies.

I ask unanimous consent that a report by Congressman DICK ARMEY, ranking member of the Joint Economic Committee and an article by economist Thomas Sowell on the subject of family income data be entered into the RECORD at this time.

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

CBO MISMEASUREMENT OF CAPITAL GAINS INCOME

(Congressman Dick Armey, Ranking Republican Member, Joint Economic Committee, June 27, 1991)

This paper will review the controversy generated by my recently released study entitled "Distorting the Data Base: CBO and the Politics of Income Redistribution," hereafter the Armey report. As noted in that report, CBO's methodological errors, $75 billion capital gains realization forecast mistake (50 percent margin of error), and lack of disclosure remain significant problems. Over a five-year period the forecast mistake alone amounts to an error of $375 billion.

Unfortunately, CBO has failed to address the substantive points raised in this study, opting instead for obfuscation. The CBO response to the Armey report has raised further questions about the agency's credibility, nonpartisanship, and analytical objectivity.

CBO capital gains projections are used to calculate real family income data, baseline revenues for budget purposes, and are a focus of controversy over CBO revenue estimation. Thus they are integral to some of the most controversial issues in contemporary politics. CBO family income data are used by congressional committees, and are included in the Ways and Means Committee Green Book. My report showed that CBO treatment of capital gains exaggerated capital gains generated in 1990; thus the Green Book CBO data were especially misleading and useful to those fomenting class warfare in 1990 and 1991 and arguing against enactment of a reduced capital gains tax rate. However, CBO did nothing to disclose the huge errors in its capital gains estimates incorporated in the 1990 data.

"UNUSUAL METHODOLOGY" IN DERIVING REAL CAPITAL GAINS REALIZATIONS

My report accurately stated that CBO methodology was "unusual" because it is unusual to present capital gains realizations as a component of REAL income without making a basis (purchase price) adjustment for inflation. Contrary to CBO's assertion that CBO data methodology is fully explained in various publications, the CBO publications say nothing about CBO's lack of a basis adjustment in deriving real capital gains, and neither do the Green Books. Virtually any economist will tell you that it is simply a mistake to use nominal capital gains realizations in real income. If realizations are used as a component of real income, they should be basis adjusted to remove the effects of inflation.

Furthermore, as the head of the Commerce Department's Bureau of Economic Analysis has pointed out, official government family income data exclude capital gains realizations specifically because of adjustment problems and because they provide a misleading view of real family income trends. It is the CBO method of combining separate IRS capital gains data with Census income data to generate changes in real income over time which is unique, and defective.

CBO DOES PORTRAY ITS DATA AS "REAL INCOME"

The term "real income" means that the effects of inflation have been removed. However, CBO does not remove inflation from the capital gains component of income even when calculating real income. Thus CBO overstates real capital gains income both as a share of average income in any one year, and as a source of changes between years. Though the focus of the Armey report was not on distributional data per se, the CBO director has stated that CBO methods create distortions so that distributional results would be different if CBO nominal income data were not warped by the presence of inflation.

The Ways and Means Democrat staff has followed CBO practice in referring to these data as "real income." For example, on page 18 of a July 1988 CBO report the term "real income" is used four times in a single paragraph to describe CBO tax model data. On the same page the term real income appears three times in a footnote specifically comparing the CBO data to Census data on "real family income."

On pages 1292 and 1293 of the 1991 Green Book the terms "inflation adjusted income" and "real income" are used in the same context, with at least five more references to "real income" on page 1294 of the same document. The 1990 Green Book also has numerous references to real income.

Virtually nobody was aware that CBO included nominal capital gains in calculation of real income. CBO does not disclose its failure to make such an adjustment, keeping data users in the dark, and explaining one reason why the Armey report has attracted as much attention as it has.

CBO MEASURE DISTORTS THE MEASUREMENT OF FAMILY INCOME

The fact that CBO's treatment of capital income distorts the measurement of income and tax burden was acknowledged by the CBO director in a letter which was attached to the Armey report. According to the CBO director, "The inclusion of the inflationary component introduces certain distortions into distributional analyses * * * if the inflationary component could be removed, the incomes of those near the top of the distribution would be reduced relatively more than the incomes of those in the middle and bottom of the distribution. In a given year, the distribution of the tax burden would then be seen to fall more heavily on upper-income groups than is depicted by the currently available analyses. * * *"

He then goes on to say that if the "inflation rate were constant, the fraction of nominal income did not vary year to year, and the holding period for assets remained unchanged, comparisons between years would not be affected by removing the inflationary component of income." He concedes, however, "these conditions clearly have not been met."

Nonetheless, CBO has presented a hypothetical example which assumes an unvarying holding period and concludes that CBO has understated the income growth of the affluent. However, this is clearly an invalid example since the holding period does vary year-to-year, and because the holding periods of individual assets in any year also must be weighed to produce a weighted average holding period for each year for even roughly accurate measurement.

Furthermore, including nominal capital gains, which reflect inflation over many years, with income from other sources not materially affected by prior inflation bloats the share of capital gains in income in any year. By exaggerating the importance of capital gains in income, changes in nominal capital gains realizations over time would have an exaggerated effect on changes in total income and that of affluent families.

REAL ACCRUALS VERSUS NOMINAL REALIZATIONS IN REAL INCOME

The existence of other "deficiencies" in CBO income data does not excuse or provide a sound basis for CBO's misrepresenting an inflation distorted component of income as inflation adjusted. In addition, the CBO argument that the inclusion of nominal capital gains in real income substitutes for and is justified by complications regarding accrual accounting borders on the absurd. This is particularly true given the economic situation in 1990 and the fact that hundreds of billions of dollars worth of assets accruing to middle income families are not counted at all by CBO. Consideration of the situation in 1990, the end-year of the family income data in the 1990 Green Book, shows that the result of CBO methods and real accrual accounting would yield dramatically different results.

The report pointed out that capital gains calculated on an accrual basis is the appropriate approach if capital gains are to be included in real income.

Even CBO acknowledges that real accrued capital gains is the conceptually correct approach. However, the use of accrual accounting in 1990 would not have generated large increases in capital gains. After all, the economy was in recession, stock prices fell in real terms, and a massive asset liquidation was underway in several sectors. The NYSE composite index fell about 10 percent over the 12 months of 1990 after adjustment for inflation. Year over year, the index was down nearly 4 percent in real terms. Given the problems in other asset values, it seems unlikely that accrued capital gains income was much of a boost to the real income of any group in 1990, a recession year. Instead, real capital losses are much more likely.

Most of capital gains represent inflation, with real gains at most showing very modest increases. If one were to use the Standard and Poor's (S&P) 500 as a proxy for capital values, the average annual growth rate of accrued real capital gains would amount to 0.89 percent, less than 1 percent a year over the last 20 years. Both as a proportion of income and as a contributor to real income growth, real accrued capital gains would have been quite modest. In contrast, the average growth rate of nominal capital gains was 7.2 percent, over eight times the real figure.

However, annual real accrued gains in 1990 provide an even better illustration of the extent of CBO data distortion. The key issue is that CBO's methodology generates "real" capital gains increases in 1990 relative to 1977, while the correct measure would almost certainly show a decline. The CBO increase in real capital gains between 1977 and 1990 amounts to about $160 billion, while accrued real capital "gains" in 1990 would have been negative. Federal Reserve data show stock values down $260 billion, land values down $143 billion, and the value of residential structures down $69 billion; an adjustment for inflation would increase the amount of these nominal losses. According to the Federal Reserve, in 1990 the decline of net worth was the largest on record in the postwar period, despite CBO's projection of record capital gains.

Obviously the CBO methodology grossly distorts this component of income. It is incredible that CBO would dispute this point for a recession year—1990—amidst falling real stock prices and one of the largest asset liquidations in American economic history. CBO's assertion that the use of nominal capital gains is a satisfactory substitute for real annual accruals is preposterous, especially given the end-year of 1990 chosen in the 1990 Green Book.

CBO CAREFULLY AVOIDS MENTION OF $75 BILLION ESTIMATION ERROR, BUT DISPUTES BUDGET IMPLICATIONS

In a recent letter distributed to selected members of Congress, CBO refers very delicately to the fact that its "estimates are never precisely accurate" and that the CBO estimate of capital gains for 1989 was too high. Even this letter does not refer to the magnitude of the 50 percent error, which amounted to about $75 billion in 1989 and $375 billion over five years.

CBO claims that the Armey report misunderstands the budget impact of its huge error under current, admittedly arcane, budget rules. However, the Armey report is not based on the budget process, but on how Congress reacts to expected tax revenues—it spends them. If the projected revenue baseline is too high then Congress will build additional spending into the outlay baseline to fit the projected revenue envelope, and then some. When the deficit targets become effective in calendar 1993, the resulting imbalance between revenues and inflated spending means that "a serious budget crunch, and possibly sequester, may result in budgetary out-years."

This interpretation of congressional spending habits is well founded in public choice economics and the way Congress actually operates. CBO just missed this point entirely. Not incidentally, House Democrats have indicated that their tax and spending decisions will be guided by CBO budget estimates.

CBO FAILED TO CORRECT ITS ESTIMATES OR DISCLOSE ITS CAPITAL GAINS ERROR ON ITS OWN

It is bizarre for CBO to dispute this point of the Armey report and raise it as an issue because it is a matter of public record that CBO has done nothing to disclose or correct its capital gains error incorporated in the widely circulated 1990 family income data, despite its intensely partisan use. Only the issuance of the Armey report informed Congress, the public, and the media that the $75 billion capital gains error existed in the first place. Until this time, members of Congress, economists, and the public in general had been kept in the dark about this mistake.

Given the controversies over the issue of capital gains taxation, family income trends, and CBO scorekeeping of capital gains, the existence of this $75 billion mistake would have been of great interest to members of Congress, economists, the media, and the public. Instead, CBO denied access to this information. Why did CBO choose not to disclose its capital gains error?

WHERE'S THE BEEF?

The assertion by CBO that it had adjusted its revenue baseline downward because of its capital gains error seems especially dubious since its technical reestimate of July 1990 was made before 1989 annual capital gains data were available. Capital gains are mentioned nowhere in the CBO document as a significant component of its July 1990 technical adjustments. A request for a complete accounting of the July 1990 technical reestimate was ignored by CBO.

Under the July 1990 CBO technical reestimate, personal income tax revenues were adjusted downward by $12 billion in fiscal 1991 and $9 billion in 1992, relative to the January 1990 forecast. The average reduction in annual revenues over the forecast horizon (1991–1995) is $8.2 billion. One specific problem cited by CBO in its July reestimate was a downward revision in wage and salary income due to technical factors. This income revision, amounting to $58 billion in 1989, with effects in following years, would certainly affect projected revenues. An average tax rate of about 20 percent applied to this $58 billion would account for roughly $12 billion in annual individual income tax shortfalls in 1989 and 1990, with significant revenue effects in following years. This alone would account for most of the July 1990 CBO technical reestimate of personal income tax revenues over the forecast horizon, even if certain increases in the level of personal business income are included to offset some of the losses in labor income.

If the July 1990 CBO reestimate incorporates capital gains, where are their effects? The wage and salary revision already accounts for all or almost all of the reestimate in personal income taxes in the out-years. CBO cannot document its claim that the technical reestimate included the effects of its capital gains error. The revenue effects of the capital gains overestimate would be about $20 billion annually, a much larger amount than is consistent with the July reestimate, particularly given the wage and salary revision CBO does specifically mention. The July 1990 reestimate reduced 1994 personal income tax revenues by only $6 billion; this is not consistent with a $75 billion reduction in baseline capital gains income in 1994.

The most significant mention of capital gains is in the January 1990 CBO submission which asserted that 1990 revenues would be boosted by higher than expected 1989 capital gains revenues. According to CBO, "gains from the sale of capital assets appear to have increased during 1989 more than CBO projected." If capital gains were a factor later in the year in the opposite direction, one could reasonably expect some discussion of this. There isn't any.

Capital gains comprise a relatively modest portion of nonwithheld taxable income. A slowdown in these revenues could come from many different components of this income and other sources, including the economy slipping into a recession unforeseen by CBO, which it was. Some slowdown in withheld and nonwithheld tax revenues would be expected as the economy entered the recession in July. This factor, along with the technical revision in wage and salary income, leaves little if any room for any adjustment in capital gains revenues claimed by CBO. If the emerging recession had no effect on tax revenues, and the large reduction in wage and salary income had no revenue effect (though CBO cites it specifically as an important factor), and if no other factors were present, the outyear personal income tax revenue changes in the reestimate still would be too minor to cover the lost capital gains revenue.

CONCLUSION

The Armey report concluded that CBO had misrepresented its real income data because they included a large component of inflation in capital gains which distorts the CBO real family income data. Nothing CBO has said changes this fact. This grossly exaggerates 1990 real capital gains relative to 1977 based on the correct concept of real accruals.

The Armey report disclosed for the first time that CBO had overstated capital gains realizations by $75 billion in 1989 ($375 billion over five years) and following years. CBO had failed to disclose this estimating error on its own although it would have been of great interest to the Congress, media, and public. Nothing CBO has said changes this finding.

The Armey report pointed out that the way CBO combines income data from different sources is unusual, and the official who oversees the Census income data has already noted that it is misleading to include capital gains in real income the way CBO has. Moreover, given the analytical and measurement problems involved, it is selective to include some capital gains which tend to boost the income of some while omitting capital gains which would tend to increase the income of others.

[From Forbes, July 8, 1991]

LIES, DAMN LIES AND POLITICIZED STATISTICS

(By Thomas Sowell)

Statistics on income distribution are a much more reliable guide to political fashions than to economic reality. In an era when indignation has become a way of life, statistics are defined and compiled in ways that exaggerate income at the top and understate income at the bottom.

Recently, a much-publicized study by the Congressional Budget Office set off predictable cries in the media that the rich were getting richer and the poor were getting poorer. But the definitions and statistical methods used reveal more than the numbers themselves.

First of all, most of the $184 billion in government welfare benefits to low-income Americans simply does not get counted. Food stamps, public housing and Medicaid are among the noncash benefits that are left out.

At the other end of the income distribution, capital gains are treated in the CBO statistics in a way that would get a student flunked in elementary economics or statistics. Suppose that three investors each invest $10,000 in different ventures. If investors A and B each has his investments increase in money value to $15,000, and investor C has his investment wiped out completely in the year when statistics are compiled, then clearly their total investment—$30,000—remains the same in dollar terms. With the price levels having doubled, the investor has obviously lost half the real value of his investment.

The way the CBO statistics count it, however, these lucky investors have made $3,500 in real income.

Instead of saying that the investors' two capital "gains" of $5,000 each were actually losses in real terms, since $15,000 will now buy less than the $10,000 originally invested, the CBO counts them as gains and then corrects for inflation by dividing by two. By this bizarre reckoning, the real value of these two investments has increased by a total of $5,000. As for C's investment that was wiped out completely, economists would count that as a $10,000 money loss, or a $5,000 real loss, but the CBO counts it as only a $3,000 money loss, or a $1,500 real loss.

The reason is that the CBO data on this come from income tax statistics and the Internal Revenue Service will allow only a $3,000 capital loss per year. Subtract the understated capital loss from the overstated capital gains and you get a net $7,000 gain in money terms, or $3,500 in real terms. These investors may be headed for the poorhouse, but on paper they are among the rich who are getting richer.

Republican Congressman Dick Armey of Texas, an economist by profession, pointed out such problems in a letter to the Congressional Budget Office before the data were released to the public. The CBO graciously acknowledged the correctness of the congressman's criticisms but excused itself on grounds that "data needed to make these adjustments are not available." But these crucial flaws in the study were not revealed to the gullible media.

An additional source of misleading statistics is that data are often compiled and presented in terms of "family income" or "household income." But one of the reasons some families earn more than others is that some families contain more people, bringing home more paychecks. When a larger number of people earn a larger amount of money, that may be a statistical disparity without being a social "inequity" requiring the government to play Robin Hood.

A more fundamental problem with glib discussions of "the rich" and "the poor" is that income bracket statistics refer to an ever-changing mix of individuals. A longitudinal study at the University of Michigan found that nearly half the families who were in the bottom 20% in income one year were not there seven years later. Neither did most families in the top 20% remain there throughout the period studied. Those who were persistently poor—who were in the bottom 20% in income for at least eight out of ten years—constituted less than 3% of the population of the U.S.

Although political discussions abound with talk about the rich and the poor, both groups put together are probably no more than 10% of the population. But they are the ideological tail that wags the dog, as policies are debated in terms of their presumed effects on these two small groups, rather than the other 90% of the American people.

Income distribution statistics are typically an instantaneous picture of a process constantly in flux, as individuals move from bracket to bracket over a lifetime. Many of those in the lower brackets are young adults who are the children of those in higher brackets. Ideology translates these statistics into different social classes called "the rich" and "the poor."

Fortunately for this country, people are not born into the world with a little "R" or "P" on their foreheads, marking them as rich or poor for life. Unfortunately, too many intellectuals and politicians talk as if they were.

C. ROBERT SMITH

Mr. HATFIELD. Mr. President, there comes the time when to each of our friends and family we must say goodbye. Death is an inevitable part of life, but we suffer greatly from the lost opportunities to talk, share, and simply be with those we love and enjoy. In his mercy, God has given us the capacity to retain memories through which we remember and relive times with our loved ones after the goodbyes.

Today, I rise to say goodbye to my friend, C. Robert Smith, of Springfield, OR. For most of my political life, Bob has been a strong support to me. I carry with me many happy memories of his friendship and of good times that we shared.

Bob retired as general manager of the Springfield Chamber of Commerce last year after 33 years of dedicated service to his community and State. I want to ask unanimous consent that an article about Bob from the Springfield News be placed in the RECORD at this point so my colleagues may read the story of this public-minded citizen and my friend. To his family, I send my deepest sympathy.

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

SPRINGFIELD LOSES ITS BIGGEST BOOSTER

(By John Henrikson)

Flags in Springfield will fly at half mast Thursday in honor of one of the city's most respected community figures.

C. Robert Smith, who directed the Springfield Chamber of Commerce for 33 years and was known as "Mr. Springfield," died Monday in Springfield from complications related to cancer. Smith, who retired as chamber general manager last November, was 65.

The many people touched by Smith's long commitment to the city expressed sadness upon hearing of his death, and the City Council voted to call for the lowering of flags on the day of his funeral.

"I can't think of another person in Springfield that we would do this for," said Mayor Bill Morrisette. "No one has been in the forefront as long as he has."

Smith was raised in Tillamook and served in Navy amphibious forces during World War II. He graduated from Oregon State University in 1950 with a business major and forestry minor, and remained a life-long booster of the university.

In 1957, after managing family businesses in Tillamook, he was coaxed to come to work at the Springfield chamber.

Friends in the business community single out Smith's long tenure and civic advocacy as his greatest leadership attributes.

Current chamber President John Kelley said he marvels at how well Smith could adjust to changes in the organization and the business life of Springfield, which saw boom and bust during his time.

"He always had an attitude of can do, rather than a negative attitude," Kelley said. "He had the typical Springfield outlook on life. He enjoyed working here and living here."

Former chamber President Peter Pifer said that Smith's knowledge of the community gave continuity to the organization as well as enthusiasm.

"He was able to spend 33 years at this job and still remain fresh," Pifer said. "Bob was a guy who approached each year of life a fresh new year."

John Lively, a former mayor and director of the Eugene-Springfield Metropolitan Partnership, said that although Smith would sometimes hold strong opinions about what was the best for the community, he also would respect those who disagreed.

"When we reached agreement, he would support whatever we decided on," he said.

In addition to his chamber activities, which extended far beyond a nine-to-five job, Smith was involved in many other activities. He served on the McKenzie-Willamette Hospital Board of Directors for 13 years, and was a member of the Elks Rotary and OSU Beaver Clubs. In 1977, he was named Springfield's First Citizen by the chamber.

Tragically, Smith learned of his cancer shortly after retiring last year. He moved ahead with plans to wed Betty Balch, his secretary of 20 years, and they married on June 17.

"It's too bad that he won't be here to see the years to come," Morrisette noted. "He did a lot to set the stage for Springfield's future."

Shortly before returning, Smith reflected on his reasons for staying so long at the chamber. "I never felt like I worked for anybody," he said in a November 1990 interview with the News, "but more that I was working with a lot of great people. I think that what makes this town great is the people."

Services will be held for Smith Thursday at 2 p.m. at St. John the Divine Episcopal Church, 1023 G St.

CONGRATULATIONS TO OLIVIA NYHAN ON HER NEW U.S. CITIZENSHIP

Mr. KERRY. Mr. President, I rise today to join her family and friends in congratulating Olivia Nyhan on the occasion of her new U.S. citizenship. On July 25, 1991, Ms. Nyhan took the oath to become a citizen of the United States. It is a pleasure to welcome here to our great Nation.

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

The PRESIDING OFFICER. The absense of a quoum has been suggested. The clerk will call the roll.

The bill clerk proceed to call the roll.

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

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

MODIFICATION OF UNANIMOUS-CONSENT AGREEMENT

Mr. KERRY. Mr. President, I ask unanimous consent that the earlier unanimous-consent agreement on S. 1433 be further clarified to state that no motion to recommit is applicable during the pendency of the agreement previously adopted.

The PRESIDING OFFICER. Is there objection? Without objection, the unanimous-consent order is modified accordingly.

Mr. KERRY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum has been suggested. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

FLOOR PRIVILEGE FOR STAFF

Mr. PELL. Mr. President, I ask unanimous consent that privileges of the floor be granted to the following member of Senator KERRY'S staff: Mr. Brad Cohen.

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

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

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

FIRST ANNIVERSARY OF ADA

Mr. DOLE. Mr. President, 1 year ago today, 2,000 people gathered on the White House lawn for the historic signing of the Americans With Disabilities Act of 1990.

The ADA, which prohibits discrimination on the basis of disability in employment, public services, public accommodations, and telecommunications, was the most comprehensive civil rights law to be enacted since 1964.

The ADA's enactment marks another significant civil rights achievement for our country. Many critics of President Bush's civil rights policies have neglected to take into account his strong and consistent support for the rights of Americans with disabilities. Although many individuals deserve credit for the ADA, the contributions made by the Bush administration were critical to its swift passage.

The Bush administration not only played a key role in the ADA's consideration, but also demonstrated its commitment to effective implementation through prompt promulgation of the regulations. It is safe to say that another historic milestone was achieved with their timely completion. Many individuals including Attorney General Dick Thornburgh, EEOC Chairman Evan Kemp, and the distinguished members of the Architectural and Transportation Barriers Compliance Board [ATBCB], deserve special recognition for their outstanding work.

I also include the Federal Communications Commission.

Mr. President, I am confident that my colleagues share my sentiment that the ADA is more than political posturing. It is about the integration of all citizens into every aspect of American society. It is about real people with real life problems.

Yesterday, for example, I heard eloquent and moving testimony before the Committee on Labor and Human Resources on the need to ensure independence and equal opportunity for people with disabilities.

The hearing, which addressed the use of personal assistance services [PAS], made it clear that Congress needs to build on the gains achieved 1 year ago today. In his poignant testimony, Tim Steininger of Dodge City, KS, persuasively justified the revision of current policies to include a comprehensive and flexible PAS program. No doubt about it, the timely and thorough consideration of such a program is one of my top priorities.

Why? Because I believe, as do my colleagues, that everyone deserves the right to self-determination. Is this too much for a person with a severe disability to expect out of life? Inclusion should mean enjoying the rights that those of us fortunate to be self-sufficient take for granted everyday. Is that not what the ADA is all about?

Mr. President, I am optimistic about the future of disability policy. Let us build on the gains we've made to ensure independence and freedom for all Americans.

OFFICE OF SENATE SECURITY: ANNUAL REPORT

Mr. DOLE. Mr. President, the Office of Senate Security has just issued its annual report. I want to call the report to the attention of all Senators and relevant staff, and urge that they read the report carefully.

At the same time, I ask unanimous consent to have printed in the RECORD—for the information of all of its readers—a summary of the report, edited a bit to delete some sensitive material. The entire summary and report, of course, are available to all Senators and cleared staff.

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

SUMMARY

A. SECURITY CLEARANCES

There has been a decrease of 1.4% from last year in the number of Senate employees who hold active security clearances and an overall reduction of 6.5% since clearance limitations first took effect.

The number of Senators' personal staff who hold security clearances is down 7.0% from last year, and 22.5% since limits first took effect.

109 clearances were terminated during the year.

85 Senate employees received "periodic reinvestigations" to update security clearances granted more than five years ago.

B. SECURITY AWARENESS

Twenty-five briefings for Senate staff were conducted during the past year. Topics covered included computer security; counterintelligence; foreign travel; office security management; technical surveillance countermeasures.

A new counterintelligence briefing for Senate employees was developed. This briefing addresses changes in the foreign intelligence threat to the Senate resulting from recent developments in Eastern Europe and the Soviet Union.

C. COUNTERINTELLIGENCE ISSUES

Over the past twelve months, contacts between Senate employees and known or suspected foreign intelligence officers have continued at a pace and volume equal to the past two years.

OSS has initiated a review of the foreign intelligence threat to the Senate, in light of recent developments in Eastern Europe and the Soviet Union. This review will continue until such time as the intentions and capabilities of former Warsaw Pact intelligence services become clear.

D. DOCUMENT CONTROL

The Office of Senate Security received classified documents from 39 different agencies & departments over the past twelve months.

1200 classified documents, no longer required for the conduct of Senate business, were destroyed.

Classified material stored in Senate offices was inventoried and brought on-line with the OSS automated document control system.

E. TECHNICAL SECURITY

OSS investigated an incident of "hacking" into an unclassified Senate computer system by unauthorized personnel.

Computer security reviews were conducted on the Senate's mainframe computers, minicomputers, Local Area Networks (LANs), and on computer systems operated by the Architect of the Capitol.

A security review of the Senate Telecommunications Department's telephone switch was initiated.

A technical security briefing was presented to all cleared Senate staff.

NEW PROGRAMS & ACTIVITIES

OSS staff developed two free-text databases (terrorism and counterintelligence) to support existing Senate security programs. All hardware and software was obtained from existing Senate stock, at no additional cost.

G. MISCELLANEOUS

205 classified or sensitive hearings, briefings and meetings were conducted in S-406 and S-407 of the Capitol.

25 "All Senators" briefings were conducted in S-407; of those, 23 were associated with Operation Desert Shield/Storm.

A small conference room was constructed within existing OSS space, to provide an additional secure meeting room for Senators and staff.

Security profiles of 123 offices and committees were compiled in order to reduce the security vulnerability of Senate offices.

Mr. DOLE. Mr. President, I also want to take this occasion to note the good work of the Office, and to commend all of its staff members for their fine efforts. Mike Disilvestro has been its Director since the Office was formed, and has done an outstanding job. He has been very ably assisted by his entire staff: Al Saffold, Deputy Director; Jeriel Garland, Manager of Technical Security Programs; Jennifer Adkins and Patricia Makanui, staff assistants.

I take some special pride in the Office, because I first proposed its formation back in 1986. Subsequently, I worked closely with the then majority leader, and now President pro tempore of the Senate, Senator BYRD, on the legislation setting up the Office. Since Senator MITCHELL has assumed the role of Democratic leader, he and his staff have given the same strong support to the work of the Office. I thank him and commend him for that.

As the list of accomplishments in the report indicate, setting up the Security Office was an initiative which has proven its worth time and time again. I particularly want to note the continuing success we are having in reducing the number of Senate staff with security clearances. That was one of the goals Senator BYRD and I set for the Office when we established it. Those clearances are supposed to be issued solely on the basis of a real need on the part of staff; for years, though, they were being issued solely on the basis of a request—any request—no matter how flimsy the rationale. thanks to the good work of the Senate Security Office, I think we now have that problem well under control. We have also taken many additional, worthwhile steps to insure that sensitive material is handled sensibly and in a manner which protects the national security of the United States.

So to Mike Disilvestro and his fine staff, I want to express the thanks and commendation of the Senate. Keep up the good work.

FARMERS HOME ADMINISTRATION APPROPRIATIONS

Mr. DOLE. Mr. President, I want to call attention of my colleagues to a matter that we may be considering sometime next week if we get to the agricultural appropriations bill, particularly as it relates to Farmers Home Administration appropriations.

Mr. President, I rise today to bring to the attention of my colleagues several concerns which Senators on both sides of the aisle have raised with certain provisions of H.R. 2698, the Agriculture Appropriations Act of 1992. In light of these concerns, I hope that we can work out an accommodation in the short time remaining before the bill comes to the floor.

This bill provides a level of spending for direct farm operating loans made by the Farmers Home Administration which is well in excess of the amount needed on the basis of actual obligations under this year and last. It also zeroes out funding for one of the most promising innovations in federally assisted agricultural credit enacted in recent years. That innovation is the interest assistance component of the Farmers Home Guaranteed Farm Operating Loan Program which was enacted in connection with last year's farm bill and the Omnibus Budget Reconciliation Act.

Before abandoning this initiative when it has scarcely begun, Senators should recognize that interest-assisted guaranteed operating loans make sense any way you want to look at them.

It makes sense from the standpoint of economics to the farmer. It saves the Government money. It is sort of a transition for farmers in direct loans to interest-assisted guaranteed operating loans. For a lot of reasons we think it is a step in the right direction.

They are good for the borrower, bringing him or her into the mainstream of farm credit by establishing a working relationship with the private lender. What is more, this program enhances the borrowers prospects for making the transition from direct lending to guaranteed lending without Federal assistance, and ultimately on to conventional commercial credit. And that is good news for the lender, strengthening the position of rural banks and their overall ability to meet the diverse credit needs of rural communities. As a result, these interest-assisted loans are good for those communities and their potential for future development.

Finally, they are good credit policy from the Government's standpoint—they save money. Taking fully into account that the interest-assistance costs are offset by lower loss rates, the Guaranteed Lending Program is an attractive and fundamentally sound alternative to direct lending.

To date, guaranteed lending has succeeded far beyond the expectations of many. Interest assistance is the key to further success and progress—for farmers, for our rural communities and their banks, and for the Government. I hope that, with the cooperation of other Members, we can work out a reasonable reduction in the direct operating loan level and fund the interest-assisted guaranteed program now at a level which gives it a fair chance to succeed.

Mr. President, 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. 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.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to executive session to consider the following nominations:

Calendar 262. Olin L. Wethington, to be a Deputy Under Secretary of the Treasury;

Calendar 264. Maj. Gen. John L. Fugh, to be the Judge Advocate General;

Calendar 265. Maj. Gen. Ronald H. Griffith, to the grade of lieutenant general;

Calendar 266. Lt. Gen. Donald W. Jones, to be placed on the retired list.

Calendar 267. Lt. Gen. Leonard P. Wishart III, to be placed on the retired list;

Calendar 268. Lt. Gen. Harry E. Soyster, to be placed on the retired list;

Calendar 269. Maj. Gen. Roger W. Sandler, to be chief of Army Reserve;

Calendar 270. Maj. Gen. Robert B. Johnston, to be lieutenant general; and

Calendar 271. Maj. Gen. Matthew T. Cooper, to be lieutenant general.

I further ask unanimous consent that the nominees be confirmed, en bloc, that any statements appear in the RECORD as if read, that the motions to reconsider be laid upon the table, en bloc, that the President be immediately notified of the Senate's action, and that the Senate return to legislative session.

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

The nominations considered and confirmed en bloc are as follows:

DEPARTMENT OF THE TREASURY

Olin L. Wethington, of Virginia, to be a Deputy Under Secretary of the Treasury.

THE JUDICIARY

J. Michael Luttig, of Virginia, to be U.S. circuit judge for the fourth circuit, not confirmed.

IN THE ARMY

The following named officer for appointment as the judge advocate general, U.S. Army, under the provisions of title 10, United States Code, Section 3037:

To be the judge advocate general

Maj. Gen. John L. Fugh, [redacted], U.S. Army.

The following-named officer for appointment to the grade of lieutenant general

while assigned to a position of importance and responsibility under title 10, United States Code, Section 601(a):

To be lieutenant general

Maj. Gen. Ronald H. Griffith, [redacted] U.S. Army.

The following-named officer to be placed on the retired list in the grade indicated under the provisions of title 10, United States Code, Section 1370:

To be lieutenant general

Lt. Gen. Donald W. Jones, [redacted] U.S. Army.

The following-named officer to be placed on the retired list in the grade indicated under the provisions of title 10, United States Code, Section 1370:

To be lieutenant general

Lt. Gen. Leonard P. Wishart III, 152-26-4608, U.S. Army.

The following-named officer to be placed on the retired list in the grade indicated under the provisions of title 10, United States Code, Section 1370:

To be lieutenant general

Lt. Gen. Harry E. Soyster, [redacted] U.S. Army.

The following-named officer for appointment as chief of Army Reserve, U.S. Army, under the provisions of title 10, United States Code, Section 3038:

To be chief of Army Reserve, U.S. Army

Maj. Gen. Roger W. Sandler, [redacted] U.S. Army Reserve.

IN THE MARINE CORPS

The following-named officer, under the provisions of title 10, United States Code, section 601, for assignment to a position of importance and responsibility as follows:

To be lieutenant general

Maj. Gen. Robert B. Johnston, [redacted] USMC.

The following-named officer, under the provisions of title 10, United States Code, section 601, for assignment to a position of importance and responsibility as follows:

To be lieutenant general

Maj. Gen. Matthew T. Cooper, [redacted] USMC.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will resume legislative session.

ARMS CONTROL AND DISARMAMENT AGENCY AUTHORIZATION ACT

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar 156, S. 1434, the ACDA authorization bill, that the bill be deemed read a third time and passed, and that the motion to reconsider be laid upon the table; further that upon receipt from the House of H.R. 2474, without any intervening action or debate, all after the enacting clause be stricken and the text of S. 1434 be inserted in lieu thereof, that the bill be deemed read a third time and passed, and that the motion to reconsider be laid upon the table.

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

So the bill (H.R. 2474), as amended, was deemed read a third time and passed.

Mr. PELL. Mr. President, I strongly support S. 1434, the Arms Control and Disarmament Amendments Act of 1991. The bill authorizes total spending for the Agency of $44,423,000, which should enable the Agency to sustain its present level of activities, allow the strengthening of some activities, such as the external research program. That program will return to significance with an authorization level of $2 million within the overall total.

The Senator from Massachusetts [Mr. KERRY], the chairman of the Subcommittee on Terrorism, Narcotics, and International Operations of the Committee on Foreign Relations, and the Senator from Colorado [Mr. BROWN], the ranking minority member of the subcommittee, deserve major credit for this carefuly considered bill, which was developed in the subcommittee. Their recommendations were adopted without change at the committee level.

Mr. President, I was involved in the creation of this small agency in 1961—three decades ago. It was created by statute as a separate entity devoted to the work of arms control and disarmament. It remains the only separate organization with such a charter in the world.

In 1961, it seemed ACDA had great promise. We had great hopes which frankly have not been realized. Fortunately, ACDA still retains a core of skilled professionals who continue to make significant contributions to the Nation's arms control efforts. The current director, Ronald F. Lehman, also deserves credit for the skill and professionalism he has brought to the job.

Nonetheless, it is clear to committee members that it is time for a thorough review of ACDA and a reassessment of its proper role and status in the executive branch. An important initial step will be a study by the Agency's inspector general, which is required by an amendment to the bill authored by the Senator from Illinois [Mr. SIMON]. Following submission of this report, the committee will take a fresh look at ACDA.

Mr. President, we have had substantial progress in recent years, including the Intermediate-Range Nuclear Forces Treaty, the protocols to the Threshold Nuclear Explosions and Peaceful Nuclear Explosions Treaties, and the Conventional Armed Forces in Europe Treaty. A new Strategic Arms Reduction Treaty is to be signed next week. Work continues at an accelerated pace on a multilateral chemical weapons ban.

There remain many more problems in arms control to be addressed, in particular the problems of the dreadful proliferation of nuclear, chemical, and biological weapons. Verification of compliance with these treaties will be a complex challenge.

We need to be sure that the executive branch is prepared to deal with these matters realistically and successfully. Moreover, we must be certain that the bureaucracy charged with arms control responsibilities brings the necessary vigor and innovation to arms control to ensure that the United States is a world leader in the quest for a stable and secure world.

I want to assure my fellow Senators that it will be a priority of the Committee on Foreign Relations in the period ahead to make certain that the executive branch has the personnel, organization, and resources to meet the challenge.

Mr. KERRY. Mr. President, I strongly commend to the Senate the Arms Control and Disarmament Amendments Act of 1991 which authorizes appropriations for fiscal year 1992 for the Arms Control and Disarmament Agency.

The Subcommittee on Terrorism, Narcotics and International Operations reviewed ACDA's plans and programs at a hearing on March 21, 1991, with the Honorable Ronald F. Lehman, Director of ACDA, Stephen Read Hanmer, Deputy Director of ACDA, and William Montgomery, Director of Administration of ACDA. The subcommittee met on May 16, 1991 to mark up an original bill authorizing appropriations for the Agency. At that markup the bill was considered and ordered reported favorably by unanimous vote.

The full committee met on June 12, 1991, to mark up the subcommittee's bill authorizing appropriations for the Agency. At the full committee markup the bill was considered and ordered reported favorably by a unanimous rollcall vote of 19 to 0.

The administration requested a substantial increase in the ACDA budget for fiscal year 1992. Current spending, less nonrecurring costs is $36,540,000, and the Agency asked for $47,446,000—an increase of nearly $11 million.

About $4.5 million of the proposed increase was for mandatory adjustments to base. Of that, $3,823,000 million is for pay increases. In addition, the Agency asked for $284,000 for such mandatory adjustments for drug testing, recruitment and training, and support of United States-Soviet inspections of chemical weapons facilities.

The Agency also sought a substantial increase in personnel levels. It asked for a $1,699,000 increase for 24 new full-time permanent positions above the current 204 and 2 reimbursable positions above the current approximately 65 to 70. An increase of $1,759,000 above the current $241,000 was sought to revitalize the external research program. The Agency also asked for $2,648,000 in further increases, largely for travel, language services, and support of the Geneva delegation.

At the subcommittee markup, the ranking minority member, Senator BROWN, and I proposed a reduction of $5.2 million in the requested increase. The subcommittee agreed. At the same markup, Senator SIMON proposed, and the subcommittee accepted, an amendment requiring the President to submit to the Congress, by January 1, 1992, a report prepared by the inspector general of ACDA.

That report is to assess ACDA's fulfillment of its primary four functions:

First, the conduct, support, and coordination of research for arms control and disarmament policy formulation;

Second, the preparation for and management of U.S. participation in international negotiations in the arms control and disarmament fields;

Third, the dissemination and coordination of public information concerning arms control and disarmament; and

Fourth, the preparation for, operation of, or as appropriate, direction of U.S. participation in such control systems as may become part of U.S. arms control and disarmament activities.

In addition, the report is to address the current ability and performance of ACDA in carrying out these functions and provide detailed recommendations for any changes in executive branch organization and direction needed to fulfill these primary functions.

In view of the requirement that the IG report include detailed recommendations, it was thought appropriate to authorize appropriations for only 1 year. The Members concluded that this approach would set the stage for a thorough congressional review of ACDA and the executive branch organization to deal with arms control issues next year following the submission of the IG report.

Following the subcommittee markup, ACDA officials provided additional materials to the subcommittee in order to justify an increase in the authorization level. Accordingly, at the committee markup on June 12, Senators BROWN and I offered an amendment to restore about $2.2 million of the cuts. To give the Agency greater flexibility, the amendment also deleted all earmarks of funds except for external research. The amendment, which was approved by the committee, authorizes $42,423,000 for the Agency, plus $2,000,000, the requested level, for the external research program, for a total of $44,423,000.

This total includes $41,390,000 for the current programs and mandatory adjustments, an additional $1,759,000 to bring the external research program up to the viable level of $2,000,000, and an additional $155,000 to allow support of the highly successful Foster Scholars Program at a level of around $500,000, and $1,324,000, or one-half the requested amount, for program increases. The total does not include funds to support personnel increases. Members believed that ACDA should be able to perform effectively, given a serious and responsible approach to budget structures, with the $3 million reduction in spending authority.

Following the discussion, the committee approved an original bill by a vote of 19 to 0.

Mr. President, when ACDA was founded in 1961, it was thought that the Agency could spearhead efforts to move us and other nations expeditiously toward the accomplishment of effective arms control measures. In the intervening years, there have been arms control accomplishments, but they certainly have not measured up to the hopes of 1961. In the 1960's and early 1970's the Agency was strong and succeeded in significant ground breaking. But, after SALT I, it was savaged, suffering a reduction in influence. In the late 1970's it enjoyed a resurgence, only to be troubled ever since. It has gone from a time when the Agency was centrally involved in all major arms control efforts to the present situation, in which all major arms control negotiations except for the Conference on Disarmament in Geneva are directed by others. Regretfully, the Agency has become even peripheral to the increasingly important activities involving compliance with new arms control agreements.

It is symptomatic of the Agency's present plight that, when a possible amendment to require two senior officials of ACDA—the Special Representatives for Arms Control and Disarmament Negotiations—to actually head negotiations, the State Department representatives indicated the Department would recommend a Presidential veto if the amendment were included. This position was taken despite the fact that the preparation for and management of negotiations has been a basic ACDA function by statute for 30 years. We believe it may be beyond ACDA's ability to fix itself. This judgment is made with no intended criticism of the capable current director, Ronald Lehman, who is undoubtedly doing his best with the Agency.

Nonetheless, it is imperative that there be a thorough reassessment of ACDA and its place in the executive branch firmament. Given the sweeping changes in Eastern Europe and the resulting and prospective changes in the threat posed from that region, and the emerging threats to stability in various regions, it is imperative that arms control efforts be forward-looking, innovative, and meaningful. The IG report should be an excellent start and guide which the Congress can assess and, in cooperation with the executive branch, can build upon.

For this effort to be productive, it is important not to presuppose either that ACDA will survive in its present or modified form or that it will not. An option could be greatly enhanced power and responsibility building upon the Agency's present charter.

Unfortunately, it is clearly the administration's present view that arms control is too important a matter to be left to ACDA. I would argue that arms control is too important a matter to be left to the vagaries of bureaucratic whim.

FOREIGN RELATIONS AUTHORIZATION ACT, FISCAL YEARS 1992 AND 1993

Mr. MITCHELL. Mr. President, I ask unanimous consent that the majority leader, following consultation with the Republican leader, may proceed at any time to the consideration of Calendar No. 145, S. 1433, the State Department authorization bill, notwithstanding the provisions of rule XXII.

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

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum has been suggested. 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.

PROVIDING FOR THE EXTENSION OF UNEMPLOYMENT INSURANCE COMPENSATION BENEFITS

CLOTURE MOTION

Mr. MITCHELL. Mr. President, I ask unanimous consent that it now be in order to make a motion to proceed to the consideration of Calendar No. 186, S. 1554, a bill to provide for the extension of unemployment insurance compensation benefits filed today by the Finance Committee; that a cloture motion be deemed to have been filed against that motion without the actual submission of the motion; that the motion to proceed then be deemed withdrawn; that a vote on the motion to proceed occur on Monday, July 29, at a time to be established by the majority leader, after consultation with the Republican leader, but not earlier than 5 p.m., and that the live quorum preceding the cloture vote be waived.

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

FOREIGN RELATIONS AUTHORIZATION ACT, FISCAL YEAR 1992 AND 1993

Mr. MITCHELL. Mr. President, I now ask unanimous consent that the Senate proceed to the consideration of S. 1433 at 12 noon on Monday, July 29.

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

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. McCathran, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the Committee on the Judiciary.

(The nominations received today are printed at the end of the Senate proceedings.)

FISHERIES AGREEMENT BETWEEN THE UNITED STATES AND THE REPUBLIC OF POLAND—MESSAGE FROM THE PRESIDENT—PM 67

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with accompanying papers; which, pursuant to 16 U.S.C. 1823(b), was referred jointly to the Committee on Commerce, Science, and Transportation and the Committee on Foreign Relations:

To the Congress of the United States:

In accordance with the Magnuson Fishery Conservation and Management Act of 1976 (Public Law 94-265; 16 U.S.C. 1801 *et seq.*), I transmit herewith the Agreement between the Governments of the United States of America and the Republic of Poland Amending and Extending the Agreement of August 1, 1985, Concerning Fisheries off the Coasts of the United States. The agreement, which was effected by exchange of notes at Washington on January 24 and June 12, 1991, copies of which are attached, extends the 1985 agreement for an additional 2 years and 6 months, from July 1, 1991, to December 31, 1993. The exchange of notes together with the 1985 agreement constitute a governing international fishery agreement within the requirements of section 201(c) of the Act. The exchange of notes also amends the 1985 agreement to incorporate the latest changes in U.S. law and policy into the agreement.

I urge that the Congress give favorable consideration to this agreement at an early date.

GEORGE BUSH.

THE WHITE HOUSE, *July 26, 1991.*

FISHERIES AGREEMENT BETWEEN THE UNITED STATES AND THE EUROPEAN ECONOMIC COMMUNITY—MESSAGE FROM THE PRESIDENT—PM 68

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with accompanying papers; which, pursuant to 16 U.S.C. 1823(b), was referred jointly to the Committee on Commerce, Science, and Transportation and the Committee on Foreign Relations:

To the Congress of the United States:

In accordance with the Magnuson Fishery Conservation and Management Act of 1976 (Public Law 94-265; 16 U.S.C. 1801 *et seq.*), I transmit herewith the Agreement between the Government of the United States of America and the European Economic Community Amending and Extending the Agreement of October 1, 1984, Concerning Fisheries off the Coasts of the United States, as amended and extended. The agreement, which was effected by exchange of notes at Washington and Brussels on February 1 and June 14, 1991, copies of which are attached, extends the 1984 agreement for an additional 2 years and 6 months, from July 1, 1991, to December 31, 1993. The exchange of notes together with the 1984 agreement constitute a governing international fishery agreement within the requirements of section 201(c) of the Act. The exchange of notes also amends the 1984 agreement to incorporate the latest changes in U.S. law and policy.

U.S. fishing industry interests have urged prompt consideration of this agreement to avoid disruption of ongoing cooperative fishing ventures. I urge that the Congress give favorable consideration to this agreement at an early date.

GEORGE BUSH.

THE WHITE HOUSE, *July 26, 1991.*

FISHERIES AGREEMENT BETWEEN THE UNITED STATES AND THE REPUBLIC OF KOREA—MESSAGE FROM THE PRESIDENT—PM 69

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with accompanying papers; which, pursuant to 16 U.S.C. 1823(b), was referred jointly to the Committee on Commerce, Science, and Transportation and the Committee on Foreign Relations:

To the Congress of the United States:

In accordance with the Magnuson Fishery Conservation and Management Act of 1976 (Public Law 94-265; 16 U.S.C. 1801 *et seq.*), I transmit herewith the Agreement between the Governments of the United States of America and the Republic of Korea Amending and Extending the Agreement of July 26, 1982, Concerning Fisheries off the Coasts of the United States, as amended and extended. The agreement, which was effected by exchange of notes at Washington on May 29 and June 19, 1991, copies of which are attached, extends the 1982 agreement for an additional 2 years and 6 months, from July 1, 1991, to December 31, 1993. The exchange of notes together with the 1982 agreement constitute a governing international fishery agreement within the requirements of section 201(c) of the Act. The exchange of notes also amends the 1982 agreement to incorporate the latest changes in U.S. law and policy into the agreement.

I urge that the Congress give favorable consideration to this agreement at an early date.

GEORGE BUSH.

THE WHITE HOUSE, *July 26, 1991.*

REPORT ON NATIONAL EMERGENCY WITH RESPECT TO IRAQ—MESSAGE FROM THE PRESIDENT—PM 70

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States; together with accompanying papers; which was referred to the Committee on Banking, Housing, and Urban Affairs:

To the Congress of the United States:

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the *Federal Register* and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent the enclosed notice, stating that the Iraqi emergency is to continue in effect beyond August 2, 1991, to the *Federal Register* for publication.

The crisis between the United States and Iraq that led to the declaration on August 2, 1990, of a national emergency has not been resolved. The Government of Iraq continues to engage in activities inimical to stability in the Middle East and hostile to U.S. interests in the region. Such Iraqi actions pose a continuing unusual and extraordinary threat to the national security and vital foreign policy interests of the United States. For these reasons, I have determined that it is necessary to maintain in force the broad authorities necessary to apply economic pressure to the Government of Iraq.

GEORGE BUSH.

THE WHITE HOUSE, *July 26, 1991.*

CALIFORNIA PUBLIC LANDS WILDERNESS ACT—MESSAGE FROM THE PRESIDENT—PM 71

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with accompanying papers; which was referred to the Committee on Energy and Natural Resources:

To the Congress of the United States:

I am pleased to submit for your consideration and passage the "California Public Lands Wilderness Act."

The Federal Land Policy and Management Act of 1976 directs the Secretary of the Interior to review the wilderness potential of the public lands. Based on the Bureau of Land Management's review of 7.1 million acres of public lands in California and 600 acres in Nevada, the Secretary has recommended that 62 areas encompassing 2.3 million acres be designated wilderness and 147 areas encompassing 4.8 million acres not be designated wilderness.

I concur with the Secretary of the Interior's recommendations, and I recommend designation of the 62 areas identified in the enclosed proposed legislation for inclusion in the National Wilderness Preservation System.

The proposed additions to the National Wilderness Preservation System represent the diversity of wilderness values in the State of California. These range from the forested areas in the King Range Conservation Area, along the northwest California coast, to the Algodones Sand Dunes near the Mexican border, comprising classic sand dunes in low desert. The recommendations span a wide variety of California landforms, ecosystems, and other natural systems and features. Their inclusion in the National Wilderness Preservation System will increase the geographic distribution of wilderness areas in California and complement existing areas of Federal and State designated wilderness. They will provide new outstanding opportunities for solitude as well as primitive and unconfined recreation.

The proposal provides that designation as wilderness shall not constitute a reservation of water or water rights for wilderness purposes. The proposal also provides for areas designated as wilderness that may contain valid existing mineral rights. Generally, these mineral rights will not be acquired. However, when necessary to prevent incompatible development, these rights could be acquired through exchange.

In addition, the Secretary recommends transferring to the National Park System over 108,000 acres of public lands, including about 82,000 acres suitable for wilderness designation. The Secretary also recommends that 147 wilderness study areas, encompassing 4.8 million acres, not be designated as wilderness. I concur with both of these recommendations.

Enclosed are the letter and wilderness study reports from the Secretary of the Interior concerning the 62 wilderness area proposals and the transfer of lands from the Bureau of Land Management to the National Park Service.

I urge the Congress to act expeditiously and favorably on the proposed legislation, so that the natural resources of these areas may be protected and preserved.

GEORGE BUSH.

THE WHITE HOUSE, *July 26, 1991.*

POST-EMPLOYMENT RESTRICTION TECHNICAL CORRECTION ACT—MESSAGE FROM THE PRESIDENT—PM 72

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with accompanying papers; which was referred to the Committee on Governmental Affairs:

To the Congress of the United States:

I am pleased to submit for your consideration and enactment the "Post-Employment Restriction Technical Correction Act of 1991." This legislative proposal would enact a technical correction to the post-employment restrictions that apply to the most senior former officers and employees of the executive and legislative branches.

The current post-employment restrictions bar senior and very senior officers and employees of the executive branch from making communications to, or appearances before, their former departments and agencies on behalf of anyone (other than the United States or themselves) for 1 year after leaving office. A similar 1-year cooling-off ban applies to Congressmen, Senators, and senior congressional staff members.

While intended to limit the potential to profit from public service, the 1-year cooling-off ban prevents former senior officials and employees who leave for positions in election campaigns and with political party organizations from maintaining contacts with their former colleagues in the Federal Government. For example, a senior congressional staff member who leaves his post to manage a Member's reelection campaign could not, for 1 year, contact the Member to urge him to take a position on a bill pending before the Congress without violating the law. I do not believe that the Congress intended the post-employment restrictions to sweep so broadly.

Accordingly, I am proposing this technical correction to the post-employment restrictions to clarify that the 1-year cooling-off ban was not intended to apply to appearances or communications made by former senior Government officials on behalf of candidates for office, election committees, and political party organizations. This technical correction would add another exception to the six already-existing exceptions to the post-employment restrictions. I trust that the Congress will agree that enactment of this additional exception will prevent any unnecessary disruption to the workings of our electoral and political processes.

I look forward to working with the Congress to ensure enactment of this proposal.

GEORGE BUSH.

THE WHITE HOUSE, *July 26, 1991.*

REPORT ON THE NATIONAL EMERGENCY WITH RESPECT TO IRAQ—MESSAGE FROM THE PRESIDENT—PM 73

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States; which was referred to the Committee on Banking, Housing, and Urban Affairs:

To the Congress of the United States:

I hereby report to the Congress on the developments since my last report of February 11, 1991, concerning the national emergency with respect to Iraq that was declared in Executive Order No. 12722 of August 2, 1990. This report is submitted pursuant to section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c), and section 204(c) of the International Emergency Economic Powers Act ("IEEPA"), 50 U.S.C. 1703(c).

In Executive Order No. 12722, I ordered the immediate blocking of all property and interests in property of the Government of Iraq (including the Central Bank of Iraq) then or thereafter located in the United States or within the possession or control of a U.S. person. I also prohibited the importation into the United States of goods and services of Iraqi origin, as well as the exportation of goods, services, and technology from the United States to Iraq. I prohibited travel-related transactions and transportation transactions to or from Iraq and the performance of any contract in support of any industrial, commercial, or governmental project in Iraq. U.S. persons were also prohibited from granting or extending credit or loans to the Government of Iraq.

At the request of the Government of Kuwait, I also issued on August 2, 1990, Executive Order No. 12723, blocking all property of the Government of Kuwait then or thereafter in the United States or in the possession or control of a U.S. person.

On August 9, 1990, I issued Executive Orders Nos. 12724 and 12725 to ensure that the sanctions imposed by the United States were consistent with United Nations Security Council Resolution 661 of August 6, 1990. Under these orders, additional steps were taken with regard to Iraq and sanctions were applied to Kuwait as well to ensure that no benefit to Iraq resulted from its military occupation of Kuwait. The present report discusses only Administration actions and expenses directly related to the national emergency with respect to Iraq declared in Executive Order No. 12722, as implemented pursu-

ant to that order and Executive Orders Nos. 12723, 12724, and 12725.

1. Since my last report, the Kuwaiti Assets Control Regulations ("KACR"), 31 C.F.R. Part 570, and the Iraqi Sanctions Regulations ("ISR"), 31 C.F.R. Part 575, which were issued by the Office of Foreign Assets Control of the Department of the Treasury ("FAC") to implement the prohibitions contained in Executive Orders Nos. 12722–12725, have been amended. The KACR were first amended on February 11, 1991 (56 FR 5351), to make technical amendments and clarify that a blocked account must be maintained in a U.S. financial institution. On March 6, 1991, a notice was issued (56 FR 9403) informing the public that specific licenses had been issued on February 25, 1991, permitting seven blocked Kuwaiti banks to settle obligations which arose prior to August 2, 1990.

On March 8, 1991, after the armed forces of the United States and its allies successfully ejected Iraqi troops from Kuwait, I notified the Congress of my intention to terminate all or part of the sanctions which had been imposed with respect to Kuwait. On March 11, 1991, the KACR were amended (56 FR 10356) to permit trade and commerce with and travel to Kuwait, effective March 8, 1991.

On March 26, 1991, the KACR were further amended (56 FR 12450) to authorize transactions on or after March 25, 1991, with respect to assets in which the Government of Kuwait has an interest, with the exception of the seven Kuwaiti banks previously authorized by specific license to utilize their blocked assets to engage in the orderly settlement of their pre-invasion obligations. On June 6, 1991, the KACR were amended with effect from June 4, 1991 (56 FR 26034), to authorize all transactions involving the property of these seven blocked banks.

Finally, on July 25, 1991, I issued Executive Order No. 12771 completely terminating the Kuwaiti sanctions.

The ISR were first amended on February 11, 1991 (56 FR 5636), to make certain technical amendments and to impose a one-time reporting requirement, for planning and administrative purposes, regarding blocked Iraqi Government assets and claims by U.S. nationals against the Government of Iraq. The preliminary results of this census of blocked assets and claims are reported below. On April 3, 1991, two appendices to the ISR were published (56 FR 13584). The first contained a list of individuals and organizations determined by the Office of Foreign Assets Control to be acting, or purporting to act, directly or indirectly on behalf of the Government of Iraq (Specially Designated Nationals of the Government of Iraq—"SDNs"). The second was a list of merchant vessels determined to be registered, owned, or controlled by the Government of Iraq. An amendment to the first appendix was published on June 25, 1991 (56 FR 29120), adding the names of seven individuals determined to be acting on behalf of the Government of Iraq and deleting the names of two organizations included in the initial listing.

A copy of each of the amendments to the KACR and the ISR is enclosed with this report.

2. The census of blocked Iraqi Government assets resulted in the identification of approximately 400 separate accounts or assets. Amounts totalling in excess of $1.2 billion were reported by domestic branches of U.S. banks and approximately $420 million by the offshore branches of U.S. banks. These are primarily deposits that were frozen on August 2, 1990, and amounts deposited into blocked accounts thereafter as a result of the completion of importations of Iraqi oil already en route to the United States on August 2. A small number of tangible and other properties held by non-financial institutions were also reported.

In the claims census, FAC received reports of claims from approximately 1100 U.S. nationals. Included were claims for items such as personal property looted or destroyed in Kuwait, loans or other obligations on which Iraq has defaulted, and lost future business or concession rights. Inasmuch as these claims have not been submitted to a formal claims resolution body, much less adjudicated, their actual aggregate value is not known. The process by which U.S. claims will be addressed will be determined when the details of the UN reparations plan are finalized.

3. FAC has issued 189 specific licenses (31 since my last report) to Kuwait entities administering assets or direct investments in the United States. These licenses permitted the continued operation and preservation of Kuwaiti Government assets in the United States, as well as certain expenditures by or on behalf of the Government of Kuwait. In addition, 148 specific licenses (80 since my last report) were issued regarding transactions pertaining to Iraq or Iraqi assets. Specific licenses were issued for the settlement, consistent with the prohibition against transfer of assets to Iraq, of pre-embargo imports and exports, the conduct of procedural transactions such as the filing of lawsuits, and compensation for legal representation. Pursuant to United Nations Security Council Resolutions 661, 666, and 687, specific licenses were also issued to authorize the exportation to Iraq of donated medicine, medical supplies, and food intended for humanitarian relief purposes.

To ensure compliance with the terms and conditions of licenses, reporting requirements have been imposed and are closely monitored. More than 1,400 compliance reports involving licenses issued pursuant to the Iraq emergency have been reviewed since my last report. Licensed accounts are regularly audited by FAC compliance personnel and by deputized auditors on loan from other regulatory agencies. In addition, FAC compliance personnel have also worked closely with both State and Federal bank regulatory and law enforcement agencies in conducting special audits of Iraqi accounts subject to the ISR. Compliance analyses are prepared monthly on major licensed corporations.

4. FAC and the Department of Justice have taken action in litigation concerning the blocked status of Iraqi Government assets. In *Brewer* v. The Socialist People's Republic of Iraq, Civ. No. 90–0004 (D.C. Feb. 1, 1991), plaintiffs sought to attach and execute against blocked Iraqi property in the District of Columbia to satisfy a default judgment entered by the U.S. District Court for the Eastern District of Missouri. The District of Columbia district court issued an order to show cause to the United States, providing the United States with an opportunity to explain why execution on blocked Iraqi Government property should be disallowed. After the United States filed a Statement of Interest, the district court denied the plaintiff's motion for attachment and execution against the blocked Iraqi property. Plaintiffs have requested reconsideration of the court's ruling.

In *Consarc Corporation* v. *Iraqi Ministry of Industry and Minerals, et al.*, Civ. No. 90–2269 (D.C. April 10, 1991), the plaintiff sued the Iraqi Ministry of Industry and Minerals and others for relief relating to a breach of contract for the supply of certain goods. The court entered a default judgment in favor of Consarc, awarding compensatory and punitive damages and declaring the rights of the parties in various items of blocked property. On June 17, 1991, the United States filed a Statement of Interest opposing the entry of the *in personam* damage award unless restricted to preclude unlicensed execution against blocked assets. The Statement of Interest also requests vacation of those portions of the declaratory relief which permanently dispose of rights in Iraqi property blocked pursuant to U.S. law.

5. Various enforcement actions discussed in previous reports continue to be pursued, and additional investigations of possible violations of the Iraqi sanctions have been initiated. These efforts will ensure that no activities in violation of the sanctions are allowed to confer any benefit on Iraq. Three individuals were successfully prosecuted in the U.S. District Court for the Middle District of Florida for attempting to broker the sale of 1.2 million barrels of Iraqi oil. On March 22, 1991, the property and accounts of a U.S. company identified as a participant in Saddam

Hussein's arms acquisition network were blocked.

The recent amendments to the ISR listing organizations determined to be Specially Designated Nationals ("SDNs") of the Government of Iraq publicly identifies 50 organizations and 44 individuals located both inside and outside Iraq which have been determined by FAC to be owned or controlled by, or acting on behalf of, the Government of Iraq. For purposes of the ISR, all dealings with the organizations and individuals listed will be considered dealings with the Government of Iraq. All unlicensed transactions with these persons, or in property in which they have an interest, are prohibited. The listing of Iraqi SDNs is not exhaustive and will be augmented from time to time as it is determined that additional organizations or individuals found to be owned or controlled by, or acting on behalf of, the Government of Iraq should be identified.

6. The expenses incurred by the Federal Government in the six-month period from February 2, 1991, through August 1, 1991, that are directly attributable to the exercise of powers and authorities conferred by the declaration of a national emergency with respect to Iraq (including sanctions against Iraq and occupied Kuwait) are estimated at $6,520,000, most of which represents wage and salary costs for Federal personnel. Personnel costs were largely centered in the Department of the Treasury (particularly in FAC, the U.S. Customs Service, the Office of the Assistant Secretary for Enforcement, the Office of the Assistant Secretary for International Affairs, and the Office of the General Counsel), the Department of State (particularly in the Bureau of Economic and Business Affairs and the Office of the Legal Adviser), and the Department of Commerce (particularly in the Bureau of Export Administration and the Office of the General Counsel).

7. The United States imposed economic sanctions on Iraq in response to Iraq's invasion and illegal occupation of Kuwait, a clear act of brutal aggression. The United States together with the international community is maintaining economic sanctions against Iraq because the regime of Saddam Hussein continues to pose an unusual and extraordinary threat to the national security and foreign policy of the United States, as well as to regional peace and stability. The United Nations sanctions remain in place; the United States will continue to enforce those sanctions.

The Saddam Hussein regime has continued to violate basic human rights by repressing the Iraqi civilian population and depriving it of humanitarian assistance, and by failing to comply fully with binding United Nations Security Council resolutions. The Iraqi regime has failed to comply with UN resolutions calling for the elimination of Iraqi weapons of mass destruction, an end to the repression of the Iraqi civilian population, the release of Kuwaiti and other prisoners, and the return of Kuwaiti assets stolen during its illegal occupation of Kuwait. The United States will continue to apply economic sanctions to deter Iraq from threatening peace and stability in the region, and I will continue to report periodically to the Congress on significant developments, pursuant to 50 U.S.C. 1703(c).

GEORGE BUSH.

THE WHITE HOUSE, *July 26, 1991.*

MESSAGES FROM THE HOUSE

ENROLLED BILL SIGNED

At 10:13 a.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the Speaker has signed the following enrolled bill:

H.R. 153. An Act to amend title 38, United States Code, to make miscellaneous administrative and technical improvements in the operation of the United States Court of Veterans Appeals, and for other purposes.

The enrolled bill was subsequently signed by the President pro tempore [Mr. BYRD].

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. CRANSTON, from the Committee on Veterans Affairs, with an amendment in the nature of a substitute and an amendment to the title:

S. 868. A bill to amend title 10, United States Code, and title 38, United States Code, to improve educational assistance benefits for members of the Selected Reserve of the Armed Forces who served on active duty during the Persian Gulf war, and for other purposes (Rept. No. 102-124).

By Mr. BIDEN, from the Committee on the Judiciary, without amendment:

S. 1035. A bill to amend section 107 of title 17, United States Code, relating to fair use with regard to unpublished copyrighted works.

By Mr. BENTSEN, from the Committee on Finance, with an amendment in the nature of a substitute:

S. 1554. A bill to provide emergency unemployment compensation, and for other purposes.

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. GRAHAM (for himself and Mr. D'AMATO):

S. 1565. A bill to amend the Federal Aviation Act of 1958 to ensure fair treatment of airline employees in connection with routine transfers; to the Committee on Commerce, Science, and Transportation.

By Mr. PACKWOOD:

S. 1566. A bill to amend the Internal Revenue Code of 1986 to permit withdrawals without penalty from retirement accounts to purchase first homes, to pay education and medical expenses, or to meet expenses during periods of unemployment, and for other purposes; to the Committee on Finance.

By Mr. GRASSLEY (for himself and Mr. METZENBAUM):

S. 1567. A bill to amend the Alzheimer's Disease and Related Dementias Services Research Act of 1986 to reauthorize the act, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. BIDEN (for himself and Mr. THURMOND):

S. 1568. A bill to amend the act incorporating the American Legion so as to redefine eligibility for membership therein; to the Committee on the Judiciary.

By Mr. HEFLIN:

S. 1569. A bill to implement the recommendations of the Federal Courts Study Committee, and for other purposes; to the Committee on the Judiciary.

By Mr. GRASSLEY:

S. 1570. A bill to direct the Secretary of the Interior to convey the Fairport National Fish Hatchery to the State of Iowa; to the Committee on Environment and Public Works.

By Mr. EXON (for himself, Mr. KASTEN, and Mr. BURNS):

S. 1571. A bill to amend the Federal Railroad Safety Act of 1970 to improve railroad safety, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. BREAUX (for himself, Mr. RIEGLE, and Mr. ADAMS):

S. 1572. A bill to amend title XVIII of the Social Security Act to eliminate the requirement that extended care services be provided not later than 30 days after a period of hospitalization of not fewer than 3 consecutive days in order to be covered under part A of the Medicare Program, and to expand home health services under such program; to the Committee on Finance.

By Mr. COATS:

S. 1573. A bill to reduce the paperwork required of farmers to sign-up and participate in programs administered by the Department of Agriculture; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. RIEGLE (for himself, Mr. CHAFEE, Mr. COHEN, Mr. BREAUX, Mr. PRESSLER, Mr. GRAHAM, and Mr. BOND):

S. 1574. A bill to ensure proper and full implementation by the Department of Health and Human Services of Medicaid coverage for certain low-income Medicare beneficiaries; to the Committee on Finance.

By Mr. THURMOND (by request):

S. 1575. A bill to augment and clarify law enforcement agency roles in ordering aircraft to land and vessels to bring to, to enable improved money laundering investigations, to promote drug testing in Federal State criminal justice systems, and for other law enforcement system improvements; to the Committee on the Judiciary.

By Mr. WIRTH:

S. 1576. A bill to help stop the spread of nuclear weapons by controlling the production of nuclear weapons materials; to the Committee on Armed Services.

By Mr. DOLE (for himself and Mr. MITCHELL):

S.J. Res. 184. A joint resolution designating the month of November 1991, as "National Accessible Housing Month"; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. GRAHAM (for himself and Mr. D'AMATO):

S. 1565. A bill to amend the Federal Aviation Act of 1958 to ensure fair treatment to airline employees in connection with route transfers; to the Committee on Commerce, Science, and Transportation.

FAIR TREATMENT OF AIRLINE EMPLOYEES IN ROUTE TRANSFERS

Mr. GRAHAM. Mr. President, just over a year ago, I made a series of statements about the demise of Eastern Airlines, a very sad chapter in the history of commercial aviation in this Nation, a particularly sad day for Florida which had been home to this once great airline.

Eastern Airlines was a major employer in our State. It was a good corporate citizen in the communities in which it was located.

Today, Mr. President, over 5,000 Eastern Airlines employees in my State alone are receiving unemployment benefits. The Government has taken over the responsibility of ensuring their economic well-being because the airline industry was unable and unwilling to protect their jobs. Those benefits run out at the end of this month, Mr. President. Few of those individuals expect to find jobs; even fewer will find jobs commensurate with those that they held at Eastern Airlines.

Sadly, another great domestic airline has now been forced into bankruptcy, and its assets are on the chopping block. Since 1932, Pan American World Airways has pioneered the development of global air transportation. The first international air flight in the history of the world was the flight between Key West and Havana.

Pan American historically has been the largest airline participant in the country's international aviation system as well as its civil reserve air fleet. It operates a major part of our domestic transportation network. Pan American was the airline which opened U.S. commercial aviation to the Pacific, to Latin America, and was the first airline to use modern jet aircraft.

But today, in corporate board rooms, pieces of the airline are being swapped and bartered. Unfortunately, Mr. President, those negotiators seem to be ignoring one of the airline's most important assets, its human resources. A fine force of experienced men and women gave Pan American Airways the world-renowned status that it enjoys. The fate of those individuals is now hanging in the wind. Pan American employs over 22,000 persons, over 6,000 in my State. There is no guarantee or requirement that any of those employees will enjoy job protection once the airline's assets have been transferred to other companies.

Mr. President, this is not fair. It is not only not fair to these men and women who have served with dedication, who have helped to build what was once the flagship airline of America, but it is also unfair in relationship to what will happen to Pan American's coworkers in foreign countries.

The principal asset Pan American now has, in addition to the physical asset of its equipment and the asset of the organization itself, is that it owns a number of international route certifications. It has the right to fly, for instance, from Detroit to a site in Germany. It has the right to fly from New York to London, from Miami to South America. Those assets are going to be among the most prized in the process of the dissolution of Pan American Airways.

In virtually every one of those recipient countries, whether it is Germany, England, or Brazil, there will be a requirement that the employees, German, English, and Brazilian, be retained in employment in the successor airline. Those countries are going to be looking out for the interests of their Pan American employees in the international route certification transfer.

The United States has no similar protection for its international airline employees. That is not only unfair in terms of a recognition of the service of these men and women; it is unfair in relationship to the United States and its global position relative to the other nations which share in the international aviation network.

The bill which Senator D'AMATO and I are introducing today seeks to provide some assurance to employees of airlines like Pan American and, unfortunately, others who might be caught in a similar web of financial distress, to provide assurance to them and their families that their jobs will not be left behind on the board room floor.

Mr. President, the legislation that I will be offering shortly will provide in essence that if a certificate transfer—that is, the right to fly an international air route—is approved, the air carrier to which the authority is transferred shall hire in each class or craft no less than the number of employees from the air carrier which is transferring its certificate in the order of seniority, which the Secretary of Transportation determines to be required to appropriately operate the certificate authority which is being transferred.

That is to say that if a route from Miami to Rio de Janeiro is being transferred, the Secretary of Transportation will determine how many employees are required in order to appropriately operate that route, how many pilots, copilots, ground attendants, flight personnel, mechanical personnel, and other support employees are required to appropriately operate that certificate of authority. Then the recipient airline of those transferred routes would be required to hire those individuals in the order of seniority.

Mr. President, I believe that this provision is an appropriate one. It brings the United States into parity with most other foreign countries which will be affected by these route transfers.

Great Britain, Brazil, Uruguay, and Argentina are just a few of the countries which have legislated employee protection in the case of the transfer of an international air route. I believe American citizens should be afforded the same protection. That is the purpose of fairness in the legislation which I now send to the desk and ask for its appropriate referral.

I thank the Chair.

By Mr. PACKWOOD:

S. 1566. A bill to amend the Internal Revenue Code of 1986 to permit withdrawals without penalty from retirement accounts to purchase first homes, to pay education and medical expenses, or to meet expenses during periods of unemployment, and for other purposes; to the Committee on Finance.

SAVINGS WITHOUT PENALTY ACT

• Mr. PACKWOOD. Mr. President, today I am introducing the Savings Without Penalty Act of 1991. This legislation will eliminate early withdrawal penalties on individual retirement accounts [IRA's] and 401(k) and 403(b) savings plans when money is withdrawn for a first home and other special needs.

Since I've been in Congress, we have tried many tax incentives to encourage Americans to save more. One of the more successful ideas is the tax-deferred savings plan, such as 401(k) and 403(b) savings plans and IRA's. There is almost $600 billion now in those savings plans.

But many Americans, and especially younger workers, are reluctant to use these savings plans. For example, less than 7 percent of younger workers, under age 35, contribute to an IRA. Why? Because they do not want to be hit with a 10-percent early withdrawal penalty if they withdraw their money before retirement—generally, age 59½.

Most younger Americans have a difficult time making ends meet. They are just starting out in their careers. They are in their early years of parenting. Their income is low and their expenses are high. But, they need to set aside funds for unforseen events, such as loss of employment or high medical bills. They want to save for a first home. As their children grow up, they must save for their children's college education.

Yet, if Americans put money in a tax-deferred savings plan, the Tax Code punishes them for withdrawing money for these purposes by imposing a 10-percent penalty.

This is not right. We should encourage Americans to save, not penalize them. It's become more and more difficult for them to save. For example, home ownership of younger families

has delined 15 percent over the last 8 years. We cannot afford to let this trend continue.

In my home State, the timber industry has fallen on hard times. The number of unemployed timber workers will only continue to grow. Those who were fortunate enough to put aside funds in an IRA or similar account need every penny of those funds to put food on their family's table. It's ridiculous to make them pay 10-percent of their savings to the Federal Government.

The legislation I am introducing today will allow Americans to use 401(k) and 403(b) savings plans and IRA's to save for the following purposes without incurring a 10-percent penalty:

First, purchase of a first home by the taxpayer and the taxpayer's spouse, child or grandchild.

Second, periods of unemployment of the taxpayer lasting longer than 6 months.

Third, catastrophic medical expenses.

Fourth, college education for the taxpayer and the taxpayer's spouse, child or grandchild.

Amounts withdrawn penalty-free because of unemployment can be repaid to the account within 1 year from returning to employment. Repaid amounts will be tax deductible.

The idea of allowing penalty-free withdrawals from retirement savings accounts for special needs is not a new one. My bill incorporates into one bill the best features of various proposals with some modifications.

I strongly believe that enacting this legislation will encourage Americans to save more. I hope many of my colleagues will join me and support this bill.

Mr. President, I ask unanimous consent that a summary and the full text of the bill be printed in the RECORD.

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

S. 1566

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 "Savings Without Penalty 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. PENALTY-FREE DISTRIBUTIONS FROM CERTAIN RETIREMENT PLANS.

(a) IN GENERAL.—Paragraph (2) of section 72(t) (relating to exceptions to 10-percent additional tax on early distributions from qualified retirement plans) is amended by adding at the end thereof the following new subparagraph:

"(D) DISTRIBUTIONS FROM CERTAIN PLANS FOR FIRST HOME PURCHASES OR EDUCATIONAL EXPENSES OR DURING PERIODS OF UNEMPLOYMENT.—

"(i) IN GENERAL.—Distributions to an individual from an eligible individual retirement arrangement—

"(I) which are qualified first-time homebuyer distributions (as defined in paragraph (6)),

"(II) to the extent such distributions do not exceed the qualified higher education expenses (as defined in paragraph (7)) of the taxpayer for the taxable year, or

"(III) which are made during a period of involuntary unemployment described in paragraph (8).

"(ii) DISTRIBUTIONS MAY BE INCREASED TO REFLECT TAX LIABILITY.—The amount of distributions to which subclause (I) or (II) of clause (i) apply for any taxable year shall be increased by other distributions to the extent that the amount of such other distributions does not exceed the product of—

"(I) the amount determined under subclause (I) or (II) of clause (i) (without regard to this clause), multiplied by

"(II) the highest rate of tax applicable to the taxpayer under section 1.

(b) FINANCIALLY DEVASTATING MEDICAL EXPENSES.—

(1) IN GENERAL.—Section 72(t)(3)(A) is amended by striking "(B),".

(2) TECHNICAL AMENDMENT.—Section 72(t)(2)(B) is amended by inserting "and without regard to any amounts includible in gross income for such taxable year by reason of such distributions" after "taxable year".

(c) DEFINITIONS.—Section 72(t) is amended by adding at the end thereof the following new paragraphs:

"(6) QUALIFIED FIRST-TIME HOMEBUYER DISTRIBUTIONS.—For purposes of paragraph (2)(D)(i)(I)—

"(A) IN GENERAL.—The term 'qualified first-time homebuyer distribution' means any payment or distribution received by an individual to the extent such payment or distribution is used by the individual before the close of the 60th day after the day on which such payment or distribution is received to pay qualified acquisition costs with respect to a principal residence of a first-time homebuyer who is such individual or the child or grandchild of such individual.

"(B) QUALIFIED ACQUISITION COSTS.—For purposes of this paragraph, the term 'qualified acquisition costs' means the costs of acquiring, constructing, or reconstructing a residence. Such term includes any usual or reasonable settlement, financing, or other closing costs.

"(C) FIRST-TIME HOMEBUYER; OTHER DEFINITIONS.—For purposes of this paragraph—

"(i) FIRST-TIME HOMEBUYER.—

"(I) IN GENERAL.—The term 'first-time homebuyer' means any individual if such individual (and if married, such individual's spouse) had no present ownership interest in a principal residence during the 2-year period ending on the date of acquisition of the principal residence to which this paragraph applies.

"(II) ROLLOVER CASES EXCLUDED.—An individual shall not be treated as a first-time homebuyer if the residence acquired is treated as a new residence for purposes of section 1034. This subclause shall not apply if the individual elects not to treat the residence as a new residence for purposes of section 1034.

"(ii) PRINCIPAL RESIDENCE.—The term 'principal residence' has the same meaning as when used in section 1034.

"(iii) DATE OF ACQUISITION.—The term 'date of acquisition' means the date—

"(I) on which a binding contract to acquire the principal residence to which subparagraph (A) applies is entered into, or

"(II) on which construction or reconstruction of such a principal residence is commenced.

"(D) SPECIAL RULE WHERE DELAY IN ACQUISITION.—If—

"(i) any amount is paid or distributed from an individual retirement plan to an individual for purposes of being used as provided in subparagraph (A), and

"(ii) by reason of a delay in the acquisition of the residence, the requirements of subparagraph (A) cannot be met,

the amount so paid or distributed may be paid into an individual retirement plan as provided in section 408(d)(3)(A)(i) without regard to section 408(d)(3)(B), and, if so paid into such other plan, such amount shall not be taken into account in determining whether section 408(d)(3)(A)(i) applies to any other amount.

"(7) QUALIFIED HIGHER EDUCATION EXPENSES.—For purposes of paragraph (2)(D)(i)(II)—

"(A) IN GENERAL.—The term 'qualified higher education expenses' means tuition, fees, books, supplies, and equipment required for the enrollment or attendance of—

"(i) the taxpayer,

"(ii) the taxpayer's spouse, or

"(iii) the taxpayer's child (as defined in section 151(c)(3)) or grandchild,

at an eligible educational institution (as defined in section 135(c)(3)).

"(B) COORDINATION WITH OTHER PROVISIONS.—

"(i) REIMBURSED EXPENSES.—No amount shall be treated as qualified higher education expenses if a scholarship or grant is received for such expenses or such expenses are otherwise reimbursed to the taxpayer.

"(ii) SAVINGS BONDS.—The amount of qualified higher education expenses for any taxable year shall be reduced by any amount excludable from gross income under section 135.

"(8) PERIOD OF INVOLUNTARY UNEMPLOYMENT.—For purposes of paragraph (2)(D)(i)(III)—

"(A) IN GENERAL.—The term 'period of involuntary unemployment' means the consecutive period beginning on the 180th day after an individual becomes unemployed and ending with the date on which the individual begins any employment which would disqualify the individual from receiving unemployment compensation.

"(B) EMPLOYEE MAY RECONTRIBUTE AMOUNT WITHDRAWN.—For purposes of this title, if, during the 1-year period following the close of any period of involuntary unemployment, an employee makes 1 or more contributions to eligible individual retirement arrangements in amounts not greater than amounts to which paragraph (2)(D)(i)(III) applied during the period of involuntary unemployment—

"(i) the employee may elect to treat such contributions (or any portion thereof) as recontributions of the amounts withdrawn,

"(ii) such contributions shall not be taken into account in determining any excess contributions of the taxpayer, and

"(iii) in the case of any deduction or exclusion with respect to contributions for which an election is made under clause (i)—

"(I) such deduction or exclusion shall only be allowed for contributions with respect to which the amount withdrawn was included in gross income, and

"(II) any limitation on the amount of such deduction or exclusion shall be increased by

the amount of contributions described in subclause (I).

The Secretary may issue such regulations as may be necessary to carry out the provisions of this subparagraph, including additional reporting requirements to ensure compliance with such provisions.

"(C) UNEMPLOYMENT COMPENSATION.—For purposes of this paragraph, the term 'unemployment compensation' has the meaning given such term by section 85(b).

"(9) ELIGIBLE INDIVIDUAL RETIREMENT ARRANGEMENT.—For purposes of this subsection, the term 'eligible individual retirement arrangement' means—

"(A) an individual retirement plan,

"(B) a qualified cash or deferred arrangement (as defined in section 401(k)),

"(C) an annuity contract described in section 403(b) purchased under a salary reduction agreement (within the meaning of section 3121(a)(5)(D)), or

"(D) an arrangement described in section 501(c)(18)(D)."

(d) CONFORMING AMENDMENTS.—

(1) Section 401(k)(2)(B)(i) is amended by striking "or" at the end of subclause (III), by striking "and" at the end of subclause (IV) and inserting "or", and by inserting after subclause (IV) the following new subclause:

"(V) the date on which qualified first-time homebuyer distributions (as defined in section 72(t)(6)), distributions for qualified higher education expenses (as defined in section 72(t)(7)), or distributions during a period of involuntary unemployment (as defined in section 72(t)(8)), are made, and".

(2) Section 403(b)(11) is amended by striking "or" at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting ", or", and by inserting after subparagraph (B) the following new subparagraph:

"(C) for qualified first-time homebuyer distributions (as defined in section 72(t)(6)), for the payment of qualified higher education expenses (as defined in section 72(t)(7)), or for distributions during a period of involuntary unemployment (as defined in section 72(t)(8))."

(3) Section 1034(l) is amended by inserting "(1)" before "For" and by inserting at the end the following new paragraph:

"(2) For election not to have section apply, see section 72(t)(6)(C)(i)(II)."

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to payments and distributions after the date of the enactment of this Act.

SUMMARY OF SAVINGS WITHOUT PENALTY ACT OF 1991

(Introduced by Senator Bob Packwood)

The bill will encourage Americans to save for a first home and other special needs through tax-deferred savings plans by permitting penalty-free withdrawal of funds from 401(k) and 403(b) savings plans and individual retirement accounts (IRAs) before retirement (age 59-½). The 10-percent penalty on early withdrawals discourages many workers, especially younger workers, from using these savings plans.

DESCRIPTION OF THE PACKWOOD PROPOSAL

Individuals would be permitted to make penalty-free withdrawals from 401(k) and 403(b) savings plans and IRAs for the following special needs:

Purchase of the first home by the taxpayer and the taxpayer's spouse, child, or grandchild.

Period of unemployment of the taxpayer lasting more than six months.

Catastrophic medical expenses.

College education of the taxpayer and the taxpayer's spouse, child or grandchild.

Amounts withdrawn penalty-free because of unemployment can be repaid to the account within one year from returning to employment. Repaid amounts will be tax deductible.•

By Mr. GRASSLEY (for himself and Mr. METZENBAUM):

S. 1567. A bill to amend the Alzheimer's Disease and Related Dementias Services Research Act of 1986 to reauthorize the act, and for other purposes; to the Committee on Labor and Human Resources.

ALZHEIMER'S DISEASE AND RELATED DEMENTIAS RESEARCH AMENDMENTS

• Mr. GRASSLEY. Mr. President, on behalf of myself and Senator METZENBAUM, I am introducing a bill which would reauthorize some provisions of title IX of Public Law 99-660 which pertains to a research program on Alzheimer's disease.

Title IX was originally passed in 1986, at the end of the 99th Congress, as part of an Omnibus Health Care Bill. It was the result of work by myself and Senator METZENBAUM. We had cooperated to produce legislation combining features of bills we had each introduced.

The legislation I introduce today has been in preparation by my staff for some time. I believe that the other provisions of the original title IX will be introduced soon by Senator METZENBAUM as part of a larger bill incorporating the bill I introduce today.

In any case, the legislation I introduce today will reauthorize the Federal council which has been coordinating Federal research on Alzheimer's disease since 1986.

It will reauthorize an advisory panel which provides expert advice to the Alzheimer's research programs of the Federal Government. Given that the funding for Alzheimer's research has greatly increased recently, the continued review, by this advisory panel, of the Federal research effort is particularly pertinent.

I also reluctantly included a sunset provision on the advice of legislative council who believes that provisions of the Federal Advisory Committee Act would require that the panel be sunsetted before the term I wish to set for the panel and other activities reauthorized by the bill. I believe that those charged with reviewing the work of the panel, and the other activities which would be authorized by this legislation, should decide on the merits whether the panel should be reauthorized when this term of authorization expires. It would be my strong hope that the issue would not be prejudiced by inclusion of this sunset provision.

The bill extends a research authority for the National Institute of Mental Health [NIMH] and for the Agency for Health Care Policy and Research. It is my belief that both of these agencies can contribute greatly to our understanding of how we can best take care of Alzheimer's disease victims and help their families as they struggle with this task.

NIMH currently has underway research on Alzheimer's disease and such closely related subjects such as caregiving. The agency for Health Care Policy and Research has a focus which should permit it to contribute also to our understanding of service settings for those with this disease.

I have included in this bill a provision reauthorizing a construction authority for the National Institute on aging Alzheimer's Centers Program. This authority is needed because the Alzheimer's Centers Program has been recently expanded through the addition of a core grant program and a satellite center program. All of these elements will work together in a cooperative effort. As I understand it, the enhanced Alzheimer's research system will be much more involved with direct research with patients than has been the case in the past.

This means that facilities will have to be available to accommodate Alzheimer's victims, perhaps for fairly lengthy periods of time. As those familiar with the course of the disease know, Alzheimer's disease victims, at certain stages of the disease, pose very special accommodation problems which require that their residences be modified. In addition, I understand that some new drug interventions may pose special problems of accommodation.

In any case, if the Alzheimer's Disease Centers Network are to engage in this kind of research, facilities must be available in which to do it. University researchers are not going to be able to go regularly to nursing homes or other sites where Alzheimer's disease victims may be found in order to conduct the kind of research that is now required to make progress against this disease.

Mr. President, I ask unanimous consent that a letter from Dr. John Blass, chairman of the advisory panel on Alzheimer's disease, reviewing the work of the panel be entered into the RECORD, together with the bill.

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

S. 1567

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 "Alzheimer's Disease and Related Dementias Research Amendments of 1991".

SEC. 2. SHORT TITLE OF ACT.

Section 901 of the Alzheimer's Disease and Related Dementias Services Research Act of 1986 (42 U.S.C. 11201 note) is amended by striking "Services Research Act of 1986" and inserting "Research Act of 1991".

SEC. 3. REFERENCES.

Except as otherwise specifically provided, whenever in this Act an amendment or re-

peal is expressed in terms of an amendment to, or a repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Alzheimer's Disease and Related Dementias Research Act of 1986 (42 U.S.C. 11201 et seq.).

SEC. 4. FINDINGS.

Section 902 (42 U.S.C. 11201) is amended—

(1) by redesignating paragraphs (7) through (12) as paragraphs (9) through (14);

(2) by striking paragraphs (4), (5), and (6); and

(3) by inserting after paragraph (3) the following new paragraphs:

"(4) the cost of caring for individuals with Alzheimer's disease and related dementias is great, and conservative estimates range between $38,000,000,000 and $42,000,000,000 per year solely for direct costs;

"(5) progress in the neurosciences and behavioral sciences has demonstrated the interdependence and mutual reinforcement of basic science, clinical research, and services research for Alzheimer's disease and related dementias;

"(6) programs initiated as part of the Decade of the Brain are likely to provide significant progress in understanding the fundamental mechanisms underlying the causes of, and treatments for, Alzheimer's disease and related dementias;

"(7) although substantial progress has been made in recent years in identifying possible leads to the causes of Alzheimer's disease and related dementias, and more progress can be expected in the near future, there is little likelihood of a breakthrough in the immediate future that would eliminate or substantially reduce—

"(A) the number of individuals with the disease and dementias; or

"(B) the difficulties of caring for the individuals;

"(8) the responsibility for care of individuals with Alzheimer's disease and related dementias falls primarily on their families, and the care is financially and emotionally devastating;".

SEC. 5. COUNCIL ON ALZHEIMER'S DISEASE.

(a) ESTABLISHMENT.—Section 911 (42 U.S.C. 11211) is amended—

(1) in subsection (a)—

(A) in paragraph (6), by striking "and Communicative Diseases" and inserting "Disorders";

(B) by striking paragraphs (10), (11), and (12); and

(C) by adding at the end the following new paragraphs:

"(10) the Administrator of the Agency for Health Care Policy and Research;

"(11) the Administrator of the Health Resources and Services Administration;

"(12) the Director of the National Center for Nursing Research;

"(13) the Chief Medical Director of the Department of Veterans Affairs;

"(14) the Director of the National Center for Health Statistics; and

"(15) such additional members as the Secretary of Health and Human Services (hereinafter referred to as the 'Secretary') considers appropriate.";

(2) by striking subsection (b) and inserting the following new subsection:

"(b) The Assistant Secretary for Health shall serve as the Chairman of the Council."; and

(3) in subsection (d), by striking "twice" and inserting "once".

(b) FUNCTIONS.—Section 912 (42 U.S.C. 11212) is amended—

(1) in subsection (a)—

(A) by adding "and" at the end of paragraph (3);

(B) by striking "; and" at the end of paragraph (4) and inserting a period; and

(C) by striking paragraph (5); and

(2) by striking subsection (b) and inserting the following new subsection:

"(b)(1) The Chairman of the Council shall submit to the committees listed in paragraph (2) an annual report containing information on—

"(A) progress made by research, sponsored by the Federal Government, on Alzheimer's disease and related dementias; and

"(B) new directions that the Council considers potentially important in research on Alzheimer's disease and related dementias.

"(2) The Chairman of the Council shall submit the report described in paragraph (1) to—

"(A) the Committee on Energy and Commerce of the House of Representatives;

"(B) the Committee on Ways and Means of the House of Representatives;

"(C) the Committee on Veterans' Affairs of the House of Representatives;

"(D) the Committee on Labor and Human Resources of the Senate;

"(E) the Committee on Finance of the Senate; and

"(F) the Committee on Veterans' Affairs of the Senate."

SEC. 6. ADVISORY PANEL ON ALZHEIMER'S DISEASE.

(a) ESTABLISHMENT.—Section 921 (42 U.S.C. 11221) is amended—

(1) in subsection (a)(2), by striking "the Director of the National Center for Health Services Research and Health Care Technology Assessment" and inserting "the Administrator of the Agency for Health Care Policy and Research";

(2) in subsection (b), by inserting ", after consultation with the Council," after "Office of Technology Assessment shall";

(3) in subsection (d), to read as follows:

"(d)(1)(A) Except as provided in subparagraph (B), members of the Panel appointed under subsection (a)(1) shall each serve for a term of 3 years.

"(B) Of the members appointed under subsection (a)(1) that are serving on the Panel on the day before the date of the enactment of this subsection—

"(i) five shall serve for a term that expires on such date;

"(ii) five shall serve for a term that expires 1 year after such date; and

"(iii) five shall serve for a term that expires 2 years after such date.

"(2) A vacancy on the Panel shall be filled in the same manner as the original appointment was made, and not later than 90 days after the date on which the vacancy first arises. A vacancy on the Panel shall not affect the powers of the Panel.";

(4) in subsection (f), by striking "twice" and inserting "once";

(5) in subsection (h), by striking "of $100 per day" and inserting "at the daily equivalent of the maximum rate specified for grade 15 of the General Schedule under section 5332 of title 5, United States Code,"; and

(6) by adding at the end the following new subsection:

"(i) Notwithstanding section 14 of the Federal Advisory Committee Act (5 U.S.C. App.), on September 30, 1994, the Panel shall be abolished and all programs established under this part shall terminate.".

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 923 (42 U.S.C. 11223) is amended to read as follows:

"SEC. 923. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out this part, $150,000 for fiscal year 1992, $157,500 for fiscal year 1993, and $165,500 for fiscal year 1994."

SEC. 7. RESEARCH RELATING TO SERVICES FOR INDIVIDUALS WITH ALZHEIMER'S DISEASE AND RELATED DEMENTIAS AND FAMILIES OF THE INDIVIDUALS.

(a) RESPONSIBILITIES OF THE NATIONAL INSTITUTE OF MENTAL HEALTH.—

(1) GRANTS.—Section 931 (42 U.S.C. 11251) is amended—

(A) by striking subsections (b)(2) and (c);

(B) in subsection (a), by inserting "and specialized care" after "services"; and

(C) in subsection (b)(1)—

(i) by striking "Within 6 months" and all that follows through "plan shall" and inserting "The Director of the National Institute of Mental Health shall";

(ii) in subparagraph (A)—

(I) by striking "provide for" and inserting "ensure that the research conducted under subsection (a) includes";

(II) by striking clause (iii) and inserting the following new clause:

"(iii) the optimal range, types, and cost-effectiveness of services and specialized care for individuals with Alzheimer's disease and related dementias and for their families, in community, residential, and institutional settings, particularly with respect to—

"(I) the design of the services and care;

"(II) appropriate staffing for the provision of the services and care;

"(III) the timing of the services and care during the progression of the disease or dementias; and

"(IV) the appropriate mix and coordination of the services and specialized care;";

(III) in clause (iv), by inserting "the evaluation of best practices for the development of" before "appropriate"; and

(IV) in clauses (v) and (vii), by striking "and nursing home services" and inserting "nursing home services, and other residential services and care"; and

(iii) in subparagraph (B), by striking "research carried out under the plan" and inserting "the research".

(2) CONFORMING AMENDMENTS.—Section 931(b) (42 U.S.C. 11251(b) is amended—

(A) by striking "(1)";

(B) by redesignating subparagraphs (A) and (B) as paragraphs (1) and (2), respectively; and

(C) in paragraph (1) (as redesignated by subparagraph (B) of this paragraph), by redesignating clauses (i) through (vii) as subparagraphs (A) through (G), respectively.

(3) AUTHORIZATION OF APPROPRIATIONS.—Section 933 (42 U.S.C. 11253) is amended to read as follows:

"SEC. 933. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out this subpart $8,000,000 for fiscal year 1992, $9,000,000 for fiscal year 1993, and $10,000,000 for fiscal year 1994.".

(b) RESPONSIBILITIES OF THE AGENCY FOR HEALTH CARE POLICY AND RESEARCH.

(1) RESEARCH PROGRAM AND PLAN.—Section 934 (42 U.S.C. 11261) is amended to read as follows:

"SEC. 934. RESEARCH PROGRAM.

"(a) GRANTS FOR RESEARCH.—The Administrator of the Agency for Health Care Policy and Research shall conduct, or make grants for the conduct of, research relevant to appropriate services for individuals with Alzheimer's disease and related dementias and for their families.

"(b) RESEARCH SUBJECTS.—The Administrator of the Agency for Health Care Policy and Research shall ensure that research conducted under subsection (a) shall include research concerning—

"(1) improving the organization, delivery, and financing of services for individuals with

Alzheimer's disease and related dementias and for their families, including research on the design, staffing, and operation of special care units for the individuals in institutional settings;

"(2) the costs incurred by individuals with Alzheimer's disease and related dementias and by their families in obtaining services, particularly services that are essential to the individuals and that are not generally required by other patients under long-term care programs; and

"(3) the costs, cost-effectiveness, and effectiveness of various interventions to provide services for individuals with Alzheimer's disease and related dementias and for their families."

(2) AUTHORIZATION OF APPROPRIATIONS.—Section 936 (42 U.S.C. 11263) is amended to read as follows:

"SEC. 936. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out this subpart $4,000,000 for fiscal year 1992, $5,000,000 for fiscal year 1993, and $6,000,000 for fiscal year 1994.".

SEC. 8. ALZHEIMER'S DISEASE CENTERS.

Section 445 of the Public Health Service Act (42 U.S.C. 285e-2) is amended—

(1) in subsection (b), by striking paragraph (2) and inserting the following new paragraphs:

"(2) Notwithstanding section 496(b), Federal payments made under a cooperative agreement or grant under subsection (a) may be used for construction of the centers described in subsection (a).

"(3) As used in this subsection:

"(A) The term 'construction' does not include the acquisition of land.

"(B) The term 'training' does not include research training for which National Research Service Awards may be provided under section 487."; and

(2) by adding at the end the following new subsection:

"(d) There are authorized to be appropriated to carry out subsection (b)(2) such sums as may be necessary for fiscal year 1992 and each of the subsequent fiscal years.".

THE BURKE REHABILITATION CENTER,
White Plains, NY, July 19, 1991.

Hon. CHARLES E. GRASSLEY,
U.S. Senate,
Washington, DC.

DEAR SENATOR GRASSLEY: Established under Title IX of P.L. 99-660, the Advisory Panel on Alzheimer's Disease was charged with advising Congress and the Executive Branch on issues related to Alzheimer's disease and other dementing disorders from FY 1988 through 1991. A list of the members is enclosed. Because initial funding for the Panel's activities was delayed when appropriations were not forthcoming, our work did not begin until midway through FY 1988 and our fourth authorized year will extend into FY 1992. Since, due in large part to your efforts, the Senate may soon consider whether to extend the Panel's authorization, as chair of the Panel, I am submitting this summary of our activities to date.

As you know, the high and rapidly increasing prevalence of dementing diseases in our aging population creates severe financial and social problems. Our 1989 and 1990 reports (enclosed) dealt with four mandated areas of concern in these conditions: biomedical research; services research; systems of home and community-based care; and health care and social services financing. Recommendations that address these concerns are summarized below. In addition, the 1990 report discussed staff recruitment and training needs.

The only *Rational* hope for prevention or cure of these illnesses is biomedical research. A series of medications are now in commercial development, based on recent biomedical advances. Discovery is accelerating rapidly, in part because of increased funding. However, the pace of scientific advance remains limited by funding levels that are not yet optimal.

Research on services is necessary to ensure that they not only are provided effectively and in a cost-efficient manner, but also *truly benefit the patients and their families*. Experience has shown that even the programs which appear most rational and compassionate at their inception need critical reevaluation to ensure their continuing utility to our clients. Such studies involve quality-of-life issues as well as measurement of biomedical and financial outcomes. Research in these vital areas is severely underfunded.

The provision of services for victims of Alzheimer's disease and other dementing disorders cannot be separated from the general issues of long-term care. Integration of home, community, and institutional services is needed, with case management to ensure appropriate utilization of resources. Models for such systems of care are already available and the Panel reports have identified critically important components.

Financing must be done with appropriate concern for current fiscal constraints, and the Panel reports deal in detail with potential mechanisms for controlling expenditures. The expenses imposed by Alzheimer's disease and related illness are now estimated at $82 billion a year, including opportunity costs, and will predictably rise as the population ages. Short of a "biological fix," our society cannot avoid facing these costs, which will fall primarily on the unlucky families with an afflicted member unless shared more broadly by the society as a whole.

In addition to its reports, the Panel has actively disseminated information on these issues. In June 1989, the Panel held a public forum in the Dirksen Senate Office Building that combined presentations on cutting-edge Alzheimer's research with the opportunity for congressional staff and interested members of the public to comment on Panel recommendations. Other Panel presentations have been made to relevant professional and public organizations. Moreover, we have reviewed the annual reports of the internal DHHS Council on Alzheimer's Disease, and have submitted our reports to the Council for its review and use.

As mandated, the Panel will transmit further reports to Congress in 1991 and 1992. We will shortly submit a report on the special needs of underserved minority populations. Another report now in preparation will examine the values and goals that underlie decisions about the care of patients with Alzheimer's disease and other dementias, and the way these implicit values are reflected in evaluating the outcomes of service programs. Yet another report will address the impact of law and regulation on patients' care.

Unfortunately but necessarily, at the conclusion of our present authority in mid-1992, other important topics will be left as unfinished business. These include, among others: state-level issues in the provision of care for Alzheimer's victims; the implications of biotechnological advances, including new drug development; and the opportunities for prevention implicit in the identification of modifiable risk factors by epidemiological research.

Given the rapidly increasing size of the elderly population most at risk for Alzheimer's disease and other dementias, the escalating private burdens and public costs of providing care for affected individuals, and the continual stream of very significant advances that researchers are now making in understanding the Alzheimer's disease process, the Advisory Panel believes it appropriate for Congress to continue to provide a mechanism through which expert and public advisory input may continue to be given. With the great expansions of resources for these diseases that have occurred and the further expansions which will continue to be considered, it will be essential to assure that appropriate expertise is available to monitor the rapidly changing research and services context, to contribute insights and suggestions for public policy in this area, and to help to optimize the use of limited resources. We strongly endorse legislative action to ensure the continuation of such advisory activity in future years, in whatever form Congress deems most fitting.

Sincerely,

JOHN P. BLASS, M.D., PH.D.,
Chair, Advisory Panel on Alzheimer's Disease.

ADVISORY PANEL ON ALZHEIMER'S DISEASE

APPOINTED MEMBERS

John P. Blass, M.D., Ph.D., Director Dementia Research Service, Burke Medical Research Institute, White Plains, NY.

Elaine M. Brody, M.S.W., Senior Research Consultant to Philadelphia (PA) Geriatric Center, Phoenix, AZ.

Kathleen Coen Buckwalter, Ph.D., R.N., Professor, College of Nursing, University of Iowa, Iowa City, IA.

Kenneth L. Davis, M.D., Chairman, Department of Psychiatry, Mt. Sinai School of Medicine, New York, NY.

David A. Drachman, M.D., Chairman, Department of Neurology, University of Massachusetts Medical Center, Worcester, MA.

Dorothy Kirsten French, Founder, The French Foundation for Alzheimer Research, Los Angeles, CA.

Richard L. Gehring, National Chairman, Alzheimer's Association, Bloomington, MN.

Lisa Gwyther, M.S.W., Director, Family Support Program, Duke University Center for Aging, Durham, NC.

Thomas J. Jazwiecki, C.P.A., M.B.A., National Advisor, Ernst & Young, Washington, DC.

Robert L. Kane, M.D., Minnesota Chair in Long-term Care and Aging, University of Minnesota School of Public Health, Minneapolis, MN.

Robert Katzman, M.D., Professor, Department of Neurosciences, University of California-San Diego, La Jolla, CA.

Eric B. Larson, M.D., M.P.H., Medical Director, University of Washington Medical Center, Seattle, WA.

Thomas V. Trainer, J.D., Of Counsel, David M. Thoms and Associates, P.C., Detroit, MI.

Lewis H. Weinstein, J.D., Founder, Alzheimer's Disease and Related Disorders Association of Eastern Massachusetts, Senior Partner, Foley, Hoag, and Eliot, Boston, MA.

Joshua M. Wiener, Ph.D., Senior Fellow, Brookings Institution, Washington, DC.

EX OFFICIO MEMBERS

The Honorable James O. Mason, M.D., Dr.P.H., Assistant Secretary for Health, U.S. Department of Health and Human Services, Washington, DC.

Joyce T. Berry, Ph.D., U.S. Commissioner on Aging, Adminstration on Aging, Washington, DC.

J. Jarrett Clinton, M.D., Administrator, Agency for health Care Policy and Research, Rockville, MD.

Alan I. Leshner, Ph.D., Acting Director, National Institute of Mental Health, Rockville, MD.

T. Franklin Williams, M.D., Director, National Institute on Aging, Bethesda, MD.

STAFF

Gene D. Cohen, M.D., Ph.D., Executive Secretary of Panel, Deputy Director, National Institute on Aging, Bethesda, MD.

George Niederehe, Ph.D., Deputy Executive Secretary of Panel, Head, Geriatric Treatment Research Program, Mental Disorders of the Aging Research Branch, National Institute of Mental Health, Rockville, MD.

Faye K. Vlahos, Secretary to Dr. George Niederehe, Mental Dissorders of the Aging Research Branch, National Institute of Mental Health, Rockville, MD.●

By Mr. BIDEN (for himself and Mr. THURMOND):

S. 1568. A bill to amend the act incorporating the American Legion so as to redefine eligibility for membership therein; to the Committee on the Judiciary.

REDEFINITION OF MEMBERSHIP IN THE AMERICAN LEGION

● Mr. BIDEN. Mr. President, the victory of America's Armed Forces in the Persian Gulf was a remarkable achievement. I have noted several times—as have my colleagues—the thanks we owe to our military personnel who performed so bravely in the war.

Congress has already passed legislation to ensure that Desert Storm veterans receive just compensation and benefits. Today, Mr. President, I am pleased to introduce, along with the ranking member of the Judiciary Committee, Senator THURMOND, legislation that would allow these brave men and women to become members of the largest veterans organization in America, the American Legion.

In 1919, the American Legion was granted a Federal charter, which explicitly established membership eligibility requirements for the Legion. Under the terms of Federal charters, any change in membership requires Federal legislation. In the past, such laws have been enacted to include veterans of World War II, and the Korean, and Vietnam wars. Most recently, Congress approved a bill just last fall to allow veterans of the conflicts in Lebanon, Grenada, and Panama to be eligible for American Legion membership.

The bill we are introducing today will make Desert Storm veterans eligible for membership in the American Legion. Desert Storm veterans are defined as those who served in the military—including activated reservists and members of the National Guard—between August 2, 1990, the date when Iraq invaded Kuwait, until the cessation of hostilities. Although the fighting has been over for several months, the end of hostilities has not yet been officially declared. This undefined ending date is consistent with previous changes to the American Legion's charter.

Mr. President, I urge my colleagues to support this legislation so that the American Legion can continue its 72-year history of serving those who faithfully served America during war. I ask unanimous consent that the bill be printed at this point in the RECORD.

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

S. 1568

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 5 of the Act entitled "An Act to incorporate The American Legion", approved September 16, 1919 (41 Stat. 285; 36 U.S.C. 45), is hereby amended to read as follows:

"SEC. 5. No person shall be a member of this corporation unless such person has served in the naval or military services of the United States at some time during any of the following periods: April 6, 1917, to November 11, 1918; December 7, 1941, to December 31, 1946; June 25, 1950, to January 31, 1955; December 22, 1961, to May 7, 1975; August 24, 1982, to July 31, 1984; December 20, 1989, to January 31, 1990; August 2, 1990, to the date of cessation of hostilities, as determined by the United States Government; all dates inclusive, or who, being a citizen of the United States at the time of entry therein, served in the military or naval service of any governments associated with the United States during said wars or hostilities: Provided, however, That such person shall have an honorable discharge or separation from such service or continues to serve honorably after any of the aforesaid terminal dates.".●

By Mr. HEFLIN:

S. 1569. A bill to implement the recommendations of the Federal Courts Study Committee, and for other purposes; to the Committee on the Judiciary.

FEDERAL COURTS STUDY COMMITTEE IMPLEMENTATION ACT

● Mr. HEFLIN. Mr. President, I rise today to introduce a corrected copy of the Federal Courts Study Committee Implementation Act of 1991.

In November 1988, the 100th Congress created within the Judicial Conference of the United States a 15-member Federal Courts Study Committee and directed it, by April 2, 1990, to "make a complete study of the courts of the United States and of the several States and transmit a report * * * on such study." The statute specifically directed the committee to analyze alternative dispute resolution, Federal court structure and administration, intra- and inter-circuit conflicts in the courts of appeals, and the types of disputes currently embraced by Federal jurisdiction. More broadly, it directed the committee to "recommend revisions to be made to laws of the United States as the committee, on the basis of such study, deems advisable," to "develop a long-range plan for the judicial system," and to "make such other recommendations and conclusions it deems advisable."

In December 1988, Chief Justice William Rehnquist appointed the committee members, who were, in the words of the statute, "representative of the various interests, needs and concerns which may be affected by the jurisdiction of the Federal courts." The committee includes members of the Federal executive, legislative and judicial branches and representatives from State governments, universities and private practice, and I was privileged to serve as a member of this committee.

Last Congress, the Federal Courts Study Committee Implementation Act of 1990 was enacted into law as part of the Judicial Improvements Act of 1990. That Federal Courts Study Committee legislation authorized a study of intercircuit conflicts in the courts of appeals, extended the terms of office of bankruptcy judges, revised the retirement system for claims court judges, addressed issues concerning appeals of bankruptcy cases, provided supplemental jurisdiction for the Federal district courts, extended the life of the parole commission, and authorized a study of the Federal Defender Program, among other things.

The legislation which I am introducing today will incorporate additional recommendations of the Federal Courts Study Committee. A brief summary of the provisions set forth in title I of the legislation is as follows:

Section 101 authorizes a 5-year pilot project to resolve intercircuit conflicts.

Section 102 requires Congress to use a checklist in reviewing proposed legislation for technical problems.

Section 103 includes the Court of International Trade and the Court of Appeals for the Federal Circuit in the Federal judiciary budget process.

Section 104 requires each Federal circuit to establish bankruptcy appellate panels.

Section 105 delegates authority to the Supreme Court to prescribe rules for appeal of final and interlocutory decisions.

Section 106 abolishes the temporary emergency court of appeals and vests its remaining caseload in the Court of Appeals for the Federal Circuit.

Section 107 transfers jurisdiction for supervised release revocation hearings from district courts to the United States Parole Commission.

In addition, title II of this legislation establishes a commission to be known as the "National Commission on Federal Criminal Law Reform." This Commission will perform a comprehensive study of the Federal criminal laws and draft a proposed recodification of such laws.

Mr. President, what does this proposed legislation mean to the average American? The committee learned that between 1958 and 1988 the number of cases filed in the U.S. district courts

tripled and the number of cases filed in the courts of appeals increased tenfold. I might remind my colleagues that 90 percent of the Nation's judicial business is conducted in State courts—yet it is obvious that in regard to the remaining 10 percent of business in the Federal courts, there has been a litigation explosion.

The ability of our Federal Court System to dispose of its caseload expeditiously and efficiently goes to the heart of dispensing justice, and we in the Congress have a duty to examine the recommendations of the Federal Courts Study Committee. Increasing the number of Federal judges is not the only solution. The committee has not recommended radical reform, but rather corrective surgery with regard to the structure and management aspects of the administration of justice.

I had previously introduced a bill quite similar to this one, but it contained certain sections of the recommendations of the Federal Courts Study Committee that I did not want included in the bill. Therefore, I am introducing a new bill with the sections that I advocate.

Mr. President, I request unanimous consent that the text of the bill be included in the RECORD.

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

S. 1569

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Courts Study Committee Implementation Act of 1991".

TITLE I—IMPLEMENTATION OF FEDERAL COURTS STUDY COMMITTEE RECOMMENDATIONS

SEC. 101. INTERCIRCUIT CONFLICT RESOLUTION DEMONSTRATION PROGRAM.

(a) ORDER OF REFERENCE.—When by petition for a writ or certiorari or notice of appeal to the Supreme Court of the United States it is alleged, or it other appears, that an issue presented in the case involves a matter as to which the lower courts are in disagreement, the Supreme Court may issue an order of reference with regard to that issue. The order of reference shall include a listing of the United States courts of appeals which have decided the issue as to which a conflict exists.

(b) SELECTION OF COURT OF APPEALS.—When an order of reference has been issued in a case, the Clerk of the Supreme Court shall select at random a court of appeals, from all courts of appeals not on the applicable listing described under subsection (a), to hear such case for a decision en banc. Such court shall have jurisdiction over all issues referred and may issue such orders as may be necessary concerning its jurisdiction.

(c) EN BANC DECISION.—The en banc decision shall be final, subject only to the right of a party adversely affected by the decision to file a motion for review by the Supreme Court within thirty days after the date of the en banc opinion of the court of appeals. No response shall be made to such a motion, unless the Supreme Court orders it. The Supreme Court may review the case in the same manner as any case under section 1254(1) of title 28, United States Code.

(d) PRECEDENTIAL EFFECT OF DECISION.—If review under subsection (c) is not sought or if review is sought and denied, the opinion of the en banc court shall have the precedential effect in each circuit of an en banc decision of the court of appeals of each such respective circuit.

(e) TEMPORARY RULES.—The Supreme Court may issue temporary rules supplemental to its own rules and to the Federal Rules of Appellate Procedure governing the procedure in the Supreme Court and the courts of appeals in cases referred under this section.

(f) REPORT TO CONGRESS AND THE JUDICIAL CONFERENCE.—The Judicial Conference of the United States shall establish a committee to monitor and evaluate the operation and effects of this section. No later than January 1, 1996, the committee shall submit a report to the Congress and the Judicial Conference on the operations and effects of this section. Such report shall include—

(1) the number and kinds of cases referred under this section;

(2) the cases which were eligible for referral under this section, but were not referred;

(3) the total caseload of the Supreme Court;

(4) such other information as the committee determines relevant to the continuation and effects of intercircuit conflicts nationally; and

(5) any recommendations as to whether the provisions of this section should be continued, modified, terminated, or replaced by an alternative procedure.

(g) EFFECTIVE DATE.—(1) The provisions of this section shall take effect on January 1, 1992.

(2) Notwithstanding the provisions of paragraph (3), all other provisions of this section shall apply to any case referred under the provisions of this section before December 31, 1997, as though such paragraph had not been enacted.

(3) The provisions of this section are repealed effective on December 31, 1997.

SEC. 102. JUDICIAL IMPACT STATEMENT OF PROPOSED LEGISLATION.

(a) COMMITTEE REPORTED BILLS AND RESOLUTIONS.—Each committee of the Congress shall include with any bill or resolution reported from such committee to the Senate or House of Representatives, a judicial impact statement that represents that the following legislative and judicial impact issues have been considered:

(1) the appropriate statute of limitation;

(2) whether a private cause of action is contemplated;

(3) whether pre-emption of State law is intended;

(4) the definition of key terms;

(5) the mens rea requirement in criminal statutes;

(6) severability of provisions;

(7) whether a proposed bill would repeal or otherwise circumscribe, displace, impair, or change the meaning of existing Federal law;

(8) whether State courts are to have jurisdiction and, if so, whether an action would be removable to Federal court;

(9) the types of relief available;

(10) whether retroactive applicability is intended;

(11) the conditions for any award of attorney's fees authorized;

(12) whether exhaustion of administrative remedies is a prerequisite to any civil action authorized;

(13) the conditions and procedures relating to personal jurisdiction over persons incurring obligations under the proposed legislation;

(14) the viability of private arbitration and other dispute resolution agreements under enforcement and relief provisions; and

(15) whether any administrative proceedings provided for are to be formal or informal.

(b) LEGISLATIVE PROPOSALS BY MEMBERS OF CONGRESS.—To the greatest extent practicable, each Member of Congress shall consider the legislative and judicial impact issues listed under subsection (a)(1) through (15) for any bill or resolution introduced in the Senate or the House of Representatives, and any amendment proposed to a bill or resolution.

(c) RULEMAKING POWER OF CONGRESS.—The provisions of this section are enacted by the Congress—

(1) as an exercise of the rulemaking power of the Senate and the House of Representatives and as such shall be considered as part of the rules of each House, and shall supersede other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of either House to change the rules (so far as they relate to the procedures of that House) at any time, in the same manner, and to the same extent as in the case of any other rule of that House.

SEC. 103. INCLUSION OF THE COURT OF INTERNATIONAL TRADE AND THE COURT OF APPEALS FOR THE FEDERAL CIRCUIT IN THE FEDERAL JUDICIARY BUDGET PROCESS.

(a) BUDGET PROCESS.—In the formulation of the budget submitted by the President under section 1105 of title 31, United States Code, all submissions of budget requests and information related to such formulation for the Court of International Trade and the Court of Appeals for the Federal Circuit shall be made to the Office of Management and Budget through the Federal judiciary in the same manner as a United States court of appeals.

(b) EFFECTIVE DATE.—The provisions of this section shall be effective on the date of the enactment of this Act and shall apply with respect to the formulation of the budget for fiscal year 1992.

SEC. 104. ESTABLISHMENT OF BANKRUPTCY APPELLATE PANELS.

Section 158 (b) and (c) of title 28, United States Code, is amended to read as follows:

"(b)(1) Unless a judicial council establishes a joint panel under the provisions of paragraph (2), the judicial council of each circuit shall establish a bankruptcy appellate panel, comprised of bankruptcy judges from districts within the circuit, to hear and determine appeals from final judgments, orders, and decrees, and, with leave of the court, from interlocutory orders and decrees, of bankruptcy judges entered in cases and proceedings referred to the bankruptcy judges under section 157 of this title.

"(2) The judicial councils of 2 or more circuits may establish a joint bankruptcy appellate panel comprised of bankruptcy judges from the districts within the circuits for which such panel is established, to hear and determine appeals under this subsection.

"(3) A panel established under this section shall consist of 3 bankruptcy judges provided a bankruptcy judge may not hear an appeal originating within a district for which the judge is appointed or designated under section 152 of this title.

"(c) All appeals under this section shall be heard by a bankruptcy appellate panel under subsection (b), unless a party elects to file an appeal under subsection (a). An appeal under subsections (a) and (b) of this section shall be taken in the same manner as appeals in

civil proceedings generally are taken to the courts of appeals from the district courts and in the time provided by Rule 8002 of the Bankruptcy Rules.".

SEC. 105. SUPREME COURT AUTHORITY TO PRESCRIBE RULES FOR APPEAL OF FINAL AND INTERLOCUTORY DECISIONS.

(a) APPEAL OF FINAL DECISION.—Section 1291 of title 28, United States Code, is amended—

(1) by inserting "(a)" before "The courts of appeals"; and

(2) by adding at the end thereof the following new subsection:

"(b) The Supreme Court may prescribe rules in accordance with section 2072 of this title, to define a final decision for the purposes of this section.".

(b) APPEAL OF INTERLOCUTORY DECISION.—Section 1292 of title 28, United States Code, is amended by adding at the end thereof the following new subsection:

"(e) The Supreme Court may prescribe rules in accordance with section 2072 of this title, to provide for an appeal of an interlocutory decision to the courts of appeals, that is not otherwise provided for under subsection (a), (b), (c), or (d).".

SEC. 106. TEMPORARY EMERGENCY COURT OF APPEALS.

(a) APPEALS UNDER ECONOMIC STABILIZATION ACT.—Section 211 of the Economic Stabilization Act of 1970 (Public Law 91-379; 84 Stat. 799) is amended by striking out subsections (b) through (h) and inserting in lieu thereof the following:

"(b) Appeals from orders or judgments entered by a district court of the United States in cases and controversies arising under this title may be brought in the United States Court of Appeals for the Federal Circuit if the appeal is from a final decision of the district court or is an interlocutory appeal permitted under section 1292(c) of title 28, United States Code.".

(b) JUDICIAL REVIEW OF EMERGENCY ORDERS UNDER THE NATURAL GAS POLICY ACT.—Section 506(c) of the Natural Gas Policy Act of 1978 (15 U.S.C. 3416(c)) is amended—

(1) in the first sentence, by striking out "the Temporary Emergency Court of Appeals, established pursuant to section 211(b) of the Economic Stabilization Act of 1970, as amended," and inserting in lieu thereof "the United States Court of Appeals for the Federal Circuit"; and

(2) by striking out "Temporary Emergency Court of Appeals" each place it appears and inserting in lieu thereof "United States Court of Appeals for the Federal Circuit".

(c) CONFORMING AMENDMENTS.—Section 1295(a) of title 28, United States Code, is amended—

(1) by striking out "and" at the end of paragraph (9);

(2) by striking out the period at the end of paragraph (10) and inserting in lieu thereof "; and"; and

(3) by adding at the end the following new paragraphs:

"(11) of an appeal under section 211 of the Economic Stabilization Act of 1970;

"(12) of an appeal under section 5 of the Emergency Petroleum Allocation Act of 1973;

"(13) of an appeal under section 506(c) of the Natural Gas Policy Act of 1978; and

"(14) of an appeal under section 523 of the Energy Policy and Conservation Act.".

(d) ABOLITION OF COURT.—The Temporary Emergency Court of Appeals created by section 211(b) of the Economic Stabilization Act of 1970 is abolished effective on June 29, 1991.

(e) PENDING CASES.—(1) Any appeal which, on June 28, 1991, is pending in the Temporary Emergency Court of Appeals but has not been submitted to a panel of such court as of that date shall be assigned to the United States Court of Appeals for the Federal Circuit as though the appeal had originally been filed in that court.

(2) Any case which, as of June 28, 1991, has been submitted to a panel of the Temporary Emergency Court of Appeals and as to which the mandate has not been issued as of that date shall remain with that panel for all purposes and, notwithstanding the provisions of sections 291 and 292 of title 28, United States Code, that panel shall be assigned to the United States Court of Appeals for the Federal Circuit for the purpose of deciding such case.

SEC. 107. TRANSFER OF JURISDICTION FOR SUPERVISED RELEASE REVOCATION HEARINGS FROM DISTRICT COURTS TO THE UNITED STATES PAROLE COMMISSION.

(a) REVOCATION OF RELEASE.—Section 3148(b) of title 18, United States Code, is amended—

(1) by striking "district court" at the end of the first sentence and inserting "United States Parole Commission".

(2) by striking "judicial officer" and inserting "hearing officer" each place it appears.

(b) PROSECUTION FOR CONTEMPT.—Section 3148 of title 18, United States Code, is amended by striking subsection (c).

(c) HEARING OFFICERS.—Section 3148 of title 18, United States Code, as amended by subsection (b) of this section, is amended by adding at the end thereof the following:

"(c) The United States Parole Commission shall assign duly licensed attorneys as hearing officers in revocation hearings under this section.".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to all actions filed or matters commencing on or after the date of enactment of this Act.

TITLE II—NATIONAL COMMISSION ON FEDERAL CRIMINAL LAW REFORM

SEC. 201. SHORT TITLE.

This subtitle may be cited as the "National Commission on Federal Criminal Law Reform Act of 1991".

SEC. 202. ESTABLISHMENT.

There is hereby established a commission to be known as the "National Commission on Federal Criminal Law Reform" (hereafter in this Act referred to as the "Commission").

SEC. 203. DUTIES OF COMMISSION.

The duties of the Commission are to—

(1) perform a comprehensive study of the Federal criminal laws in title 18, United States Code and draft a proposed recodification of such title; and

(2) coordinate, cooperate, and exchange information with the Congress, the judiciary, and the Department of Justice in undertaking such recodification.

SEC. 204. MEMBERSHIP.

(a) NUMBER AND APPOINTMENT.—The Commission shall be composed of 13 members as follows:

(1) Three appointed by the President pro tempore of the Senate.

(2) Three appointed by the Speaker of the House of Representatives.

(3) Three appointed by the Chief Justice of the United States.

(4) Three appointed by the President.

(5) One appointed by the Conference of Chief Justices of the States of the United States.

(b) TERM.—Members of the Commission shall be appointed for the life of the Commission.

(c) QUORUM.—Six members of the Commission shall constitute a quorum, but a lesser number may conduct meetings.

(d) CHAIRMAN.—The members of the Commission shall select one of the members to be the Chairman.

(e) APPOINTMENT DEADLINE.—The first appointments made under subsection (a) shall be made within 60 days after the date of the enactment of this Act.

(f) FIRST MEETING.—The first meeting of the Commission shall be called by the Chairman and shall be held within 90 days after the date of the enactment of this Act.

(g) VACANCY.—A vacancy on the Commission resulting from the death or resignation of a member shall not affect its powers and shall be filled in the same manner in which the original appointment was made.

(h) CONTINUATION OF MEMBERSHIP.—If any member of the Commission who was appointed to the Commission as a Member of Congress or as an officer or employee of a government leaves that office, or if any member of the Commission who was appointed from persons who are not officers or employees of a government becomes an officer or employee of a government, the member may continue as a member of the Commission for not longer than the 90-day period beginning on the date the member leaves that office or becomes such an officer or employee, as the case may be.

SEC. 205. COMPENSATION OF THE COMMISSION.

(a) PAY.—(1) Except as provided in paragraph (2), each member of the Commission who is not otherwise employed by the United States Government shall be entitled to receive the daily equivalent of the annual rate of basic pay payable for level V of the Executive Schedule under section 5316 of title 5, United States Code, for each day (including travel time) during which he is engaged in the actual performance of duties as a member of the Commission.

(2) A member of the Commission who is an officer or employee of the United States Government shall serve without additional compensation.

(b) TRAVEL.—All members of the Commission shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of their duties.

SEC. 206. DIRECTOR AND STAFF OF COMMISSION; EXPERTS AND CONSULTANTS.

(a) DIRECTOR.—The Commission shall, without regard to section 5311(b) of title 5, United States Code, have a Director who shall be appointed by the Chairman and who shall be paid at a rate not to exceed the rate of basic pay payable for level V of the Executive Schedule under section 5316 of such title.

(b) STAFF.—The Chairman of the Commission may appoint and fix the pay of such additional personnel as the Chairman finds necessary to enable the Commission to carry out its duties. Such personnel may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, except that the annual rate of pay for any individual so appointed may not exceed a rate equal to the annual rate of basic pay payable for level V of the Executive Schedule under section 5316 of such title.

(c) EXPERTS AND CONSULTANTS.—The Commission may procure temporary and intermittent services of experts and consultants under section 3109(b) of title 5, United States Code.

SEC. 207. POWERS OF COMMISSION.

(a) HEARINGS AND SESSIONS.—The Commission or, on authorization of the Commission, a member of the Commission may, for the purpose of carrying out this subtitle, hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Commission considers appropriate. The Commission may administer oaths or affirmations to witnesses appearing before it.

(b) OBTAINING OFFICIAL DATA.—The Commission may secure directly from any department, agency, or entity within the executive or judicial branch of the Federal Government information necessary to enable it to carry out this subtitle. Upon request of the Chairman of the Commission, the head of such department or agency shall furnish such information to the Commission.

(c) FACILITIES AND SUPPORT SERVICES.—The Administrator of General Services shall provide to the Commission on a reimbursable basis such facilities and support services as the Commission may request. Upon request of the Commission, the head of any Federal agency is authorized to make any of the facilities and services of such agency available to the Commission to assist the Commission in carrying out its duties under this subtitle.

(d) EXPENDITURES AND CONTRACTS.—The Commission or, on authorization of the Commission, a member of the Commission may make expenditures and enter into contracts for the procurement of such supplies, services, and property as the Commission or member considers appropriate for the purposes of carrying out the duties of the Commission. Such expenditures and contracts may be made only to such extent or in such amounts as are provided in appropriation Acts.

(e) MAILS.—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.

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

SEC. 208. REPORT.

The Commission shall submit to each House of Congress, the Chief Justice of the United States, and the President a report not later than one year after the date of its first meeting. The report shall contain a detailed statement of the findings and conclusions of the Commission, together with its estimate for the completion of a proposed draft for a recodification of title 18, United States Code.

SEC. 209. TERMINATION.

The Commission shall cease to exist on the earlier of—

(1) the date the Commission submits a proposed draft for recodification of title 18, United States Code, to each House of Congress, the Chief Justice of the United States, and the President; or

(2) three years after the date of the enactment of this Act.

SEC. 210. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated $5,000,000 to carry out the provisions of this title.•

By Mr. EXON (for himself, Mr. KASTEN, and Mr. BURNS):

S. 1571. A bill to amend the Federal Railroad Safety Act of 1970 to improve railroad safety, and for other purposes; to the Committee on Commerce, Science, and Transportation.

RAIL SAFETY IMPROVEMENT INITIATIVES ACT

• Mr. EXON. Mr. President, I am pleased today to introduce the Rail Safety Improvement Initiatives Act of 1991. This legislation authorizes a 3-year funding cycle for the Federal Railroad Administration [FRA] at levels designed to strengthen FRA's current safety programs, enable FRA to embark on new initiatives, and support needed research and development efforts.

This reauthorization comes 3 years after the last major action of Congress in this area, the Rail Safety Improvement Act of 1988, and at a time when we are all conscious of the paramount need to ensure the safe operation of our Nation's railroad industry. The recent tank car accident, which released more than 19,000 gallons of pesticide chemicals into the Sacramento River in northern California, underscores the importance to our collective welfare of vigorous agency action to enforce responsive railroad safety laws and administrative regulations.

The Rail Safety Improvement Initiatives Act of 1991 supports this objective by authorizing to be appropriated for the general safety programs of FRA the amounts of $41.24 million in fiscal year 1992; $53.116 million in fiscal year 1993; and $55.931 million for fiscal year 1994. The bill also authorizes to be appropriated for the railroad research and development programs of FRA—exclusive of research and development for magnetic levitation and other high-speed rail systems—the sums of $10.748 million for fiscal year 1992; $15.167 million for fiscal year 1993; and $15.759 million for fiscal year 1994. These funding levels will permit FRA to accelerate action on its current safety regulatory agenda, move forward on the new administrative initiatives mandated by this legislation, and support critical research and development efforts vital to continued productivity of the railroad industry.

Among revisions to existing railroad safety laws contained in this bill, the Secretary of Transportation would be required to establish and complete within 18 months, a pilot project to demonstrate the benefits of having available resident legal counsel in FRA regional offices empowered to streamline the enforcement review process.

In order to assess potential improvements in locomotive crashworthiness, the bill instructs the Secretary to investigate regulatory options and report to Congress within 24 months after the date of enactment of this legislation. In addition, the legislation takes steps to clarify the applicability both of the railroad safety laws and the Occupational Safety and Health Act of 1970 to the working conditions of railroad employees. The Secretary would therefore be required to work with he Secretary of Labor, solicit public comments, and report to Congress on efforts to facilitate inter-agency coordination and enforcement on issues related to the health and safety of railroad employees.

Other provisions of the legislation would require the National Transportation Safety Board to have primary access to event recorders and related train components to ensure the preservation of critical railroad accident data. The Secretary would be required to report to Congress on the current effectiveness of voice communications systems, and the prospects for implementation of new advanced train control technologies. The Secretary would also be required to report within 18 months on whether regulatory action should be taken addressing or requiring railroad use of power brakes and end-of-train devices.

In order to clarify and extend the Secretary's enforcement authority, the legislation would broaden the statutory definition of "person" subject to such authority, and provides for additional protection under Federal criminal law for Federal enforcement personnel. The legislation also prescribes technical amendments which would require that appeals of any final agency action taken under the Federal railroad safety laws must be brought in the appropriate court of appeals.

The bill also designates that the Northeast Corridor Safety Committee must meet every 2 years to consider matters concerning safety on the main line of the Northeast Corridor. Finally, authorizations for the Local Rail Freight Assistance Program are also included in the bill, in the amounts of $16 million for fiscal year 1992, $20 million for fiscal year 1993, and $25 million for fiscal year 1994.

In conclusion, Mr. President, the Rail Safety Improvement Initiatives Act of 1991 is a noteworthy reauthorization vehicle, and I am dedicated to working with my distinguished colleagues to pass this important piece of legislation.•

By Mr. BREAUX (for himself, Mr. RIEGLE, and Mr. ADAMS):

S. 1572. A bill to amend title XVIII of the Social Security Act to eliminate the requirement that extended care services be provided not later than 30 days after a period of hospitalization of not fewer than 3 consecutive days in order to be covered under part A of the Medicare program, and to expand home health services under such program; to the Committee on Finance.

MEDICARE SKILLED NURSING FACILITY AND HOME HEALTH BENEFIT ACT

• Mr. BREAUX. Mr. President, I rise today, joined by Senator RIEGLE and Senator ADAMS, to introduce the Medicare Skilled Nursing Facility and Home Health Benefit Act of 1991. Our bill would eliminate the Medicare 3-day prior hospitalization rule for skilled nursing facility [SNF] benefits

and would expand the existing home health care benefit.

Under current law, a Medicare beneficiary is only eligible for the skilled nursing facility benefit if he or she has, immediately prior to admittance to a SNF, spent at least 3 days as an inpatient in a hospital. The Medicare Skilled Nursing Facility and Home Health Benefit Act would repeal the 3-day prior hospitalization requirement.

The prior stay requirement prevents Medicare beneficiaries who need SNF care, but who do not need acute hospital care, from making use of the benefit. The American Association of Retired Persons testified before a House Subcommittee that the arbitrary 3-day prior stay requirement makes the structure of the current SNF benefit misleading and "largely illusory."

The second part of our bill refines and expands the current home health care benefit. Medicare currently covers intermittent home health care services of indefinite duration. Daily care is not covered. Due to inconsistencies between coverage and eligibility rules, Medicare patients who need 5 or 6 days of coverage per week are caught in limbo: sometimes they are covered, sometimes that are not.

Our bill would redefine intermittent to include care for anything less than 7 days per week. It would also permit full daily coverage—7 days per week—for up to 38 days per year. These improvements in the home health care benefit will allow Medicare patients to receive medically necessary services in the comfort of their own homes and avoid costly and unnecessary institutionalization.

The changes containing the Medicare Skilled Nursing Facility and Home Health Benefit Act of 1991 were contained in the Medicare Catastrophic Coverage Act of 1988 [MCAA] but were repealed when MCCA was repealed in 1989. Senator RIEGLE was a champion of the elimination of the 3-day prior hospitalization requirement when that legislation was enacted.

Much of Congress' attention recently has been focused on providing universal access to health care and controlling costs within the existing system. I commend many of my colleagues for their good work in this area—especially the majority leader for his efforts in developing legislation. Nevertheless, it is important that Congress not lose sight of the needs of senior citizens.

The proportion of our population that is over 65 will grow hugely over the next 2 decades. Americans are living longer and need more care as they grow older. In order to accommodate the future long-term care needs of our older citizens, we need to provide access to a wide variety of levels of care. If someone can get appropriate care in a SNF, rather than a hospital, or care in their own home rather than as an inpatient in a hospital, we can both save money and provide better care.

The provisions of our bill have the support of both consumer and provider groups, including; the American Association of Retired Persons, The Alzheimers' Association, the American Health Care Association, the American Association of Homes for the Aging, the National Association for Home Care and the National Committee to Preserve Social Security and Medicare.

The House companion to this measure, H.R. 1200, introduced by Congressman PETE STARK, has 140 cosponsors. I would like to thank Senator RIEGLE and Senator ADAMS for their valuable assistance with this legislation. I urge the rest of my colleagues to join me in support of three important Medicare improvements.

I ask unanimous consent that the text of the bill be printed in the CONGRESSIONAL RECORD.

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

S. 1572

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 "Medicare Skilled Nursing Facility and Home Health Benefit Act of 1991".

SEC. 2. ELIMINATION OF PRIOR HOSPITALIZATION REQUIREMENT FOR MEDICARE COVERAGE OF EXTENDED CARE SERVICES.

(a) IN GENERAL.—Section 1812 of the Social Security Act (42 U.S.C. 1395d) is amended—

(1) by amending subsection (a)(2) to read as follows:

"(2) extended care services for up to 100 days during any spell of illness;";

(2) in subsections (b)(2) and (e), by striking "post-hospital"; and

(3) by striking subsection (f) and redesignating subsection (g) as subsection (f).

(b) CONFORMING AMENDMENTS.—Title XVIII of the Social Security Act is amended—

(1) in section 1811 (42 U.S.C. 1395c), by striking "hospital, related post-hospital" and inserting "inpatient hospital services, extended care services";

(2) in subsections (a)(3) and (b)(3)(B) of section 1813 (42 U.S.C. 1395e), by striking "post-hospital";

(3) in section 1814(a) (42 U.S.C. 1395f(a))—

(A) in paragraphs (2)(B) and (6), by striking "post-hospital" each place it appears, and

(B) in paragraph (2)(B), by striking ", for any of the conditions" and all that follows up to the semicolon;

(4) in section 1861 (42 U.S.C. 1395x)—

(A) in subsection (e)—

(i) in the matter preceding paragraph (1), by striking "paragraph (7) of this subsection, and subsection (i) of this section" and inserting "and paragraph (7) of this subsection"; and

(ii) in the third sentence, by striking "section 1814(f)(2), and subsection (i) of this section" and inserting "and section 1814(f)(2)",

(B) by striking subsection (i),

(C) in subsections (v)(1)(G), (v)(2)(A), and (v)(3), by striking "post-hospital" each place it appears, and

(D) in subsection (y)—

(i) by striking "Post-Hospital" in the heading and by striking "post-hospital" each place it appears; and

(ii) by striking paragraph (4);

(5) in section 1866(d) (42 U.S.C. 1395cc), by striking "post-hospital"; and

(6) in section 1883 (42 U.S.C. 1395tt), by striking "post-hospital" each place it appears in subsections (d)(1) and (f).

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply with respect to extended care services furnished pursuant to an admission to a skilled nursing facility occurring on or after January 1, 1992.

SEC. 3. EXTENDING HOME HEALTH SERVICES.

(a) IN GENERAL.—Section 1861(m) of the Social Security Act (42 U.S.C. 1395x(m)) is amended by adding at the end the following new sentence: "For purposes of paragraphs (1) and (4) and sections 1814(a)(2)(C) and 1835(a)(2)(A), nursing care and home health aide services shall be considered to be provided or needed on an 'intermittent' basis if they are provided or needed less than 7 days each week and, in the case they are provided or needed for 7 days each week, if they are provided or needed for a period of up to 38 consecutive days.".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to services furnished in cases of initial periods of home health services beginning on or after January 1, 1992.●

● Mr. RIEGLE. Mr. President, today I am pleased to introduce with Senator BREAUX and Senator ADAMS a bill to expand Medicare coverage of services in skilled nursing facilities as well as in the home. The Medicare Skilled Nursing Facilities and Home Health Benefit Act will go a long way to make these services more readily available by eliminating a requirement of 3 days hospitalization before Medicare covers nursing home care and by expanding the period of covered home health care.

Seniors are a growing portion of our population. And as their numbers rise each year, so do their costs of long-term care, costs that can lead to impoverishment. The average cost of a year's care in a nursing home is $30,000—and most Americans have little protection against such costs. We have to make quality, affordable long-term care services more accessible to them. Many seniors and disabled people, and their family members, are shocked to find, too late, that Medicare does not provide unlimited coverage of chronic care.

In my own State of Michigan, 50,000 people reside in nursing homes at a cost of $148 million a year. Many more need high quality home care, as well. I have met with countless Michigan citizens to discuss ways to improve the availability of services in both of these areas.

The Medicare Catastrophic Coverage Act of 1988—since repealed—did not go far enough to cover long-term care, but one thing it would have done was to remove the requirement that a nursing home patient had to first be hospitalized for 3 days or more. I was the author of that amendment in the Senate. The repeal of the catastrophic coverage act, unfortunately, reinstated the 3-day hospital stay requirement to qual-

ify for nursing home care under Medicare.

Now the proponents of that requirement would argue that it helps prevent unnecessary admissions to nursing facilities. However, it's just that barrier that poses a problem to getting nursing home care for people who did not need prior hospitalization. It also leads to unncessary hospital stays for those patients who only need the level of care a nursing home provides. And we expect eliminating the requirement may actually save the Federal Government money through fewer hospitalizations.

This measure is strongly supported by the American Health Care Association [AHCA] and the American Association of Retired Persons [AARP], who believe that the 3-day requirement places an unnecessary and costly barrier to gaining access to nursing facilities when it's needed most.

Another important feature of this bill will expand the scope and accessibility of Medicare coverage of home health care by redefining so-called intermittent care so that more people can be covered. Right now Medicare covers home care services of differing duration, depending on the contractor that handles a particular region. Medicare patients who need home care for less than 7 days sometimes are covered, other time not. Our bill defines the term "intermittent" to mean any period less than 7 days a week. It also will permit full coverage, 7 days a week, for up to 38 days a year.

On the House side, Congressman PETE STARK, chairman of the Ways and Means Health Subcommittee, has introduced a companion to this bill. It has also been supported by the American Association of Homes for the Aging, the National Association for Home Care, the Alzheimers' Association, and the National Committee to Preserve Social Security and Medicare, in addtion to the two organizations—AHCA and AARP—I mentioned earlier.

As a matter of both access and equity, Mr. President, our frail seniors and disabled citizens need, and deserve, these improvements in Medicare's coverage. This is just an incremental step we, in this Congress, can take on the longer road to reforming insurance coverage of our citizens' health care—and ensuring equal access to quality medical services.●

QUALIFIED MEDICARE BENEFICIARY PROGRAM

● Mr. PRESSLER. Mr. President, today I join my colleagues Senator BREAUX, Senator CHAFEE, Senator COHEN, and Senator GRAMM in introducing legislation which would help ensure the implementation of the Qualified Medicare Beneficiary Program [QMB].

Families USA and other senior citizen groups have recently stated that many senior citizens are not aware of this Medicare "buy-in" program. In fact some estimate that in my home State of South Dakota 68 percent of the eligible senior citizens are not enrolled in this program.

The eligibility criteria for this program are restrictive. No one who can afford to pay Medicare premiums and deductibles is entitled to assistance. In fact, a single person can't have an income exceeding $6,600 and assets can't exceed $4,000. Yet, with just one hospitalization a person may spend nearly $1,000 in Medicare premiums and hospital and doctor deductibles. This program is for the needy and we must find a better way of letting the public know of its benefits.

The legislation we introduce today will require the Social Security Administration [SSA] to accept QMB applications and it establishes a toll-free phone line to answer questions.●

By Mr. COATS:

S. 1573. A bill to reduce the paperwork required of farmers to sign up and participate in programs administered by the Department of Agriculture; to the Committee on Agriculture, Nutrition, and Forestry.

AGRICULTURE PAPERWORK REDUCTION

● Mr. COATS. Mr. President, today I have the pleasure of representing the interests of Indiana and American farmers, by introducing a bill to reduce the amount of paperwork required in signing up for Government agricultural programs.

The Federal Government continues to grow, not only in size but in complexity. The paperwork it imposes on those forced to deal with it is a heavy burden and a consistent complaint. For many, it means endless hours of wasted effort. Clearly, paperwork that can be eliminated, should be eliminated. And what remains must be streamlined.

Without doubt, participation in agricultural programs is among the most burdensome and confusing experiences in dealing with Government. The fault does not lie entirely, or even mainly, with the Department of Agriculture. It is Congress that places restrictive regulations on Government agencies, and especially on the Agriculture Department. Not only do we regulate farm payment programs, but also conservation programs, wetlands programs, and others. It is easy to see why the amount of paperwork generated is increasing.

In an increasingly litigious atmosphere, it is easy to see why agencies feel they must protect themselves by ensuring that laws are carried through with no margin for error. But this is not an excuse for needless repetition and endless paperwork. There is a real need for legal protection on the part of both the farmer and the Federal agency, but we must find a way to simplify the process.

In my travels to Indiana, I continually hear from farmers who tell me horror stories about the amount of paperwork they must complete to participate in farm programs. This is an industry that operates on thin margins and precise timing. It depends on the mercies of markets and the weather. There is usually a very small window of opportunity for a farmer to put his crop in the ground and insure him a decent harvest. All the conditions must be right for him to gain maximum output of his acres. To the American farmers days mean dollars.

At critical points of the season, a day's delay can cause considerable loss. So it is understandable when a farmer feels frustration when forced to spend a morning or afternoon sitting in the county ASCS office signing forms. Sometimes it take hours simply to have the bureaucratic regulations adequately explained in order for a farmer to understand what he is signing. As the old expression goes, you must make hay while the Sun shines. Redtape can make that impossible.

Some of our bureaucratic agencies might take a lesson from one of America's most criticized Federal agencies—the IRS. If the IRS can create an Ez form for paying income taxes, why can't the USDA, in a program of less complexity, create an Ez form for participating in farm programs?

Mr. President, it is because I share the frustration of Indiana's farmers that I am introducing this bill to lessen their burdens—burdens they often find most oppressive at the busiest times of the year.

This bill would require the Secretary of Agriculture to substantially reduce the volume of documentation required of farmers. It would mandate a reduction in the amount of time farmers must devote to visiting Department of Agriculture offices, cutting the paperwork required in a typical visit.

In trying to reduce this paperwork, my bill would require the Secretary of Agriculture to seek the input of at least 10 farmers participating in agriculture programs. We should be actively looking for the advice and insights of the people we are attempting to help.

I am convinced that a reduction in paperwork for farmers is both possible and essential. This bill, which depends on their input and opinions, would meet that important need. It is with these goals, and with that confidence, that I introduce this reform.●

By Mr. RIEGLE (for himself, Mr. CHAFEE, Mr. COHEN, Mr. BREAUX, Mr. PRESSLER, Mr. GRAHAM, and Mr. BOND):

S. 1574. A bill to ensure proper and full implementation by the Department of Health and Human Services of Medicaid coverage for certain low-income Medicare beneficiaries; to the Committee on Finance.

MEDICARE ENROLLMENT IMPROVEMENT AND PROTECTION ACT

• Mr. RIEGLE. Mr. President, today, I'm introducing the Medicare Enrollment Improvement and Protection Act of 1991 with Senators CHAFEE, COHEN, BREAUX, PRESSLER, GRAHAM, and BOND. I'm pleased that Senator CHAFEE, the ranking minority member of the Finance Subcommittee that I chair, is the lead cosponsor.

Three years ago Congress acted to protect low-income seniors and disabled citizens from the increasing costs of deductibles, copayments, and premiums under the Medicare Program. The Qualified Medicare Beneficiary Program [QMB] was to be implemented by the Department of Health and Human Services [HHS] and the States beginning in 1989. Unfortunately, Mr. President, fewer than half of the people believed to be eligible for this benefit are getting it. For the 2.2 million seniors who are entitled to this benefit but not receiving it, the costs out of their pockets may be well over $1,000 a year if they are hospitalized just once. And that doesn't include copayments for physician's services.

A recent report by Families U.S.A. indicates that Medicare beneficiaries are not receiving benefits to which they are entitled because they do not know they are eligible or face other barriers that make it difficult to apply for the benefits.

Two years ago, together with many of my colleagues, I asked Secretary Sullivan to notify beneficiaries and fully implement this important program. But just 1 month ago, we had to write another letter calling on the Secretary to immediately design a program to seek out, notify, and enroll seniors and disabled persons eligible for the program.

Mr. President, I am introducing this comprehensive legislation today to improve enrollment in the program through better outreach and notification, including grants for face-to-face counseling, and provide for a refund for seniors or disabled persons who were eligible but did not apply for benefits. The bill is supported by many organizations including Families U.S.A., National Council of Senior Citizens, National Association of Area Agencies on Aging, and many others.

HISTORY OF NOTIFICATION AND COORDINATION PROBLEMS

I was among those who worked to preserve this benefit when the Medicare Catastrophic Coverage Act of 1988 was repealed. Since then, based on reports from national advocacy groups and Michigan citizens, I have initiated congressional letters to the Secretary of HHS pointing out problems of implementation and urging administrative changes and more outreach.

Let me describe an example of the kinds of problems we face. The son of an elderly widow called my Grand Rapids office for help in securing the QMB benefit for her. The woman's total income was well below the $6,620 poverty level that qualifies her for payment of her Medicare costs. We directed the constituent to the county welfare office, which should have been able to supply an application. However, that office told the man they had no information about such a benefit and that, since it appeared to be a Medicare benefit, he should contact a Social Security office. The Social Security office told him, "It's not us—and it's not open season for Medicare enrollment." The constituent called my office again, and we called the welfare office for him. Once our staff was able to talk with a superviser, the necessary papers were sent out to the woman.

Mr. President, regretably this is not an unusual example of what happens when people try to find out about this benefit. And this constituent at least heard about the benefit. Thousands more have never learned of it because the people who should have known they were eligible didn't know, or didn't tell them about it.

KEY PROVISIONS

To increase the public's awareness of this benefit, the bill requires HHS to mail information at least annually to Social Security beneficiaries whose incomes qualify them, and to supply notices to physician offices and medical facilities for posting. This literature should include a simplified form which, when completed by a low-income Social Security beneficiary, will enable HHS to begin the process of determining eligibility.

To make it easier to apply, Social Security offices—not just welfare offices—should provide and assist with applications. We authorize funds to permit the Health Care Financing Administration to take applications in Social Security offices and to train Social Security personnel to do so. Other grant funds will enable HHS to use area agencies on aging, senior centers, and other community-based organizations to locate and advise potentially eligible beneficiaries. And a toll-free phone line will make information even more readily accessible.

Let me give an example of how community groups can succeed with QMB outreach. The area agency on aging for six counties in southeastern Michigan already had 80 volunteers going into medical facilities to counsel seniors on Medicare and Medicaid benefits. When QMB was enacted, they added it into their interview procedure to find people who might qualify for it, and they refer people to the appropriate welfare office. Other paid outreach workers who conduct assessments of the needs of homebound elderly have also been trained by their agency to counsel and refer to QMB during their visits. This is just the kind of program we would want to fund with the outreach grants provided for in our legislation.

RETROACTIVE COVERAGE NEEDED

Retroactive benefit payments are not permitted under Medicaid rules now for QMB-eligible individuals. They often incur medical costs before they are found eligible—even though their incomes would have qualified them for the benefit. Our bill would rectify those situations. And for those people who would have been eligible but didn't know about the benefit, States should be required to refund cost-sharing expenses back to January 1, 1991.

Finally, to be able to monitor progress in these efforts, we require HCFA to report on implementation of this program 6 months and 12 months after enactment.

Mr. President, low-income seniors, especially those with serious medical problems, have a hard time meeting basic needs, such as food and rent. Congress intended to relieve some of their financial burden by alleviating their costs for Medicare. It's time we ensure they receive this relief, and I hope my colleagues will join me in supporting this bill.

Mr. President, I ask unanimous consent that the text of the bill and a letter from groups supporting the bill be printed in the RECORD at the conclusion of my remarks.

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

S. 1574

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "Medicare Enrollment Improvement and Protection Act of 1991".

TITLE I—IMPROVING ENROLLMENT

SEC. 101. NOTIFICATION.

(a) IN GENERAL.—Section 1804 of the Social Security Act (42 U.S.C. 1395b-2) is amended—

(1) by striking "and" at the end of paragraph (2),

(2) by striking the period at the end of paragraph (3) and inserting ", and",

(3) by inserting after paragraph (3) the following new paragraph:

"(4) a clear, simple explanation (designed to attract the reader's attention and stated in English and other languages determined by the Secretary) of the eligibility requirements and application procedures for receiving payment of medicare cost-sharing (as defined in section 1905(p)(3)) by qualified medicare beneficiaries (as defined in section 1905(p)(1), qualified disabled and working individuals (as defined in section 1905(s)), and individuals described in section 1902(a)(10)(E)(iii).", and

(4) by adding at the end thereof the following new sentence: "The portion of the notice containing the explanation described in paragraph (4) shall also be prepared in a manner suitable for posting and distributed to physician, hospital offices, and other medical facilities.".

(b) TOLL-FREE HOTLINE.—The Secretary of Health and Human Services shall establish a toll-free telephone number for information

on medicare cost-sharing (as defined in section 1905(p)(3) of the Social Security Act (42 U.S.C. 1396d(p)(3)), including where to go for applications and other information. All notices described in section 1804(4) of the Social Security Act (42 U.S.C. 1395b-2(4)) shall include this toll-free telephone number.

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

SEC. 102. USE OF SOCIAL SECURITY ADMINISTRATION OFFICES AND SIMPLIFIED APPLICATION PROCESSES.

(a) IN GENERAL.—Title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) is amended by adding at the end thereof the following new section:

"ALTERNATIVE LOCATIONS FOR PROCESSING APPLICATIONS FOR QUALIFIED MEDICARE BENEFICIARIES

"SEC. 1931. (a) IN GENERAL.—The Secretary, through the Social Security Administration and the Health Care Financing Administration, shall provide, as an alternative to the procedure established by State agencies under State plans under this title, a procedure (including appropriate training of personnel by the Health Care Financing Administration) to accept an in-person application to determine if an individual meets the requirements for status as a qualified medicare beneficiary under section 1905(p)(1), a qualified disabled and working individual (as defined in section 1905(s)), or an individual described in section 1902(a)(10)(E)(iii).

"(b) SIMPLIFIED APPLICATION FORM.—The Secretary shall develop a short simplified application form with the consultation of consumer advocates and States agencies for use in social security offices and for periodic mailings (as determined by the Secretary) to individuals potentially eligible for the status described in subsection (a) to determine an individual's eligibility for such status. Such forms may be referred to the appropriate State agency designated under this title for review and decision, if necessary.

"(c) CERTIFICATION OF DETERMINATION OF STATUS.—(1) If the Secretary, based upon an application described in subsection (b), makes a determination that an individual meets the requirements for the status described in subsection (a), the Secretary shall certify such determination to the State in which the individual resides.

"(2) If the Secretary certifies to the State that an individual meets the requirements for such status, the individual shall be deemed to have met the requirements for such status.

"(3) Nothing in paragraph (2) shall be construed to prohibit a State from requiring an individual to continue to meet the requirements of such status after the individual is deemed to have met the requirements of such status under paragraph (2).".

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

SEC. 103. MANDATORY DIRECT ENROLLMENT OF PART A ELIGIBLES.

(a) IN GENERAL.—Paragraph (1) of section 1818(e) of the Social Security Act (42 U.S.C. 1395i-2(e)) is amended by striking "shall, at the request of a State made after 1989, enter into a modification of an agreement entered into with the State pursuant to section 1843(a)" and inserting "shall enter into an agreement with each State under terms described in section 1843".

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

SEC. 104. OPTIONAL PRESUMPTIVE ELIGIBILITY.

(a) IN GENERAL.—Title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) is amended by inserting after section 1920 the following new section:

"PRESUMPTIVE ELIGIBILITY FOR QUALIFIED MEDICARE BENEFICIARIES

"SEC. 1920A. (a) IN GENERAL.—A State plan approved under section 1902 may provide for making medical assistance available for medicare cost-sharing (as described in clauses (i), (ii), and (iii) of section 1905(a)(10)(E)) to qualified medicare beneficiaries (as defined in section 1905(p)(1)), qualified disabled and working individuals (as defined in section 1905(s)), and individuals described in section 1902(a)(10)(E)(iii) during a presumptive eligibility period.

"(b) DEFINITIONS.—For purposes of this section—

"(1) the term 'presumptive eligibility period' means, with respect to an individual described in subsection (a), the period that—

"(A) begins with the date on which a qualified provider determines, on the basis of preliminary information, that the family income of the individual does not exceed the applicable income level of eligibility under the State plan, and

"(B) ends with (and includes) the earlier of—

"(i) the day on which a determination is made with respect to the eligibility of the individual for medical assistance described in subsection (a) under the State plan, or

"(ii) in the case of an individual who does not file an application by the last day of the month following the month during which the provider makes the determination referred to in subparagraph (A), such last day; and

"(2) the term 'qualified provider' means any provider that—

"(A) is eligible for payments under a State plan approved under this title, and

"(B) is determined by the State agency to be capable of making determinations of the type described in paragraph (1)(A).

"(c) DUTIES OF STATE AGENCY, QUALIFIED PROVIDERS, AND PRESUMPTIVELY ELIGIBLE INDIVIDUALS.—(1) The State agency shall provide qualified providers with—

"(A) such forms as are necessary for an individual described in subsection (a) to make application for medical assistance described in subsection (a) under the State plan, and

"(B) information on how to assist such individuals in completing and filing such forms.

"(2) A qualified provider that determines under subsection (b)(1)(A) that such an individual is presumptively eligible for such medical assistance under a State plan shall—

"(A) notify the State agency of the determination within 5 working days after the date on which the determination is made, and

"(B) inform the individual at the time the determination is made that such individual is required to make application for such medical assistance under the State plan by no later than the last day of the month following the month during which the determination is made.

"(C) Such an individual who is determined by a qualified provider to be presumptively eligible for such medical assistance under a State plan shall make application for such medical assistance under such plan by no later than the last day of the month following the month during which the determination is made.".

(b) Effective Date.—The amendment made by subsection (a) shall apply to calendar quarters beginning on or after January 1, 1992, without regard to whether or not regulations to implement such amendment are promulgated by such date.

SEC. 105. OPTIONAL SPENDDOWN FOR QUALIFIED MEDICARE BENEFICIARIES.

(a) IN GENERAL.—Paragraph (10) of section 1902(a) of the Social Security Act (42 U.S.C. 1396a(a)) is amended in the matter following subparagraph (E)—

(1) by striking "and (XI)" the first place it appears and inserting ", (XI)",

(2) by striking "and (XI)" the second place it appears and inserting ", (XII)", and

(3) by inserting before the semicolon at the end thereof, the following: ", and (XIII) in determining the eligibility for medical assistance of individuals described in clauses (i), (ii), and (iii) of subparagraph (E), the provisions of sections 1905(p) and 1905(s) supercede any other provision of this title (including subsection (f) of this section) which is inconsistent with such sections".

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

SEC. 106. OUTREACH GRANTS.

(a) GRANTS.—

(1) IN GENERAL.—The Secretary of Health and Human Services (in this section referred to as the "Secretary") shall make grants, one-half to State agencies and one-half to approved organizations, that submit applications to the Secretary that meet the requirements of this section for the purpose of providing information, counseling, and assistance to older individuals who may be eligible for, but who are not receiving, benefits as qualified medicare beneficiaries (as defined in section 1905(p)(1) of the Social Security Act (42 U.S.C.1396d(p)(1)), qualified disabled and working individuals (as defined in section 1905(s) of such Act (42 U.S.C. 1396d(s)), and individuals described in section 1902(a)(10)(E)(iii) of such Act (42 U.S.C. 1396a(a)(10)(E)) (in this section referred to as "eligible individuals"). The Secretary shall prescribe regulations to establish a minimum level of funding for a grant issued under this section.

(2) APPROVED ORGANIZATIONS.—For purposes of paragraph (1), an organization shall be approved by the Secretary to submit an application described in subsection (b) if such organization has wide community support (as determined by the Secretary).

(b) GRANT APPLICATIONS.—

(1) SUBMISSIONS.—In submitting an application under this section, a State agency or approved organization may consolidate and coordinate an application that consists of parts prepared by more than one department of such State agency or organization.

(2) PROGRAM REQUIREMENTS.—As part of an application for a grant under this section, a State agency or approved organization shall submit a plan for an information, counseling, and assistance program. Such program shall—

(A) establish or improve upon an information, counseling, and assistance program that provides counseling and assistance to eligible individuals in need of information that may assist individuals in applying for medicare cost-sharing (as defined in section 1905(p)(3) of the Social Security Act (42 U.S.C. 1396d(p)(3));

(B) establish a system of referral to appropriate Federal or State departments or agencies for assistance with problems related to enrollment in and full implementation of such medicare cost-sharing program, as determined by the Secretary;

(C) provide for a sufficient number of staff positions (including volunteer positions) nec-

essary to provide the services of the information, counseling, and assistance program;

(D) provide for the collection and dissemination of timely and accurate enrollment information to staff members;

(E) provide for training programs for staff members (including volunteer staff members);

(F) provide for the coordination of the exchange of enrollment information between the staff of departments and agencies of the State government and the staff of the information, counseling, and assistance program;

(G) make recommendations concerning consumer issues and complaints related to such enrollment to agencies and departments of the State government and the Federal Government responsible for providing such medicare cost-sharing;

(H) establish an outreach program to provide the enrollment information and counseling described in subparagraph (A) and the assistance described in subparagraph (B) to eligible individuals; and

(I) demonstrate, to the satisfaction of the Secretary, an ability to provide the counseling and assistance required under this section.

(c) ADMINISTRATION.—The State agency or approved organization shall operate the information, counseling, and assistance program in locations other than State welfare offices, including Area Agencies on Aging, meals on wheels programs, senior centers, and other locations determined by the Secretary in consultation with such agency or organization.

(e) MAINTENANCE OF EFFORT.—Any funds appropriated for the activities under this section shall supplement, and shall not supplant, funds that are expended for similar purposes under any Federal, State, or local program.

(f) ANNUAL APPLICANT REPORT.—A State agency or approved organization that receives a grant under subsection (a) shall, not later than 180 days after receiving such grant, and annually thereafter, issue an annual report to the Secretary that includes information concerning—

(1) the number of individuals served by the information, counseling, and assistance program of such State agency or organization; and

(2) the problems that eligible individuals encounter in enrolling for medicare cost-sharing (as so defined).

(g) REPORT TO CONGRESS.—Not later than 180 days after the date of the enactment of this section, and annually thereafter, the Secretary shall issue a report to the Committee on Finance of the Senate, the Special Committee on Aging of the Senate, the Committee on Ways and Means of the House of Representatives, the Committee on Energy and Commerce of the House of Representatives, and the Select Committee on Aging of the House of Representatives that—

(1) summarizes the allocation of funds authorized for grants under this section and the expenditure of such funds;

(2) outlines the problems that eligible individuals encounter in enrolling for medicare cost-sharing (as so defined);

(3) makes recommendations that the Secretary determines to be appropriate to address the problems described in paragraph (2); and

(4) in the case of the report issued 2 years after the date of enactment of this section, evaluates the effectiveness of counseling programs established under this program, and makes recommendations regarding continued authorization of funds for these purposes.

(h) AUTHORIZATION OF APPROPRIATIONS FOR GRANTS.—There are authorized to be appropriated, in equal parts from the Federal Hospital Insurance Trust Fund and from the Federal Supplementary Medical Insurance Trust Fund, $30,000,000 for each of the fiscal years 1992, 1993, and 1994, and $10,000,000 for each of the fiscal years beginning after fiscal year 1994, to fund the grant programs described in this section.

TITLE II—RETROACTIVITY

SEC. 201. RETROACTIVE ELIGIBILITY.

(a) IN GENERAL.—Subsection (a) of section 1905 of the Social Security Act (42 U.S.C. 1396d) is amended by striking "or, in the case of medicare cost-sharing with respect to a qualified medicare beneficiary described in subsection (p)(1), if provided after the month in which the individual becomes such a beneficiary)" and inserting "or, in the case of medicare cost-sharing with respect to a qualified medicare beneficiary (as defined in subsection (p)(1), a qualified disabled and working individual (as defined in subsection (s)), or an individual described in section 1902(a)(10)(E)(iii), if provided in or after the third month before the month in which the individual makes application to become such a beneficiary or individual)".

(b) CONFORMING AMENDMENT.—Paragraph (8) of section 1902(e)(8) of the Social Security Act (42 U.S.C. 1396a(e)(8)) is amended to read as follows:

"(8) For purposes of payment to a State under section 1903(a), if an individual is determined to be a qualified medicare beneficiary (as defined in section 1905(p)(1), a qualified disabled and working individual (as defined in section 1905(s)), or an individual described in subsection (a)(10)(E)(iii), such determination shall be considered to be valid for an individual for a period of 12 months, except that a State may provide for such determinations more frequently, but not more frequently than once every 6 months for an individual.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to applications filed after December 31, 1991.

TITLE III—REFUNDS

SEC. 301. RETROACTIVE MEDICAID PAYMENT OF MEDICARE COST-SHARING.

(a) IN GENERAL.—Notwithstanding any other provision of law, any qualified medicare beneficiary described in section 1905(p)(1) of the Social Security Act (42 U.S.C. 1396d(p)(1)) who files an application within 1 year after the date of the enactment of this Act (in such form and with such documentation as determined by the Secretary of Health and Human Services) for payment of medicare cost-sharing (as defined in section 1905(p)(3) of the Social Security Act (42 U.S.C. 1396d(p)(3)) shall receive a retroactive payment in addition to any other payment.

(b) RETROACTIVE PAYMENT.—For purposes of this section, the term "retroactive payment" means payment of medicare cost-sharing for the period—

(1) beginning with the later of—

(A) the month after the earliest date the qualified medicare beneficiary would have been first eligible for medicare cost-sharing, or

(B) January 1, 1991, and

(2) ending with the earlier of—

(A) the date such qualified beneficiary ceased to be eligible for medicare cost-sharing, or

(B) the date on which such beneficiary begins receiving payment of medicare cost-sharing (other than a retroactive payment) either pursuant to an application filed under this section or otherwise.

(c) SOURCE OF PAYMENT.—

(1) IN GENERAL.—In the case of retroactive payments not described in paragraph (2), the Federal Government shall be responsible for the Federal share (as determined under title XIX of the Social Security Act) of such payments and each State in which the qualified medicare beneficiary resided during the period of the retroactive payment determined under subsection (b) shall be responsible for the State share (as determined under such title) of such payment relating to such period of residency.

(2) FEDERAL SOURCE.—The Social Security Administration shall be responsible for any portion of a retroactive payment which represents premiums described in section 1905(p)(3)(A)(i) of the Social Security Act (42 U.S.C. 1396d(p)(3)(A)(i)) which were withheld from benefit payments under title II of such Act.

TITLE IV—REPORT

The Secretary of Health and Human Services shall report to the Congress not later than 12 months after the date of the enactment of this Act, and in the interim not later than 6 months after such date, on the activities of the Department of Health and Human Resources to ensure enrollment and full implementation of the benefits described in section 1902(a)(10)(E) of the Social Security Act (42 U.S.C. 1396a(a)(10)(E)) and the effectiveness of each such activity. Such reports shall also include any recommendations regarding any proposed legislation necessary to further improve such enrollment and implementation.

JULY 25, 1991.

Hon. DONALD RIEGLE
U.S. Senate,
Washington, DC.

DEAR SENATOR RIEGLE: We, the undersigned organizations, are pleased to lend our full support for your proposal, the Medicare Enrollment Improvement and Protection Act of 1991.

As longstanding supporters of the Qualified Medicare Beneficiary (QMB) program, the purpose of which is to shield low income beneficiaries from the high cost-sharing requirements of the Medicare program, we are deeply concerned more than half of all seniors eligible for the QMB benefits are not receiving the benefits. Aggressive outreach and notification efforts have not been mounted by the DHHS to find and enroll potentially qualified individuals. As a result, more than 2 million elderly individuals and couples with incomes below the federal poverty line have been wrongly billed for Medicare premiums, copays, and deductibles since the program began more than three years ago.

Two critical areas of needed improvement are that beneficiaries must be able to enroll in the program through their local Social Security offices and the DHHS must actively notify beneficiaries, on an ongoing basis, about the program. Your bill would fully address these issues, as well as others of vital importance.

We appreciate your leadership in this pressing issue and look forward to working with you to make the QMB program a reality for the millions in need.

Sincerely,

Amerian Association of Homes for the Aging; AFSCME Retiree Program; Asociacion Nacional Pro Personas Mayores; Families USA; National Association for Families Caring for their Elders; National Association of Area Agencies on Aging; National Association of Foster Grandparents Program

Directors; National Association of Older American Volunteer Program Directors; National Association of Retired Federal Employees; National Association of RSVP Directors; National Association of State Units on Aging; National Caucus and Center on Black Aged; and Older Women's League.•

• Mr. COHEN. Mr. President, I am pleased to join as a cosponsor of the Medicare Enrollment Improvement and Protection Act of 1991, which my colleague from Michigan has introduced to ensure that low-income elderly and disabled individuals are protected against the rising out-of-pocket costs associated with the Medicare Program.

Congress first enacted legislation mandating that Medicaid pick up all Medicare premiums, deductibles and copayments for beneficiaries living below the poverty line in 1988. Therefore, I was alarmed by the recent Families USA report which found that between 2.2 and 2.3 million low-income seniors—approximately half of those eligible—are not receiving this important Medicare buy-in benefit.

And why not? Simply because they do not know about it and they have not applied.

It has long been said that knowledge is power. When it comes to the Medicare buy in, knowledge is money, and a good deal of it at that. Many poverty-level beneficiaries are spending $1,000 a year or more—at least one-sixth of their annual income—to cover the cost of Medicare premiums, deductibles, and copayments, which by law, should be paid by Medicare.

Both the Federal and State governments have joint responsibility for administering the buy-in program. Therefore, both are accountable for our failure to give adequate notice to potentially eligible beneficiaries about the availability of the benefit. However, it is clear that the Department of Health and Human Services can do more to reach out to potential beneficiaries to ensure that all poor elderly and disabled individuals receive this important benefit to which they are entitled under law.

The Special Committee on Aging held a hearing on this issue earlier this week, and I was pleased to hear testimony outlining the new initiatives planned by the administration to improve beneficiary access to the program. Dr. Gail Wilensky, Administrator of the Health Care Financing Administration; Gwendolyn King, Administrator of the Social Security Administration; and Joyce Berry, Commissioner of the Administration on Aging; testified that both HCFA and the Social Security Administration are implementing public information campaigns to increase awareness about the program and are exploring new ways to identify potentially eligible beneficiaries. The panel also testified that the Administration on Aging is planning to provide information on the program to State and area agencies on aging for distribution to senior centers and services providers.

I commend the administration on these initiatives and I also commend my colleague on his introduction of this legislation. I believe that enactment of the Medicare Enrollment Improvement and Protection Act will complement the administration's efforts, and I urge my colleagues to join me in cosponsoring it. It is imperative that the Health Care Financing Administration, the Social Security Administration, and the Administration on Aging work in concert with the States and the aging network to implement an effective outreach program that will ensure that all of our low-income seniors get the benefits they are entitled to under law.•

• Mr. BOND. Mr. President, today, we take an important step forward in correcting a terrible situation that has resulted in very low-income seniors not receiving assistance that they very much need and deserve. Congress has taken important steps in recent years to protect improverished seniors from out-of-pocket health care costs incurred under the Medicare Program. Unfortunately, the Federal Government has done an abyssmal job of notifying eligible seniors of the benefit.

In a study earlier this year, the Families USA Foundation revealed that over half of the 2.2 million to 2.3 million seniors eligible for this benefit were not receiving it and, in fact, did not even know about it. These very low-income elderly seniors were continuing to have the cost of the Medicare part B premium deducted from their Social Security checks each month when Medicaid should have been shouldering the cost. These impoverished seniors were also paying for physician and hospital bills even though by law they are not responsible for the costs. These are elderly individuals with incomes below $6,620 a year and less than $4,000 in assets, and couples with annual incomes below $8,880 and less than $6,000 in assets.

In my own State of Missouri, about 46 percent of eligible senior citizens were estimated to be paying needlessly, according to the Families USA report.

I commend my colleague, Senator RIEGLE, for introducing this important legislation that will take steps to insure that low-income seniors are made aware of these benefits to which they are entitled. In particular, I strongly support the provisions of this legislation that will provide retroactive coverage to January 1, 1991 for individuals who were eligible on that date. This is an important step that we owe to these seniors who were unable to apply for the benefit just because the Government had failed to let them know about this benefit.

As of January 1, 1989, Medicaid—the Federal/State program which provides health care for the poor—is supposed to pay for the Medicare premiums and deductibles for these low-income seniors and persons with disabilities eligible for Medicare, referred to as qualified Medicare beneficiaries or QMB's. These Medicare beneficiaries also are not responsible for any other out-of-pocket costs for Medicare-covered services. The buy-in coverage under the QMB program was available to all seniors with incomes below 85 percent of the poverty line in 1989 and was extended to seniors below 100 percent of the poverty line beginning January 1, 1991. The income limit rises to 110 percent of the poverty line in 1993 and 120 percent of the poverty line in 1995. In addtion, seniors with incomes between 100 and 120 percent of the poverty line are eligible for Medicaid payment of Medicare premiums.

Mr. President, I strongly urge my colleagues to support this legislation and I hope that the Congress will move swiftly to enact this legislation and correct what has been a very unfortunate failure in the efforts to help these improverished seniors.•

By Mr. THURMOND (by request):

S. 1575. A bill to augment and clarify law enforcement agency roles in ordering aircraft to land and vessels to bring to, to enable improved money laundering investigations, to promote drug testing in Federal and State criminal justice systems, and for other law enforcement system improvements; to the Committee on the Judiciary.

DRUG SUPPLY REDUCTION ACT OF 1991

• Mr. THURMOND. Mr. President, today, I rise to introduce the Office of National Drug Control Policy's Drug Supply Reduction Act of 1991. This legislation is necessary for the full implementation of President Bush's national drug control strategy.

Included in this package are interdiction system improvements and money laundering amendments. In addition, the bill contains drug testing provisions and needed technical corrections to the Criminal Code.

Mr. President, the drug czar's office, under the strong leadership of Bob Martinez, has been urging Congress to pass the legislative proposals for some time. In fact, much of this bill was adopted as part of the Senate crime bill. I strongly advise my colleagues to study this legislative package. There is no doubt that this bill continues our Nation's efforts to eliminate illicit drug abuse.

Mr. President, I ask unanimous consent that the full text of this bill, along with a section-by-section analysis, appear in the CONGRESSIONAL RECORD immediately following my remarks.

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

S. 1575

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

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Drug Supply Reduction Act of 1991".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

TITLE I—INTERDICTION SYSTEM IMPROVEMENTS

Sec. 101. Short title for title I.
Sec. 102. Sanctions for failure to land or to bring to.
Sec. 103. FAA revocation authority.
Sec. 104. Coast Guard air interdiction authority.
Sec. 105. Coast Guard civil penalty provisions.
Sec. 106. Customs orders.
Sec. 107. Customs civil penalty provisions.

TITLE II—NEW COAST GUARD AUTHORITIES

Sec. 201. Short title for title II.
Sec. 202. Information exchange and assistance.
Sec. 203. Assistance to foreign governments and international organizations.
Sec. 204. Amendment to the Mansfield Amendment to permit maritime law enforcement operations in archipelagic waters.

TITLE III—FINANCIAL ENFORCEMENT

Sec. 301. Short title for title III.
Sec. 302. Anti-structuring amendment.
Sec. 303. FATF recommendations.
Sec. 304. Geographic targeting amendment.
Sec. 305. Amendments to the Right to Financial Privacy Act.
Sec. 306. Transfer of records to FinCEN.
Sec. 307. Technical amendment substituting the Secretary of Agriculture for the Secretary of Treasury.
Sec. 308. Search of outbound mail.

TITLE IV—DRUG TESTING

Sec. 401. Drug testing of federal offenders on post-conviction release.
Sec. 402. Drug testing in state criminal justice systems as a condition of receipt of justice drug grants.

TITLE V—OTHER LAW ENFORCEMENT SYSTEM IMPROVEMENTS

Sec. 501. Short title for title V.
Sec. 502. Enhancement of penalties for drug trafficking in prisons.
Sec. 503. Seizure of vehicles with concealed compartments.
Sec. 504. Close loophole for illegal importation of small drug quantities.
Sec. 505. Undercover operations—churning.
Sec. 506. Drug paraphernalia amendment.
Sec. 507. Correction of resentencing sanction for revocation of probation for possession of a controlled substance.
Sec. 508. Conforming amendments concerning marihuana.
Sec. 509. Addition of drug conspiracies and attempts and serious crack possession offenses by juveniles as warranting adult prosecution.
Sec. 510. Serious drug offenses by juveniles as armed career criminal act predicates.
Sec. 511. Conforming amendment adding certain drug offenses as requiring fingerprinting and records for recidivist juveniles.
Sec. 512. Clarification of narcotic or other dangerous drugs under the RICO statute.
Sec. 513. Conforming amendments to recidivist penalty provisions of the controlled substances act and the controlled substances import and export act.
Sec. 514. Elimination of outmoded language relating to parole.
Sec. 515. Conforming amendment to provision punishing a second offense of distributing drugs to a minor.
Sec. 516. Conditional waiver of four-year limitation for effective BJA projects.

TITLE I—INTERDICTION SYSTEM IMPROVEMENTS

SEC. 101. SHORT TITLE FOR TITLE I.

This title may be cited as the "Order to Land and To Bring To Act of 1991."

SEC. 102. SANCTIONS FOR FAILURE TO LAND OR TO BRING TO.

(a) Chapter 109 of title 18 of the United States Code, is amended by adding at the end thereof the following new section:

"SEC. 2237. ORDER TO LAND OR BRING TO.

"(a)(1) In the enforcement of the laws of the United States relating to controlled substances, as that term is defined in the Controlled Substance Act, or relating to money laundering (sections 1956-57 of this title), it shall be unlawful for the pilot, operator, or person in charge of any aircraft which has crossed the border of United States, or any aircraft subject to the jurisdiction of the United States operating outside the United States, to refuse to obey the order of an authorized Federal law enforcement officer to land.

"(2) The Administrator of the Federal Aviation Administration and the Commissioner of Customs, upon consultation with the Attorney General, shall prescribe regulations governing the means by which an order to land may be communicated to the pilot, operator, or person in charge of an aircraft by Federal law enforcement officers.

"(3) This section does not limit in any way the preexisting authority of customs officer under section 581 of the Tariff act of 1930 or any other provision of law enforced or administered by the Customs Service, or the preexisting authority of any Federal law enforcement officer under any law of the United States to order an aircraft to land or a vessel to bring to.

"(b) It is unlawful for any master, operator, or person in charge of a vessel of the United States or a vessel subject to the jurisdiction of the United States to fail to bring to that vessel on being ordered to do so by a Federal law enforcement officer authorized to issue such an order.

"(c) Consent or waiver of objection by a foreign nation to the enforcement of United States law by the United States under this section may be obtained by radio, telephone, or similar oral or electronic means, and may be proved by certification of the Secretary of State or the Secretary's designee.

"(d) For purposes of this section:

"(1) a "vessel of the United States" or a "vessel subject to the jurisdiction of the United States" has the meaning set forth in the Maritime Drug Law Enforcement Act (46 U.S.C. App. 1901 et seq.);

"(2) an aircraft "subject to the jurisdiction of the United States" includes—

"(A) an aircraft located over the United States or the customs waters of the United States;

"(B) an aircraft located in the airspace of a foreign nation, where that nation consents to the enforcement of United States law by the United States; and

"(C) over the high seas, an aircraft without nationality, an aircraft of United States registry, or an aircraft registered in a foreign nation where the nation of registry has consented or waived objection to the enforcement of United States law by the United States;

"(3) the term "bring to" means to cause a vessel to slow or come to a stop to facilitate a law enforcement boarding by adjusting the course and speed of the vessel to account for the weather conditions and sea state; and

"(4) "Federal law enforcement officer" has the meaning set forth in section 115 of this title.

"(e) A person who intentionally violates the provisions of this section shall be subject to—

"(1) imprisonment for not more than two years; and

"(2) a fine as provided in this title.

"(f) Any vessel or aircraft that is used in a violation of this section may be seized and forfeited. The provisions of law relating to the seizure, summary and judicial forfeiture, and condemnation of property for violation of the customs laws, the disposition of such property or the proceeds from the sale thereof, the remission or mitigation of such forefeitures, and the compromise of claims, shall apply to seizures and forefeitures incurred, or alleged to have been incurred, under any of the provisions of this section; except that such duties as are imposed upon the customs officer or any other person with respect to the seizure and forfeiture of property under the customs laws shall be performed with respect to seizures and forfeitures of property under this section by such officers, agents, or other persons as may be authorized or designated for that purpose. Any vessel or aircraft that is used in a violatioin of this section is also liable in rem for any fine or civil penalty imposed under this section.".

(b) CONFORMING AMENDMENT.—The analysis at the beginning of chapter 109 of title 18, United States Code, is amended by adding at the end the following:

"2237. Order to land or to bring to.".

SEC. 103. FAA REVOCATION AUTHORITY.

(a) Section 501(e) of the Federal Aviation Act of 1958 (49 U.S.C. App. 1401(e)) is amended by adding at the end the following:

"(3)(A) The registration of an aircraft shall be immediately revoked upon the failure of the operator of an aircraft to follow the order of a Federal law enforcement officer to land an aircraft, as provided in section 2237 of title 18 of the United States Code. The Administrator shall notify forthwith the owner of the aircraft that the owner of the aircraft no longer holds United States registration for that aircraft.

"(B) The Administrator shall establish procedures for the owner of the aircraft to show cause—

(i) why the registration was not revoked, as a matter of law, by operation of subparagraph (A) of this subsection (3); or

(ii) why circumstances existed pursuant to which the Administrator should determine that, notwithstanding subparagraph (A), it would be in the public interest to issue a new certificate of registration to the owner to be effective concurrent with the revocation occasioned by operation of subparagraph (A).".

(b) Section 609 of the Federal Aviation Act of 1958 (49 U.S.C. App. 1429(e)) is amended by adding at the end the following new subsection (d):

"(d)(1) The Administrator shall issue an order revoking the airman certificate of any

person if the Administrator finds that (A) such person, while acting as the operator of an aircraft, failed to follow the order of a law enforcement officer to land the aircraft as provided in section 2237 of title 18 of the United States Code, and (B) that such person knew or had reason to know that he had been ordered to land the aircraft.

"(2) If the Administrator determines that extenuating circumstances existed, such as safety of flight, which justified a deviation by the airman from the order to land, the provisions of paragraph (1) of this subsection shall not apply.

"(3) The provisions of subsection (c)(3) of this section shall apply to any revocation of the airman certificate of any person for failing to follow the order of a Federal law enforcement officer to land an aircraft.".

SEC. 104. COAST GUARD AIR INTERDICTION AUTHORITY.

(a) AIR INTERDICTION AUTHORITY.—Chapter 5 of title 14, United States Code, is amended by adding at the end the following new section:

"SEC. 96. AIR INTERDICTION AUTHORITY.

"The Coast Guard may issue orders and make inquiries, searches, seizures, and arrests with respect to violations of laws of the United States occurring aboard any aircraft subject to the jurisdiction of the United States over the high seas and waters over which the United States has jurisdiction. Any order issued under this section to land an aircraft shall be communicated pursuant to regulations promulgated pursuant to section 2237 of title 18, United States Code.".

(b) CONFORMING AMENDMENT.—The analysis of chapter 5 of such title is amended by adding at the end the following:

"96. Air interdiction authority."

SEC. 105. COAST GUARD CIVIL PENALTY PROVISIONS.

(a) CIVIL PENALTY.—Chapter 17 of title 14, United States Code, is amended by adding the following new section:

"SEC. 667. CIVIL PENALTY FOR FAILURE TO COMPLY WITH A LAWFUL BOARDING OR ORDER TO LAND.

"(a) The master, operator or person in charge of a vessel or the pilot or operator of an aircraft who intentionally fails to comply with an order of a Coast Guard commissioned officer, warrant officer, or petty officer relating to the boarding of a vessel or landing of an aircraft in violation of section 2237 of title 18, United States Code, or section 96 of title 14, United States Code, is liable to the United States Government for a civil penalty of not more than $25,000, which may be assessed by the Secretary after notice and opportunity to be heard.

"(b) The master, operator or person in charge of a vessel or the pilot or operator of an aircraft who negligently fails to comply with an order of a Coast Guard commissioned officer, warrant officer, or petty officer relating to the boarding of a vessel or landing of an aircraft in violation of section 2237 of title 18, United States Code, or section 96 of title 14, United States Code, is liable to the United States Government for a civil penalty of not more than $5,000, which may be assessed by the Secretary after notice and opportunity to be heard.

"(c) Any vessel or aircraft used in violation of section 2237 of title 18, United States Code, or section 96 of title 14, United States Code, is also liable in rem for the criminal or civil penalty assessed under this section.".

(b) CONFORMING AMENDMENT.—The table of sections at the beginning of chapter 17 of such title is amended by inserting after the item relating to section 666 the following:

"667. Civil penalty for failure to comply with a lawful boarding or order to land.".

SEC. 106. CUSTOMS ORDERS.

Section 581 of the Tariff Act of 1930, as amended (19 U.S.C. 1581) is further amended by adding a paragraph (i) to read as follows:

"(i) As used in this section, the term "authorized place" includes—

"(1) with respect to a vehicle, any location in a foreign country at which United States Customs Officers are permitted to conduct inspections, examinations, or searches;

"(2) with respect to aircraft to which this section applies by virtue of section 644 of this Act (19 U.S.C. 1644), or regulations issued thereunder, or section 2237 of title 18 of the United States Code, any location outside of the United States, including a foreign country at which United States Customs Officers are permitted to conduct inspections, examinations, or searches.".

SEC. 107. CUSTOMS CIVIL PENALTY PROVISIONS.

(a) The Tariff Act of 1930, as amended, is further amended by adding a new section 591 (19 U.S.C. 1591) as follows:

"SEC. 591. CIVIL PENALTY FOR FAILURE TO OBEY AN ORDER TO LAND OR TO BRING TO.

"(a) The pilot or operator of an aircraft who intentionally fails to comply with an order of an officer of the customs relating to the landing of an aircraft in violation of section 1591 of this title, or of section 2237 of title 18 of the United States Code, is subject to a civil penalty of not more than $25,000 which may be assessed by the appropriate customs officer.

"(b) The pilot or operator of an aircraft who negligently fails to comply with an order of an officer of the customs relating to the landing of an aircraft in violation of section 1581 of this title, or of section 2237 of title 18 of the United States Code, is subject to a civil penalty of not more than $5,000, which may be assessed by the appropriate customs officer.".

TITLE II—NEW COAST GUARD AUTHORITIES

SEC. 201. SHORT TITLE FOR TITLE II.

This title may be cited as the "Coast Guard Assistance Act of 1991."

SEC. 202. INFORMATION EXCHANGE AND ASSISTANCE.

Section 142 of title 14, United States Code is amended—

(a) by inserting "(a)" at the beginning of the text, the words "and international organizations" after "with foreign governments", and the words "maritime law enforcement, maritime environmental protection, and" after "matters dealing with".

(b) by adding a new subsection "(b)" as follows:

"(b) the Coast Guard may, when so requested by the Secretary of State, utilize its personnel and facilities to assist any foreign government or international organization to perform any activity for which such personnel and facilities are especially qualified.".

SEC. 203. ASSISTANCE TO FOREIGN GOVERNMENTS AND INTERNATIONAL ORGANIZATIONS.

(a) IN GENERAL.—Section 149 of title 14, United States Code is amended to read as follows:

SEC. 149. ASSISTANCE TO FOREIGN GOVERNMENTS AND INTERNATIONAL ORGANIZATIONS

"The President may upon application from the foreign governments or international organizations concerned, and whenever in his discretion the public interest renders such a course advisable, utilize officers and enlisted members of the Coast Guard to assist foreign governments or international organizations in matters concerning which the Coast Guard may be of assistance. Utilization of members may include the detail of such members. Arrangements may be made by the Secretary with countries to which such officers and enlisted members are detailed to perform functions under this section, for reimbursement to the United States or other sharing of the cost of performing such functions. While so detailed, such officers and enlisted members shall receive the pay and allowances to which they are entitled in the Coast Guard and shall be allowed the same credit for all service while so detailed, as if serving with the Coast Guard.".

(b) CONFORMING AMENDMENT.—The analysis at the beginning of chapter 7 of title 14, United States Code, is amended by replacing the wording following "149" with: "Assistance to foreign governments and international organizations."

SEC. 204. AMENDMENT TO THE MANSFIELD AMENDMENT TO PERMIT MARITIME LAW ENFORCEMENT OPERATIONS IN ARCHIPELAGIC WATERS

Section 2291(c)(4) of title 22, United States Code, is amended by inserting the words ", and archipelagic waters" after the words "territorial sea".

TITLE III—FINANCIAL ENFORCEMENT

SEC. 301. SHORT TITLE FOR TITLE III.

This title may be cited as the "Financial Enforcement Act of 1991."

SEC. 302. ANTI-STRUCTURING AMENDMENT.

Section 5324 of title 31, United States Code, is amended by adding the words "or section 5325 or the regulations thereunder" after the words "section 5313(a)" each time they appear.

SEC. 303. FATF RECOMMENDATIONS.

(a) Section 5318 of title 31, United States Code, is amended by adding new subsections (g) and (h), as follows:

"(g)(1) The Secretary may prescribe that financial institutions report suspicious transactions relevant to possible violation of law or regulation.

"(2) A financial institution may not notify any person involved in the transaction that the transaction has been reported.

"(3) The provisions of section 1103(c) of the Right to Financial Privacy Act of 1978 (12 U.S.C. 3403(c)) shall apply to reports of suspicious transactions under this section.

"(h) In order to guard against money laundering through financial institutions, the Secretary may prescribe regulations requiring financial institutions to have anti-money laundering programs, including, at a minimum, the following: internal policies, procedures and controls; designation of a compliance officer; an ongoing employee training program; and an independent audit function to test the program. The Secretary may promulgate minimum standards for such programs.".

(b) Section 5322 of title 31, United States Code, is amended by adding the words "or section 5318(g)(1)" after the words "under section 5315," every time they appear.

SEC. 304. GEOGRAPHIC TARGETING AMENDMENT.

Section 5326 of title 31, United States Code, is amended by adding a new subsection (c) as follows:

"(c) No financial institution or officer, director, employee or agent of a financial institution subject to an order under this section may disclose the existence of or terms of the order to any person except as prescribed by the Secretary.".

SEC. 305. AMENDMENTS TO THE RIGHT TO FINANCIAL PRIVACY ACT.

Section 1103(c) of the Right to Financial Privacy Act of 1978 (12 U.S.C. 3403(c)) is amended

(1) by deleting the words "in this chapter";

(2) by removing the period at the end thereof and adding the following: "or for refusal to do business with any person before or after disclosure of a possible violation of law or regulation to a Government authority. For purposes of this section, the term "financial institution" includes, in addition to financial institutions under this chapter, any business defined as a financial institution in section 5312(a)(2) of Title 31, United States Code, that is required by the Secretary of the Treasury under section 5318(g) of Title 31, United States Code, to file a suspicious transaction report with the Secretary.".

SEC. 306. TRANSFER OF RECORDS TO FINCEN.

Section 1112 of the Right to Financial Privacy Act of 1978 (12 U.S.C. 3412) is amended by adding a new subsection (g) as follows:

"(g) Financial records originally obtained by an agency in accordance with this chapter may be transferred to the Secretary of the Treasury for analysis and use by the Financial Crimes Enforcement Network for criminal law enforcement purposes without customer notice.".

SEC. 307. TECHNICAL AMENDMENT SUBSTITUTING THE SECRETARY OF AGRICULTURE FOR THE SECRETARY OF TREASURY.

Section 516(d) of the Controlled Substances Act (21 U.S.C. 886(d)) is amended by striking the words "Secretary of the Treasury" where they appear in subsection (d) and inserting in lieu thereof the words "Secretary of Agriculture".

SEC. 308. SEARCH OF OUTBOUND MAIL.

Section 5317(b) of Title 31, United States Code, is amended to read as follows:

"(b)(1) For purposes of ensuring compliance with the requirements of section 5316 of this title or of sections 1956 and 1957 of title 18, United States Code, a Customs officer may stop and search, at the border and without a search warrant, any vehicle, vessel, aircraft, or other conveyance, any envelope or other container, including mail transmitted by the United States Postal Service which is not sealed against inspection, or which has a Customs declaration affixed by the sender, and any person entering or departing from the United States.

"(2) Notwithstanding 39 U.S.C. 3623(d), or any other provision of title 39, United States Code, with respect to any letter sealed against inspection being transmitted by the United States Postal Service, a search authorized by paragraph (1) may be conducted when a customs officer has reasonable cause to suspect that there are monetary instruments being transported in such a letter.

"(3) Nothing in this section shall be construed to limit the authority of the Secretary of the Treasury or the United States Customs Service under any other provision of law.".

TITLE IV—DRUG TESTING

SEC. 401. DRUG TESTING OF FEDERAL OFFENDERS ON POST-CONVICTION RELEASE.

(a) DRUG TESTING PROGRAM.—(1) Chapter 229 of title 18, United States Code, is amended by adding at the end thereof the following new section: "Section 3608. Drug Testing of federal offenders on post-conviction release.

"The Director of the Administrative Office of the United States Courts, in consultation with the Attorney General and the Secretary of Health and Human Services, shall, as soon as is practicable after the effective date of this section, establish a program of drug testing of federal offenders on post-conviction release. The program shall include such standards and guidelines as the Director may determine necessary to ensure the reliability and accuracy of the drug testing programs. In each district where it is feasible to do so, the chief probation officer shall arrange for the drug testing of defendants on post-conviction release pursuant to a conviction for a felony or other offense described in section 3563(a)(4) of this title.".

(2) The section analysis for chapter 229 of title 18, United States Code, is amended by adding at the end thereof the following: "3608. Drug testing of defendants on post-conviction release.".

(b) DRUG TESTING CONDITION.—

(1) Section 3563(a) of title 18, United States Code, is amended—

(A) in paragraph (2), by striking out "and";

(B) in paragraph (3), by striking out the period and inserting in lieu thereof "; and"; and

(C) by adding a new paragraph (4), as follows:

"(4) for a felony, an offense involving a firearm as defined in section 921 of this title, a drug or narcotic offense as defined in section 404(c) of the controlled substance Act (21 U.S.C. 844(c)), or a crime of violence as defined in section 16 of this title, that the defendant refrain from any unlawful use of the controlled substance and submit to periodic drug tests (as determined by the court) for use of a controlled substance. This latter condition may be suspended or ameliorated upon request of the Director of the Administrative Office of the United States Courts, or the Director's designee. A defendant who tests positive may be detained pending verification of a drug test result."

(2) Section 3583(d) of title 18, United States Code, is amended by inserting after the first sentence the following: "For a defendant convicted of a felony or other offense described in section 2563(a)(4) of this title, the court shall also order, as an explicit condition of supervised release, that the defendant refrain from any unlawful use of a controlled substance and submit to periodic drug tests (as determined by the court), for use of a controlled substance. Third latter condition may be suspended or ameliorated as provided in section 3563(a)(4) of this title.".

(3) Section 4209(a) of title 18, United States Code, is amended by inserting after the first sentence the following: "If the parolee has been convicted of a felony or other offense described in section 3563(a)(4) of this title, the Commission shall also impose as a condition of parole that the parolee refrain from any unlawful use of a controlled substance and submit to periodic drug tests (as determined by the Commission) for use of a controlled substance. This latter condition may be suspended or ameliorated as provided in section 3563(a)(4) of this title.".

(c) REVOCATION OF RELEASE.—(1) Section 3565(a) of title 18, United States Code, is amended by inserting in the final sentence after "3563(a)(3)," the following' "or unlawfully uses a controlled substance or refuses to cooperate in drug testing, thereby violating the condition imposed by section 3563(a)(4),'.

(2) Section 3583(g) of title 18, United States Code, is amended by inserting after "substance" the following: "or unlawfully uses a controlled substance or refuses to cooperate in drug testing imposed as a condition of supervised release,".

(3) Section 4214(f) of title 18, United States Code, is amended by inserting after "substance" the following: ", or who unlawfully uses a controlled substance or refuses to cooperate in drug testing imposed as a condition of parole,".

SEC. 402. DRUG TESTING IN STATE CRIMINAL JUSTICE SYSTEMS AS A CONDITION OF A RECEIPT OF JUSTICE DRUG GRANTS.

(a) IN GENERAL.—Title 1 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3711 et seq.) is amended by adding at the end of part E (42 U.S.C. 3750-3766b) the following: "Drug Testing Programs

"SEC. 623. (a) PROGRAM REQUIRED.—It is a condition of eligibility for funding under this part that a State formulate and implement a drug testing program for targeted classes of persons subject to charges, confinement, or supervision in the criminal justice systems of the State. Such a program must meet criteria specified in regulations promulgated by the Attorney General under subsection (b) of this section. Notwithstanding the above, no state shall be required to expand an amount for drug testing pursuant to this section in excess of 10% of the minimum amoung which that state is eligible to receive under subpart 1 of this part.

"(b) REGULATIONS.—The Attorney General, in consultation with the Secretary of Health and Human Services, shall promulgate regulations to implement this section to ensure reliability and accuracy of drug testing programs. The regulations shall include such other guidelines for drug testing programs in State criminal justice systems as the Attorney General determines are appropriate, and shall include provisions by which a State may apply to the Attorney General for a waiver of the requirements imposed by this section, on grounds that compliance would impose excessive financial or other burdens on such State or would otherwise be impactical or contrary to State policy.

"(c) EFFECTIVE DATE.—This section shall take effect with respect to any State at a time specified by the Attorney General, but no earlier than the promulgation of the regulations required under subsection (b),".

TITLE V—OTHER LAW ENFORCEMENT SYSTEM IMPROVEMENTS

SEC. 501. SHORT TITLE FOR TITLE V.

This title may be cited as the "Drug Law Enforcement System Improvements Act of 1991."

SEC. 502. ENHANCEMENT OF PENALTIES FOR DRUG TRAFFICKING IN PRISONS.

Section 1791 of title 18, United States Code, is amended—

(1) in subsection (c), by inserting before "Any" the following new sentence: "Any punishment imposed under subsection (b) for a violation of this section involving a controlled substance shall be consecutive to any other sentence impose by any court for an offense involving such a controlled substance.";

(2) in subsection (d)(1)(A), by inserting after "a firearm or destructive device" the words "or a controlled substance in schedule I or II, other than marijuana or a controlled substance referred to in subparagraph (C) of this subsection";

(3) in subsection (d)(1)(B), by inserting before "ammunition," the following: "marijuana or a controlled substance in schedule III, other than a controlled substance referred to in subparagraph (C) of this subsection,";

(4) in subsection (d)(1)(C), by inserting "methamphetamine, its salts, isomers, and salts of its isomers," after "a narcotic drug,";

(5) in subsection (d)(1)(D), by inserting "(A), (B), or" before "(C)"; and

(6) in subsection (b), by striking "(c)" each place it appears and inserting in lieu thereof "(d)".

SEC. 503. SEIZURE OF VEHICLES WITH CONCEALED COMPARTMENTS.

(a) Section 3 of the Anti-Smuggling Act of 1935 (19 U.S.C. 1703) is amended:

(1) by amending the title of such section to read as follows:

"Sec. 1703. Seizure and forfeiture of vessels, vehicles and other conveyances";

(2) by amending the title of subsection (a) to read as follows:

"(a) Vessels, vehicles and other conveyances subject to seizure and forfeiture";

(3) by amending the title of subsection (b) to read as follows:

"(b) 'Vessels, vehicles and other conveyances' defined";

(4) by inserting "; vehicle, or other conveyance" after the word "vessel" everywhere it appears in the text of subsections (a) and (b); and

(5) by amending subsection (c) to read as follows:

"(c) Acts constituting prima facie evidence of vessel, vehicle or other conveyance engaged in smuggling.

"For the purposes of this section, prima facie evidence that a vessel, vehicle, or other conveyance is being, or has been, or is attempted to be employed in smuggling or to defraud the revenue of the United States shall be—

"(1) in the case of a vessel, the fact that a vessel has become subject to pursuit as provided in section 1581 of title 17, United States Code, or is a hovering vessel, or that a vessel fails, at any place within the customs waters of the United States or within a customs-enforcement area, to display lights as required by law.

"(2) in the case of a vehicle or other conveyance, the fact that a vehicle or other conveyance has any compartment or equipment that is built or fitted out for smuggling.".

(b) The table of sections for Chapter 5 of title 19, United States Code, is amended by striking the items relating to section 1703 and inserting in lieu thereof the following:

"1703. Seizure and forfeiture of vessels, vehicles and other conveyances.

"(a) Vessels, vehicles and other conveyances subject to seizure and forfeiture.

"(b) Vessels, vehicles and other conveyances, defined.

"(c) Acts constituting prima facie evidence of vessel, vehicle or other conveyance engaged in smuggling.".

SEC. 504. CLOSE LOOPHOLE FOR ILLEGAL IMPORTATION OF SMALL DRUG QUANTITIES.

Section 497 (a)(2)(A) of the Tariff Act of 1930 (19 U.S.C. 1497(a)(2)(A)) is amended by adding "or $500, whichever is greater" after "value of the article".

SEC. 505. UNDERCOVER OPERATIONS—CHURNING.

Section 7601(c)(3) of the Anti-Drug Abuse Act of 1988 (relating to effective date) is amended by deleting the current language, and replacing it with the following:

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

SEC. 506. DRUG PARAPHERNALIA AMENDMENT.

Section 422 of the Controlled Substances Act (21 U.S.C. 863) is amended by adding the following new subsection (g):

"(g) Civil Enforcement.

"The Attorney General may bring a civil action against any person who violates the provisions of this section. The action may be brought in any district court of the United States or the United States courts of any territory in which the violation is taking or has taken place. The court in which such action is brought shall determine the existence of any violation by a preponderance of the evidence, and shall have the power to assess a civil penalty of up to $100,000 and to grant such other relief, including injunctions, as may be appropriate. Such remedies shall be in addition to any other remedy available under statutory or common law.".

SEC. 507. CORRECTION OF RESENTENCING SANCTION FOR REVOCATION OF PROBATION FOR POSSESSION OF A CONTROLLED SUBSTANCE.

Section 3565(a) of title 18, United States Code, is amended by striking "sentence the defendant to not less than one-third of the original sentence" and inserting in lieu thereof "resentence the defendant under subchapter A to a sentence that includes a term of imprisonment".

SEC. 508. CONFORMING AMENDMENTS CONCERNING MARIHUANA.

(a) Section 401(b)(1)(D) of the Controlled Substances Act (21 U.S.C. 841(b)(1)(D)) and section 1010(b)(4) of the Controlled Substances Import and Export Act (21 U.S.C. 960(b)(4)) are each amended by striking out "with respect to less than 50 kilograms of marihuana" and inserting in lieu thereof "with respect to less than 50 kilograms of a mixture or substance containing a detectable amount of marihuana";

(b) Section 1010(b)(4) of the Controlled Substances Import and Export Act (21 U.S.C. 960(b)(4)) is amended by striking out "except in the case of 100 or more marihuana plants" and inserting in lieu thereof "except in the case of 50 or more marihuana plants".

SEC. 509. ADDITION OF DRUG CONSPIRACIES AND ATTEMPTS AND SERIOUS CRACK POSSESSION OFFENSES BY JUVENILES AS WARRANTING ADULT PROSECUTION.

Section 5032 of title 18, United States Code, is amended—

(1) in the first undesignated paragraph by striking "an offense described in section 401 of the Controlled Substances Act (21 U.S.C. 841) or sections 1002(a), 1003, 1005, 1009, or 1010(b)(1), (2), or (3) of the Controlled Substances Import and Export Act (21 U.S.C. 952(a), 953, 955, 960(b)(1), (2), or (3)),'' and inserting in lieu thereof "an offense (or conspiracy or attempt to commit an offense) described in section 401, or 404 (insofar as the violation involves more than 5 grams of a mixture or substance which contains cocaine base), of the Controlled Substances Act (21 U.S.C. 841, 844, or 846), section 1002(a), 1003, 1005, 1009, 1010(b)(1), (2), or (3), of the Controlled Substances Import and Export Act (21 U.S.C. 952(a), 953, 955, 959, 960(b)(1), (2), or (3), or 963),"; and

(2) in the fourth undesignated paragraph—

(A) by striking "an offense described in section 401 of the Controlled Substances Act (21 U.S.C. 841), or section 1002(a), 1005, or 1009 of the Controlled Substances Import and Export Act (21 U.S.C. 952(a), 955, 959)" and inserting in lieu thereof "an offense (or a conspiracy or attempt to commit an offense) described in section 401, or 404 (insofar as the violation involves more than 5 grams of a mixture or substance which contains cocaine base), of the Controlled Substances Act (21 U.S.C. 841, 844, or 846), or section 1002(a), 1005, 1009, 1010(b)(1), (2), or (3), of the Controlled Substances Import and Export Act (21 U.S.C. 952(a), 955, 959, 960(b)(1), (2), or (3), or 963)"; and

(B) by striking "subsection (b)(1)(A), (B), or (C), (D), or (e) of section 401 of the Controlled Substances Act, or (e) of section 401 of the Controlled Substances Act, or section 1002(a), 1003, 1009, 1010(b)(1), (2), or (3) of the Controlled Substances Import and Export (21 U.S.C. 952(a), 953, 959, 960(b)(1), (2), (3))" and inserting in lieu thereof "or an offense (or conspiracy or attempt to commit an offense) described in section 401(b)(1)(A), (B), or (C), (d), or (e), or 404 (insofar as the violation involves more than 5 grams of a mixture or substance which contains cocaine base), or the Controlled Substances Act (21 U.S.C. 841(b)(1)(A), (B), or (C), (d), or (e), 844 or 846, or section 1002(a), 1003, 1009, 1010(b)(1), (2), or (3) of the Controlled Substances Import and Export Act (21 U.S.C. 952(a), 953, 959, 960(b)(1), (2), or (3), or 963)".

SEC. 510. SERIOUS DRUG OFFENSES BY JUVENILES AS ARMED CAREER CRIMINAL ACT PREDICATES.

Section 924(e)(2)(A) of title 18, United States Code, is amended—

(1) by striking "or" at the end of clause (i);

(2) by striking "and" at the end of clause (ii) and inserting in lieu thereof "or"; and

(3) by adding at the end the following:

"(iii) any act of juvenile delinquency that if committed by an adult would be a serious drug offense described in this paragraph; and".

SEC. 511. CONFORMING AMENDMENT ADDING CERTAIN DRUG OFFENSES AS REQUIRING FINGERPRINTING AND RECORDS FOR RECIDIVIST JUVENILES.

Sections 5038(d) and (f) of title 18, United States Code, are each amended by striking "or an offense described in sections 841, 952(a), 955, or 959, of title 21," and inserting in lieu thereof "or an offense described in section 401 of the Controlled Substances Act (21 U.S.C. 841), or section 1002(a), 1003, 1005, 1009, 1010(b)(1), (2), or (3) of the Controlled Substances Import and Export Act (21 U.S.C. 952(a), 953, 955, 959, or 960(b)(1), (2), (3)),".

SEC. 512. CLARIFICATION OF NARCOTIC OR OTHER DANGEROUS DRUGS UNDER THE RICO STATUTE.

Section 1961(1) of title 18, United States Code, is amended by striking "narcotic or other dangerous drugs" each place those words appear and inserting in lieu thereof "a controlled substance or listed chemical, as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)".

SEC. 513. CONFORMING AMENDMENTS TO RECIDIVIST PENALTY PROVISIONS OF THE CONTROLLED SUBSTANCE ACT AND THE CONTROLLED SUBSTANCES IMPORT AND EXPORT ACT.

(1) Sections 401(b)(1)(B), (C), and (D) of the Controlled Substances Act (21 U.S.C. 841(b)(1)(B), (C), and (D) and sections 1010(b)(1), (2), and (3) of the Controlled Substances Import and Export Act (21 U.S.C. 960(b)(1), (2), (3)) are each amended in the sentence or sentences beginning "If any person commits" by striking "one or more prior convictions" through "have become final" and inserting in lieu thereof "a prior conviction for a felony drug offense has become final";

(2) Section 1012(b) of the Controlled Substances Import and Export Act (21 U.S.C. 962(b)) is amended by striking "one or more prior convictions of him for a felony under any provision of this subchapter or subchapter I of this chapter or other law of a State, the United States, or a foreign country relating to narcotic drugs, marihuana, or depressant or stimulant drugs, have become final" and inserting in lieu thereof "one or more prior convictions of such person for a felony for a felony drug offense have become final".

(3) Section 401(b)(1)(A) of the Controlled Substances Act (21 U.S.C. 841(b)(1)(A)) is amended by striking the sentence beginning "For purposes of this subparagraph, the term 'felony drug offense' means";

(4) Section 401 of the Controlled Substances Act (21 U.S.C. 841) and section 1010 of the Controlled Substances Import and Export Act (21 U.S.C. 960) are each amended by adding a new subsection (c), as follows:

"(c) For purposes of this title, the term 'felony drug offense' means an offense that is punishable by imprisonment for more than one year under any law of the United States or of a State of foreign country that prohibits or restricts conduct relating to narcotic drugs, marihuana, or depressant or stimulant substances."; and

(5) Section 1010(b)(1) of the Controlled Substances Import and Export Act (21 U.S.C. 960(b)(1)) is amended by adding after the sentence beginning "If any person commits" the following: "If any person commits a violation of this paragraph or of section 418, 419, or 420 of the Controlled Substances Act after two or more prior convictions for a felony drug offense have become final, such person shall be sentenced to a mandatory term of life imprisonment without release and fined in accordance with the preceding sentence.".

SEC. 514. ELIMINATION OF OUTMODED LANGUAGE RELATING TO PAROLE.

(a) Sections 401(b)(1)(A) and (B) of the Controlled Substances Act (21 U.S.C. 841(b)(1)(A) and (B)) are each amended by striking "No person sentenced under this subparagraph shall be eligible for parole during the term of imprisonment imposed therein.";

(b) Sections 1010(b)(1) and (2) of the Controlled Substances Import and Export Act (21 U.S.C. 960(b)(1) and (2)) are each amended by striking "No person sentenced under this paragraph shall be eligible for parole during the term of imprisonment imposed therein.";

(c) Section 419(c) of the Controlled Substances Act (21 U.S.C. 860(c)) is amended by striking "; parole" in the heading of such section and by striking "An individual convicted under this section shall not be eligible for parole until the individual has served the mandatory minimum term of imprisonment as provided by this section.";

(d) Section 420(e) of the Controlled Substances Act (21 U.S.C. 861(a)) is amended by striking "; parole" in the heading of such section and by striking "An individual convicted under this section of an offense for which a mandatory minimum term of imprisonment is applicable shall not be eligible for parole under section 4202 of title 18 until the individual has served the mandatory term of imprisonment as enhanced by this section.".

SEC. 515. CONFORMING AMENDMENT TO PROVISION PUNISHING A SECOND OFFENSE OF DISTRIBUTING DRUGS TO A MINOR.

Section 418(b) of the Controlled Substances Act (21 U.S.C. 859(b)) is amended by striking "one year" and inserting in lieu thereof "three years".

SEC. 516. CONDITIONAL WAIVER OF FOUR-YEAR LIMITATION FOR EFFECTIVE BJA PROJECTS.

Section 504 of part D of title I of the Omnibus Crime Control and Safe Streets Act of 1986 (42 U.S.C. 3754), as amended by Public Law 100-690, is amended by adding the following section (g)—

"(g)(1) States may request a waiver from the four-year limitation in paragraph (f) of this subsection. The request for a waiver must include—

"(A) a full evaluation report of the program or project activities to date;

"(B) an assurance that non-Federal funds are insufficient to continue the program or project without continued Federal support; and

"(C) a plan for funding the program or project without Federal support after the sixth year.

"(2) The Director may waive the four-year limitation if he finds that continued funding of the program or project beyond the fourth year promotes the purposes of the grant program as described in section 501. Notwithstanding Federal expenditure limitations set forth in paragraph (a) of this section, the Federal share of expenditures for any program or project receiving a waiver shall not exceed—

"(A) 50 percent for the fifth year of the program or project; and

"(B) 25 percent for the sixth year of the program or project.

"No programs or projects may receive waivers beyond the sixth year. Programs or projects covered by the waiver included in the 1991 Justice Assistance Appropriations Act will be considered fifth year programs or projects in Fiscal Year 1992 and sixth year programs or projects in Fiscal Year 1993 for the purposes of this section.".●

By Mr. WIRTH:

S. 1576. A bill to help stop the spread of nuclear weapons by controlling the production of nuclear weapons material; to the Committee on Armed Services.

GLOBAL NUCLEAR WEAPONS MATERIAL CONTROL ACT

Mr. WIRTH. Mr. President. I rise today to introduce a bill that addresses two of the most pressing national security issues facing the United States today—the spread of nuclear weapons to additional nations, and the verification of nuclear arms reductions. Senators BIDEN, PELL, HATFIELD, KENNEDY, LEVIN, and DASCHLE join me as original cosponsors of this important legislation.

The gulf war with Iraq has focused our attention on the critical importance of controlling the proliferation of nuclear weapons, and on the alarming consequences of proliferation. The war has also showed how lacking the current controls are, and how far we still have to go in the effort to prevent proliferation before it happens.

Secretary of State James Baker recently termed the proliferation of weapons of mass destruction "perhaps the greatest security challenge of the 1990's." In response to this challenge, on May 29, 1991, President Bush called on the nations of the Middle East to help curb nuclear proliferation by implementing a verifiable ban on production of plutonium and highly enriched uranium for weapons.

The bill I introduce today would seek to extend the President's non-proliferation initiative to all nations. It calls upon the United States and the Soviet Union to lead the way toward a global ban on production of plutonium and highly enriched uranium for weapons—the essential nuclear weapons materials.

A global, verifiable ban on plutonium and highly enriched uranium production for weapons would strengthen barriers to the spread of nuclear weapons, as they cannot be built without adequate supplies of these materials. Such a ban would prevent nuclear weapons production by nations that do not possess these materials, and would place a cap on stockpiles that already exist.

A U.S.-led effort would increase political pressure on nations on the threshold of obtaining nuclear arsenals, such as India and Pakistan, to place their nuclear facilities under inspection in order to better control the spread of nuclear weapons worldwide. A global ban would also constrain budding nuclear nations like Iraq from obtaining weapons.

While there are important national security benefits to be gained by negotiating a halt in the production of plutonium and highly enriched uranium for weapons, the United States has nothing to lose by pursuing such an agreement.

The United States has already halted its production of these materials for weapons, and the Department of Energy [DOE] announced in February of this year that this halt will continue for the foreseeable future. The United States has not produced highly enriched uranium for weapons since 1964 and stopped making plutonium for weapons in 1988 when the Savannah River reactors shut down, initiating the de facto unilateral moratorium that exists today.

This legislation would help convert the unilateral United States production halt into a verifiable, bilateral agreement that would end Soviet plutonium production for weapons and seek to extend such an agreement to all nations.

For its part, the Soviet Union has openly endorsed a production ban. On April 7, 1989, President Gorbachev announced his decision to cease the production of highly enriched uranium for weapons, and the Soviet Union has since announced its intention to phase out all plutonium production of weapons by the year 2000. On May 12, 1989, Mr. Gorbachev suggested that the superpowers start drafting work on a bilateral agreement on the controlled cessation of the production of all weapons-grade fissionable materials.

A ban on the production of these materials for weapons would create a verifiable basis for the permanent dismantling of nuclear warheads retired by treaty. Although the recently completed START treaty will eliminate thousands of nuclear-armed missiles—and should be applauded for this achievement—it will not eliminate even one nuclear warhead.

This bill would require the Department of Energy to develop a program to explore ways to verifiably dismantle nuclear warheads and to dispose of the

weapons material. The further we go in reducing nuclear arsenals, the more important it will become to control warheads removed from service so that they cannot be redeployed. Dismantling retired warheads would prevent downloaded warheads from being returned to their missiles, and would constrain the Soviet Union from breaking out of arms reduction treaties by making it more difficult to deploy additional nuclear weapons.

I strongly urge my Senate colleagues to support this bill. We must work to prevent further nuclear weapons proliferation, rather than respond to it after the fact. And we must ensure that we reduce our arsenals in a stable and verifiable manner. This bill would greatly aid both of these causes.

By Mr. DOLE (for himself and Mr. MITCHELL):

S.J. Res. 184. A joint resolution designating the month of November 1991 as "National Accessible Housing Month"; to the Committee on the Judiciary.

NATIONAL ACCESSIBLE HOUSING MONTH

Mr. DOLE. Mr. President, 1 year ago today on July 26, 1990, President Bush signed landmark legislation guaranteeing the inclusion of people with disabilities into the mainstream of American society. This law, the Americans With Disabilities Act [ADA], is intended to prevent discrimination in employment, public accommodations, transportation, and telecommunications. Just 1 year prior to the ADA's enactment, Congress passed the Fair Housing Act Amendments, prohibiting discrimination in housing against people with disabilities.

Seventy percent of all Americans will, at some time in their lives, have a temporary or permanent disability. Currently, 32 million Americans are over the age of 65, and many have or will develop vision, hearing, or physical disabilities as part of the natural aging process. Whether a result of aging or of an accident, accessible or barrier-free housing is a major concern for millions of Americans.

As we attempt to integrate Americans with disabilities into our communities, it is essential that we recognize the obstacles our friends and family members with disabilities face on a daily basis. Stairs, narrow doorways, and lack of maneuvering room can render a home completely unaccessible. It is essential to heighten public awareness about the environmental and structural barriers that prevent our neighbors from enjoying active lives in their own homes.

The private and public sectors both play an important role in promoting the full integration of disabled individuals. Programs initiated by the private sector have increased public awareness of accessible housing issues. This type of program is best exemplified by the national public education campaign conducted by the National Easter Seal Society and Century 21 Real Estate Corp.

This program, entitled "Easy Access Housing for Easier Living," answers questions related to barrier-free design and other structural accommodations which allows for reasonable entry and circulation. Unfortunately, some uninformed critics may argue that such accommodations are too burdensome and costly. Yet, those who design and build homes would tell us otherwise.

While I realize that retrofitting existing structures is in some cases very expensive, it is cost effective and easy to design a barrier-free home from the start. Building bridges between those who build and sell homes and those with disabilities who want access to them is essential. This resolution is a step in that direction.

Let's encourage the establishment of other partnerships between the public and private sectors. Please join me in designating the month of November 1991, as National Accessible Housing Month.

Mr. President, I ask unanimous consent that the text of the joint resolution be printed in the RECORD.

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

S.J. RES. 184

Whereas the Congress in the Americans with Disabilities Act of 1990 found that there are 43,000,000 individuals with disabilities in this Nation;

Whereas 70 percent of all Americans will, at some time in their lives, have a temporary or permanent disability that will prevent them from climbing stairs;

Whereas 32,000,000 Americans are currently over age 65 and many other citizens acquire vision, hearing, and physical disabilities as part of the aging process;

Whereas many older Americans who acquire a disability are forced to leave their homes because the homes are no longer accessible to them;

Whereas 1 out of every 3 persons in the United States will need housing that is accessible to the disabled at some point in their lives;

Whereas the need for accessible single-family homes is growing;

Whereas the need for public information and education in the area of accessible single-family homes is increasing;

Whereas this Nation has placed a high priority on integrating Americans with disabilities into our towns and communities;

Whereas the private sector has helped increase public awareness of the need for accessible housing, as exemplified by the national public education campaign conducted by the National Easter Seal Society and Century 21 Real Estate Corporation, entitled "Easy Access Housing for Easier Living"; and

Whereas increased public awareness of the need for accessible housing should prompt the participation of civic leaders, and representatives and officials of State and local governments, in the drive to meet this need: Now, therefore be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of November 1991, is designated as "National Accessible Housing Month". The President is authorized and requested to issue a proclamation calling upon the people of the United States to observe the month with appropriate programs and activities.

ADDITIONAL COSPONSORS

S. 140

At the request of Mr. WIRTH, the names of the Senator from Illinois [Mr. DIXON], the Senator from Minnesota [Mr. DURENBERGER], and the Senator from Virginia [Mr. ROBB], were added as cosponsors of S. 140, a bill to increase Federal payments in lieu of taxes to units of general local government, and for other purposes.

S. 284

At the request of Mr. LIEBERMAN, the name of the Senator from Minnesota [Mr. DURENBERGER], 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. 456

At the request of Ms. MIKULSKI, the name of the Senator from Virginia [Mr. WARNER], was added as a cosponsor of S. 456, a bill to amend chapter 83 of title 5, United States Code, to extend the civil service retirement provisions of such chapter which are applicable to law enforcement officers to inspectors of the Immigration and Naturalization Service, inspectors and canine enforcement officers of the U.S. Customs Service, and revenue officers of the Internal Revenue Service.

S. 474

At the request of Mr. DECONCINI, the name of the Senator from Florida [Mr. GRAHAM], was added as a cosponsor of S. 474, a bill to prohibit sports gambling under State law.

S. 512

At the request of Mr. ADAMS, the name of the Senator from California [Mr. CRANSTON], was added as a cosponsor of S. 512, a bill to authorize an additional $25,000,000 for the National Cancer Institute to conduct certain research on breast cancer, and for other purposes.

S. 544

At the request of Mr. HEFLIN, the name of the Senator from Washington [Mr. GORTON], was added as a cosponsor of S. 544, a bill to amend the Food, Agriculture, Conservation and Trade Act of 1990 to provide protection to animal research facilities from illegal acts, and for other purposes.

S. 651

At the request of Mr. GARN, the name of the Senator from South Dakota [Mr. PRESSLER], was added as a cosponsor of S. 651, a bill to improve the administration of the Federal Deposit Insurance Corporation, and to make technical

amendments to the Federal Deposit Insurance Act, the Federal Home Loan Bank Act and the National Bank Act.

S. 866

At the request of Mr. BREAUX, the names of the Senator from Alabama [Mr. HEFLIN], the Senator from Kentucky [Mr. FORD], and the Senator from Georgia [Mr. FOWLER], were added as cosponsors 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. 872

At the request of Mr. PACKWOOD, his name was added as a cosponsor of S. 872, a bill to amend the Foreign Assistance Act of 1969 to authorize appropriations for fiscal years 1992 and 1993 for the Inter-American Foundation.

S. 878

At the request of Mr. DODD, the name of the Senator from West Virginia [Mr. ROCKEFELLER], was added as a cosponsor of S. 878, a bill to assist in implementing the plan of action adopted by the World Summit for Children, and for other purposes.

S. 881

At the request of Mr. INOUYE, the name of the Senator from Minnesota [Mr. WELLSTONE] was added as a cosponsor of S. 881, a bill to amend title VII of the Public Health Service Act to provide educational support for individuals pursuing graduate degrees in social work, and for other purposes.

S. 1032

At the request of Mr. DANFORTH, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of S. 1032, a bill to amend the Internal Revenue Code of 1986 to stimulate employment in, and to promote revitalization of, economically distressed areas designated as enterprise zones, by providing Federal tax relief for employment and investments, and for other purposes.

S. 1034

At the request of Mr. HOLLINGS, the name of the Senator from Wisconsin [Mr. KASTEN] was added as a cosponsor of S. 1034, a bill to enhance the position of U.S. industry through the application of the results of Federal research and development, and for other purposes.

S. 1156

At the request of Mr. PACKWOOD, the names of the Senator from Oklahoma [Mr. NICKLES] and the Senator from Texas [Mr. BENTSEN] were added as cosponsors of S. 1156, a bill to provide for the protection and management of certain areas on public domain lands managed by the Bureau of Land Management and lands withdrawn from the public domain managed by the Forest Service in the States of California, Oregon, and Washington; to ensure proper conservation of the natural resources of such lands, including enhancement of habitat; to provide assistance to communities and individuals affected by management decisions on such lands; to facilitate the implementation of land management plans for such public domain lands and Federal lands elsewhere; and for other purposes.

S. 1179

At the request of Mr. JOHNSTON, the name of the Senator from Alabama [Mr. HEFLIN] was added as a cosponsor of S. 1179, a bill to stimulate the production of geologic-map information in the United States through the cooperation of Federal, State, and academic participants.

S. 1229

At the request of Mr. MCCAIN, the name of the Senator from Wisconsin [Mr. KASTEN] was added as a cosponsor of S. 1229, a bill to exempt certain small employer purchasing groups from certain requirements of State laws relating to health benefit plans and to amend the Internal Revenue Code of 1986 to equalize tax benefits for self-employed persons participating in such groups.

S. 1243

At the request of Mr. HARKIN, the name of the Senator from Colorado [Mr. WIRTH] was added as a cosponsor of S. 1243, a bill to restrict assistance for Guatemala, and for other purposes.

S. 1261

At the request of Mr. DOLE, the name of the Senator from Oklahoma [Mr. NICKLES] was added as a cosponsor of S. 1261, a bill to amend the Internal Revenue Code of 1986 to repeal the luxury excise tax.

S. 1358

At the request of Mr. GRAHAM, the name of the Senator from Connecticut [Mr. LIEBERMAN] was added as a cosponsor of S. 1358, a bill to amend chapter 17 of title 38, United States Code, to require the Secretary of Veterans Affairs to conduct a hospice care pilot program and to provide certain hospice care services to terminally ill veterans.

S. 1364

At the request of Mr. PRYOR, the name of the Senator from Connecticut [Mr. LIEBERMAN] was added as a cosponsor of S. 1364, a bill to amend the Internal Revenue Code of 1986 to simplify the application of the tax laws with respect to employee benefit plans, and for other purposes.

S. 1383

At the request of Mr. MCCAIN, the name of the Senator from New Jersey [Mr. LAUTENBERG] was added as a cosponsor of S. 1383, a bill to amend title 10, United States Code, to provide for payment under CHAMPUS of certain health care expenses incurred by members and former members of the uniformed services and their dependents who are entitled to retired or retainer pay and who are otherwise ineligible for such payment by reason of their entitlement to benefits under title XVIII of the Social Security Act because of a disability, and for other purposes.

S. 1413

At the request of Mr. KENNEDY, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of S. 1413, a bill to encourage the termination of human rights abuses inside the People's Republic of China and Tibet.

S. 1527

At the request of Mr. LEAHY, the names of the Senator from Michigan [Mr. RIEGLE] and the Senator from North Carolina [Mr. SANFORD] were added as cosponsors of S. 1527, a bill to amend the Agricultural Act of 1949 to establish a price support and production base system for the production of milk and products of milk that will increase producer prices and balance production with consumption of milk and products of milk, to establish a producer board to administer certain export enhancement, diversion and other milk inventory management programs, and to require increased solids content in fluid milk, and for other purposes.

S. 1555

At the request of Mr. RIEGLE, the name of the Senator from Washington [Mr. ADAMS] was added as a cosponsor of S. 1555, a bill to provide for disaster assistance to fruit and vegetable producers, and for other purposes.

SENATE JOINT RESOLUTION 8

At the request of Mr. BURDICK, the names of the Senator from Rhode Island [Mr. CHAFEE] and the Senator from Washington [Mr. GORTON] were added as cosponsors of Senate Joint Resolution 8, a joint resolution to authorize the President to issue a proclamation designating each of the weeks beginning on November 24, 1991, and November 22, 1992, as "National Family Week".

SENATE JOINT RESOLUTION 143

At the request of Mr. RIEGLE, the name of the Senator from Alabama [Mr. SHELBY] was added as a cosponsor of Senate Joint Resolution 143, a joint resolution to designate the week of August 4 through August 10, 1991, as the "International Parental Child Abduction Awareness Week".

SENATE JOINT RESOLUTION 164

At the request of Mr. GORE, the names of the Senator from Kansas [Mr. DOLE], the Senator from Arizona [Mr. DECONCINI], and the Senator from Michigan [Mr. LEVIN] were added as cosponsors of Senate Joint Resolution 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".

SENATE JOINT RESOLUTION 82

At the request of Mr. SMITH, the names of the Senator from Texas [Mr. GRAMM], The Senator from Wyoming

[Mr. SIMPSON], the Senator from South Dakota [Mr. PRESSLER], the Senator from Tennessee [Mr. GORE], the Senator from Oklahoma [Mr. NICKLES], the Senator from Iowa [Mr. HARKIN], the Senator from Georgia [Mr. FOWLER], the Senator from North Carolina [Mr. SANFORD], the Senator from Maryland [Ms. MIKULSKI], the Senator from Louisiana [Mr. BREAUX], and the Senator from Michigan [Mr. LEVIN] were added as cosponsors of Senate Joint Resolution 82, a resolution to establish a Select Committee on POW/MIA Affairs.

AMENDMENTS SUBMITTED

INTERNATIONAL SECURITY AND ECONOMIC COOPERATION ACT

FORD (AND MCCONNELL) AMENDMENT NO. 842

Mr. SARBANES (for Mr. FORD, for himself and Mr. MCCONNELL) proposed an amendmet to the bill (S. 1435) to amend the Foreign Assistance Act of 1961 and the Arms Export Control Act, and related statutory provisions, to authorize economic and security assistance programs for fiscal years 1992 and 1993, and for other purposes, as follows:

On page 163, line 12 through 13, strike "in particular those involving Americans." and insert "such as those of Sister Dianna Ortiz, Michael Devine and Myrna Mack."

KENNEDY AMENDMENT NO. 843

Mr. SARBANES (for Mr. KENNEDY) proposed an amendment to the bill S. 1435, supra, as follows:

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

(a) AUTHORIZATION.—Funds authorized to be appropriated to carry out the provisions of chapter 10 of part I of the Foreign Assistance Act of 1961, that are allocated for programs to assist the victims of apartheid, and necklacing in South Africa and are in excess of amounts allocated for such purposes for fiscal year 1991, may be made available to or through non-governmental organizations for assistance for the victims of apartheid in South Africa, in the health, education, and housing sectors.

(b) CONDITIONS ON THE USE OF FUNDS.—(1) None of the funds authorized under this section shall be transferred to the Government of South Africa, or to parastatals or any other institution financed or controlled by the Government of South Africa.

(2) Nothing in this section shall be construed to affect or limit the tertiary scholarship and bursaries programs.

(c) FUNDING FOR FACILITIES THAT RECEIVE GOVERNMENT SUPPORT.—Notwithstanding any other provision of law, funds authorized by this section may be made available to provide assistance through non-governmental organizations for health, educational, and housing institutions or facilities although such institutions or facilities may be financed or controlled by the Government of South Africa subject to the following conditions:

(1) the President consults with the appropriate Congressional committees and South African organizations representative of the majority population of South Africa prior to making any determination under paragraph (2).

(2) the President determines and so reports to Congress 15 days in advance of the proposed obligation of funds in accordance with section 634A of the Foreign Assistance Act of 1961 that—

(A) the provision of assistance to such entities is necessary in order to achieve the objectives of this section to assist the victims of apartheid; and

(B) the Government of South Africa is continuing to make progress towards dismantling apartheid and establishing a nonracial democracy; and

(3) the assistance is identified as having been provided by the people of the United States.

(d) Beginning on January 1, 1992, and every three months thereafter, the President shall submit to the Chairman of the Committee on Foreign Relations of the Senate and the Speaker of the House of Representatives a report describing the extent and type of assistance provided under this section during the preceding three-month period.

KENNEDY (AND OTHERS) AMENDMENT NO. 844

Mr. SARBANES (for Mr. KENNEDY, for himself, Mr. GRASSLEY, Mr. DECONCINI, Mr. PELL, Mr. CRANSTON, and Mr. BROWN) proposed an amendment to the bill S. 1435, supra, as follows:

At the end of the bill add the following:

SECTION 1. STATEMENT OF PRINCIPLES.

(a) PURPOSE.—It is the purpose of this Act to create principles governing the conduct of industrial cooperation projects of United States nationals in the People's Republic of China and Tibet.

(b) PRINCIPLES.—It is the sense of the Congress that any United States national conducting an industrial cooperation project in the People's Republic of China or Tibet should adhere to the following principles:

(1) Suspend the use of all goods, wares, articles, and merchandise that are mined, produced, or manufactured, in whole or in part, by convict labor or forced labor if there is reason to believe that the material or product is produced or manufactured by forced labor, and refuse to use forced labor in the industrial cooperation project.

(2) Seek to ensure that political or religious views, sex, ethnic or national background, involvement in political activities or nonviolent demonstrations, or association with suspected or known dissidents will not prohibit hiring, lead to harassment, demotion, or dismissal, or in any way affect the status or terms of employment in the industrial cooperation project. The United States national should not discriminate in terms or conditions of employment in the industrial cooperation project against persons with past records of arrests or internal exile for nonviolent protest or membership in unofficial organizations committed to nonviolence.

(3) Ensure that methods of production used in the industrial cooperation project do not pose an unnecessary physical danger to workers and neighboring populations and property and that the industrial cooperation project does not unnecessarily risk harm to the surrounding environment, and consult with community leaders regarding environmental protection with respect to the industrial cooperation project.

(4) Strive to use business enterprises that are not controlled by the People's Republic of China or its authorized agents and departments as potential partners in the industrial cooperation project.

(5) Prohibit any military presence on the premises of the industrial cooperation project.

(6) Undertake to promote freedom of association and assembly among the employees of the United States national. The United States national should protest any infringement by the Chinese Government of these freedoms to the appropriate authorities of that government and to the International Labor Organization, which has an office in Beijing.

(7) Urge the Chinese Government to disclose publicly a complete list of all those individuals arrested since March 1989, to end incommunicado detention and torture, and to provide international observers access to all places of detention in the People's Republic of China and Tibet and to trials of prisoners arrested in connection with the pro-democracy events of April through June of 1989 and the pro-democracy demonstrations which have taken place in Tibet since 1987.

(8) Discourage or undertake to prevent compulsory political indoctrination programs from taking place on the premises of the operations of the industrial cooperation project.

(9) Promote freedom of expression, including the freedom to seek, receive, and impart information and ideas of all kinds, regardless of frontiers, either orally, in writing, or in print, in the form of art, or through any media. To this end, the United States national should raise with appropriate authorities of the Chinese Government concerns about restrictions on importation of foreign publications.

(c) PROMOTION OF PRINCIPLES BY OTHER NATIONS.—The Secretary of State shall forward a copy of the principles set forth in subsection (b) to the member nations of the Organization for Economic Cooperation and Development and encourage them to promote principles similar to these principles.

SEC. 2. REGISTRATION REQUIREMENT.

(a) IN GENERAL.—Each United States national conducting an industrial cooperation project in the People's Republic of China or Tibet shall register with the Secretary of State and indicate whether the United States national agrees to implement the principles set forth in section 1(b). No fee shall be required for registration under this subsection.

(b) EFFECTIVE DATE.—The registration requirement of subsection (a) shall take effect 6 months after the date of the enactment of this Act.

SEC. 3. REPORTING REQUIREMENTS.

(a) REPORT.—Each United States national conducting an industrial cooperation project in the People's Republic of China or Tibet shall report to the Department of State describing the United States national's adherence to the principles. Such national shall submit a completed reporting form furnished by the Department of State. The first report shall be submitted not later than 1 year after the date on which the national registers under section 2 and not later than the end of each 1-year period occurring thereafter.

(b) REVIEW OF REPORT.—The Secretary of State shall review each report submitted under subsection (a) and determine whether the United States national submitting the report is adhering to the principles. The Secretary may request additional information from the United States national and other sources to verify the information submitted.

(c) ANNUAL REPORT.—The Secretary of State shall submit a report to the Congress and to the Secretariat of the Organization for Economic Cooperation and Development describing whether United States nationals operating in China and Tibet have adhered to the principles outlined in Section 2(B). This report shall be submitted not later than 2 years after the date of the enactment of this Act and not later than the end of each 1-year period occurring thereafter.

SEC. 5. ENFORCEMENT OF CURRENT LAW.

(a) IN GENERAL.—Beginning 6 months after the date of enactment of this Act, and every 12 months thereafter, the Secretary of State shall submit with respect to the People's Republic of China and Tibet to the appropriate congressional committees a report describing—

(1) enforcement procedures with respect to the implementation of section 1307 of title 19, United States Code;

(2) steps taken to investigate which goods, wares, articles, or merchandise are mined, produced, or manufactured, in whole or in part, by convict labor or forced labor; and

(3) the results of such investigations.

(b) DEFINITION.—For purposes of this section, the term "appropriate congressional committees" means the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives.

SEC. 6. DEFINITIONS.

For purposes of this Act—

(1) the terms "adhere to the principles", "adhering to the principles" and "adherence to the principles" mean—

(A) agreeing to implement the principles set forth in section 1(b);

(B) implementing those principles by taking good faith measures with respect to each such principle; and

(C) reporting accurately to the Department of State on the measures taken to implement those principles;

(2) the term "industrial cooperation project" refers to a for-profit activity the business operations of which employ more than 25 individuals or have assets greater than $25,000; and

(3) the term "United States national" means—

(A) a citizen or national of the United States or a permanent resident of the United States; and

(B) a corporation, partnership, and other business association organized under the laws of the United States, any State or territory thereof, the District of Columbia, the Commonwealth of Puerto Rico, or the Commonwealth of the Northern Mariana Islands.

GLENN (AND LUGAR) AMENDMENT NO. 845

Mr. SARBANES (for Mr. GLENN, for himself and Mr. LUGAR) proposed an amendment to the bill S. 1435, supra, as follows:

On page 98, after line 19 insert the following:

SEC. 514. NUCLEAR NON-PROLIFERATION REGIMES IN SOUTH ASIA AND OTHER REGIONS.

(a) POLICY.—It is the sense of the Congress that—

(1) the problems of halting international commerce in nuclear-weapons-related technology, of prohibiting the development, acquisition, or use of nuclear weapons, and of responding to the effects of nuclear war are global in nature;

(2) progress toward resolving these problems requires the agreement of all nations to undertake binding, universal, and non-discriminatory commitments to global principles represented by the Nuclear Non-Proliferation Treaty and the safeguards system implemented pursuant to that Treaty by the International Atomic Energy Agency;

(3) the design, negotiation, and development of regional nuclear non-proliferation regimes in South America, the Middle East, South Asia, East Asia, and in other regions can serve the global interest by reinforcing the universal standards and principles of the Nuclear Non-Proliferation Treaty and the safe-guards verification system of that Treaty, as implemented by the International Atomic Energy Agency;

(4) agreements among nations promising not to attack one another's nuclear facilities are useful measures that can contribute to the creation of nuclear non-proliferation regimes;

(5) timely information about the progress of these non-proliferation regimes toward achievement of these global non-proliferation objectives is essential to the Congress in the deliberation, formulation, and oversight of United States nuclear non-proliferation policy; and

(6) the President should pursue a regional negotiated solution to the issue of nuclear non-proliferation in the countries of South Asia, including at least the countries of the People's Republic of China, India, and Pakistan, and the President should seek an accord to be signed by all nuclear weapons states in the Asian region which would prohibit nuclear attacks or the threat to use nuclear weapons by nuclear weapons states on countries in South Asia.

(b) REPORT.—The President shall submit to the Congress in January of 1992 and in January of each year thereafter a report describing the progress made and obstacles encountered in establishing regional nuclear non-proliferation regimes in South America, the Middle East, South Asia, and other regions. Each such report shall include a description of—

(1) any new regional agreements, treaties, or institutions that are created to advance global nuclear non-proliferation objectives;

(2) any new regional verification procedures and sanctions mechanisms to ensure progress toward achieving global nuclear non-proliferation objectives;

(3) any new proposals from countries in these regions to foster the development of regional regimes that promote global nuclear non-proliferation objectives; and

(4) a classified evaluation of any evidence that any nation has engaged in the previous year in activities described in subparagraphs (A) through (D) of section 601(a)(3) of the Nuclear Non-Proliferation Act of 1978 (Public Law 95-242; 92 Stat. 120), or any other nuclear-weapon-related activity described in section 669 or 670 of the Foreign Assistance Act of 1961 (Public Law 87-195, 75 Stat. 42), together with an unclassified summary of this evidence.

(c) LIMITED WAIVER ON PROHIBITION ON ASSISTANCE.—Notwithstanding section 620E(e) of the Foreign Assistance Act of 1961, the President may, until April 1, 1993, provide agricultural commodities or other assistance under the Agricultural Trade Development and Assistance Act of 1954 (Public Law 83-480) or under section 416 of the Agricultural Act of 1949 if the President determines and reports to the Congress that—

(1) it is in the national interests of the United States to do so; and

(2) such assistance would advance the nuclear non-proliferation objectives of the United States.

On page 110, line 21, strike out "September 30, 1994" and insert in lieu thereof "April 1, 1993".

On page 3, after the item relating to section 513, insert the following new item:

Sec. 514. Nuclear non-proliferation regimes in South Asia and other regions.

SIMON (AND OTHERS) AMENDMENT NO. 846

Mr. SARBANES (for Mr. SIMON, for himself, Mr. KENNEDY, Mr. SIMPSON, and Mrs. KASSEBAUM) proposed an amendment to the bill S. 1435, supra, as follows:

On page 195, between lines 18 and 19, insert the following new section:

SEC. 690. INTERNATIONAL RELIEF EFFORTS IN THE HORN OF AFRICA.

(a) FINDINGS.—The Congress finds that—

(1) a massive humanitarian emergency is sweeping across the Horn of Africa today—in Ethiopia, Somalia, and Sudan—where millions of lives are at risk from famine caused by war and civil strife;

(2) refugees are on the move in all directions across the region's borders, searching for peace and relief;

(3) reports from the field indicate that in some cases sufficient food and relief supplies are stockpiled at ports within a few hundred miles of starving refugees; and

(4) the lack of effective international coordination in the field is contributing to this human tragedy, and international diplomacy is failing to break the local political and logistical obstacles to the relief effort.

(b) POLICY.—The Congress—

(1) urges the Secretary General of the United Nations to immediately appoint United Nations field coordinators for each country in the Horn of Africa who can act with the Secretary General's full authority to bring greater coordination to the United Nations and international relief effort and to better mobilize donor contributions; and

(2) urges the President to lend the full support of the United States to all aspects of the relief operation in the Horn of Africa, and to work in support of United Nations and other international and voluntary agencies, in breaking the barriers currently threatening the lives of millions of refugees and others in need.

SIMON (AND KASSEBAUM) AMENDMENT NOS. 847 AND 848

Mr. SARBANES (for Mr. SIMON, for himself and Mrs. KASSEBAUM) proposed two amendments to the bill S. 1435, supra, as follows:

AMENDMENT NO. 847

On page 191, line 21, amend section 687 by adding new subsections (c) and (d) as follows:

(c) Funds authorized by this Act, and funds made available in prior foreign assistance appropriations Acts which were allocated or used for military assistance under chapter 2 of part IV of the Foreign Assistance Act of 1961, may be made available, notwithstanding any provision of law that restricts assistance to countries, to support the members of the economic community of West Africa (ECOWAS) in expanding military involvement in Liberia for the purposes of peacekeeping.

(d) Any exercise of the authority of this section shall be subject to specific amounts provided in advance in an appropriations Act.

AMENDMENT NO. 848

SEC. . Notwithstanding any other provision of law, the President is authorized to provide assistance to Liberia, Ethiopia, and Nicaragua, *Provided*, That the President determines and so certifies to the Committee on Appropriations and the Committee on Foreign Relations of the Senate and the Committee on Appropriations and the Committee on Foreign Affairs of the House of Representatives that the country to which assistance is to be provided has made significant progress toward democratization and that the provision of such assistance will assist that country in making further progress and is otherwise in the national interest of the United States. A separate determination and certification shall be required with respect to each country and for each fiscal year in which such assistance is to be provided.

ROCKEFELLER (AND OTHERS) AMENDMENT NO. 849

Mr. SARBANES (for Mr. ROCKEFELLER), (for himself, Mr. D'AMATO, Mr. BURDICK, Mr. SPECTER, Mr. LEVIN, Mr. JOHNSTON, Mr. CONRAD, Mr. DASCHLE, and Mr. DODD) proposed an amendment to the bill S. 1435, supra, as follows:

At the appropriate place in the bill; insert the following new section:

SEC. 17. USE OF AMERICAN SUBCONTRACTORS IN KUWAIT.

(a)(1) Whereas Kuwait has indicated its intention to award a substantial majority of the contractors (by value) for the rebuilding of its infrastructure and industrial base to United States businesses;

(2) Whereas this Kuwaiti policy is intended to recognize the contribution of the United States and its people to the liberation of Kuwait; and

(3) Whereas the Department of Commerce has developed a policy of strongly encouraging United States businesses awarded contracts for the rebuilding of Kuwait to ensure that the intended benefits of the Kuwaiti policy extend to the awards of subcontractors to United States businesses and the procurement of United States goods and services.

(b) It is the sense of the Senate that—

(1) United States businesses engaged in the rebuilding of Kuwait should, to the maximum extent possible, use United States subcontractors and available United States goods and services; and

(2) the Department of Commerce should monitor and encourage the implementation of this policy.

Mr. ROCKEFELLER. Mr. President, this amendment would express the sense of the Senate that United States businesses engaged in the rebuilding of Kuwait should use United States subcontractors and all available American goods and services.

It is currently estimated, Mr. President, that the reconstruction of Kuwait may generate up to $25 billion in contracts over the next 5 years. We, in the U.S. Congress, should be doing everything possible to ensure that American industry and American workers benefit from this opportunity.

Mr. President, this amendment would take a step in that direction by urging American companies already successful in obtaining contracts in Kuwait to use American subcontractors. This should significantly increase the number of United States companies that will benefit from the reconstruction of Kuwait.

Thus far, the promise of substantial procurement has not been realized. The United States has sold roughly $1.5 billion in goods this year to Kuwait. Even though this figure is nearly twice the annual average before the Iraqi invasion, it is much lower than the popular estimates. Obviously, a sense-of-the-Senate resolution by itself will not make a dramatic change in the situation, but it will make clear our determination that our contractors should be maximizing the benefits to Americans, and that the U.S. Government stands behind that effort.

To use a popular term, this legislation will allow contracts to "trickle down" to the workers of America. The demand for steel girders in new buildings in downtown Kuwait City will mean jobs for steel workers in West Virginia, Indiana, and Pennsylvania, among other States. Demand for new cars can translate into work for the auto parts supplier in Detroit. And the demand for new communications equipment, should result in contracts for the computer chipmaker in Silicon Valley.

By adopting this amendment, we will send a message and demonstrate that the United States is serious in its commitment to make the U.S. worker and U.S. businesses competitive in the world market.

SEYMOUR AMENDMENT NO. 850

Mr. SARBANES (for Mr. SEYMOUR) proposed an amendment to the bill S. 1435, supra, as follows:

On page 88, after line 8, add the following:

(c) supports the unconditional recognition of the State of Israel.

BIDEN (AND GRAHAM) AMENDMENT NO. 851

Mr. SARBANES (for Mr. BIDEN) (for himself and Mr. GRAHAM) proposed an amendment to the bill S. 1435, supra, as follows:

At the end of subchapter add the following new section:

SEC. . RULE-OF-LAW INITIATIVE.

Title III of the Support for East European Democracy (SEED) Act of 1989 is amended by adding at the end thereof the following new section:

"SEC. . RULE-OF-LAW INITIATIVE.

"(a) FINDINGS ON ASSISTANCE FOR LEGAL REFORM.—Congress finds that—

"(1) a major challenge facing SEED Program countries is converting to a legal system protective of the rights and liberties integral to a representative democracy and a thriving market economy;

"(2) accomplishing this comprehensive task efficiently will require sound academic and practical advice;

"(3) the American Bar Association has in the past cooperated successfully with AID in the development and operation of training programs for lawyers and judges in foreign countries;

"(4) the ABA has now undertaken a Central and East European Law Initiative (CEELI) that is mobilizing the Association's considerable resources to provide technical assistance and training in the areas of constitutional law, criminal justice, and judicial reform in SEED Program countries;

"(5) such an undertaking offers a uniquely powerful means of assisting the process of legal reform in SEED Program countries; and

"(6) in recognition of the potential value of the ABA contribution to East European reform, the President has, as a part of a larger Rule-of-Law Initiative, begun to cooperate with and support the ABA's CEELI effort.

"(b) ABA CONTRIBUTION TO RULE-OF-LAW INITIATIVE.—Congress urges the President to continue to cooperate with and support the American Bar Association in its efforts to assist SEED Program countries in establishing the modern legal framework necessary for a transformation to representative democracy and free market economies."

DOLE (AND LEVIN) AMENDMENT NO. 852

Mr. SARBANES (for Mr. DOLE) (for himself and Mr. LEVIN) proposed an amendment to the bill S. 1435, supra, as follows:

It is the sense of the Senate that the Senate:

(1) condemns the attacks by internal security forces and the forces of the Azerbaijani government on innocent children, women, and men in Armenian areas and communities in and around Nagorno-Karabakh and in Armenia;

(2) condemns the indiscriminate use of force, including the shelling of civilian areas, on Armenia's eastern and southern borders;

(3) calls for the end of the blockades and other uses of force and intimidation directed against Armenia and Nagorno-Karabakh, and calls for the withdrawal of forces newly deployed for the purpose of intimidation;

(4) calls for an immediate end to deportations of Armenians from Nagorno-Karabakh and the freedom for all refugees to return to their homes;

(5) calls for dialogue among all parties involved as the only acceptable route to achieving a lasting resolution of the conflict;

(6) Reaffirms the commitment of the United States to the success of democracy and self-determination in the Soviet Union and its various republics; and

(7) expresses its deep concern over acts of retribution or intimidation against those republics which are seeking greater independence.

MACK AMENDMENT NO. 853

Mr. SARBANES (for Mr. MACK) proposed an amendment to the bill S. 1435, supra, as follows:

At the end add the following:

TITLE —INDEX OF ECONOMIC FREEDOM ACT OF 1989

SEC. 1301. SHORT TITLE.

This title may be cited as the "Index of Economic Freedom Act of 1989".

SEC. 1302. CONGRESSIONAL FINDINGS.

The Congress finds that:

(1) Economic growth is a prerequisite for the sustained alleviation and elimination of poverty and its symptoms, including illiteracy, infant mortality, malnutrition, and landlessness.

(2) Economic freedoms are necessary for the poorest members of developing societies to break out of the cycle of poverty, through land ownership, access to credit, and removal of barriers to entrepreneurship.

(3) The United States, in partnership with developing nations, derives mutual benefits from economic freedoms that generate economic growth, increased trade, and investment opportunities.

(4) United States assistance to developing nations should be used to encourage policies that further sustainable economic growth, rather than offset the costly effects of policies which discourage individual initiative, produce capital flight, and subsidize environmentally destructive or wasteful use of resources.

(5) The American offer of assistance to developing nations constitutes a partnership based on mutual benefit, devotion of resources, and commitment to the achievement of policies conducive to the sustainable economic growth necessary for the alleviation of poverty. Development assistance, which is a limited American resource, should be primarily directed to those nations that exhibit the greatest commitment to the partnership for development through policies conducive to economic development.

(6) Economic reforms leading to sustainable economic growth can require short-term assistance for economic sectors where the previous growth-impeding policies which distort the allocation of resources. The United States should work with developing countries to alleviate possible short-term costs associated with economic reform.

(7) To be effective, United States assistance should be accompanied by a policy framework that promotes long-term, self-sustainable economic growth and development.

(8) To gauge a country's progress in providing economic incentives, an Index of Economic Freedom is needed which will gauge a country's progress toward policies conducive to sustainable economic growth.

SEC. 1303. AMENDMENT TO FOREIGN ASSISTANCE ACT OF 1961.

The Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new section:

"SEC. 671. INDEX OF ECONOMIC FREEDOM.—

(a) DEVELOPMENT OF INDEX.—Not later than 6 months after the date of enactment of this Act, the Administrator of the Agency for International Development shall develop, for every country receiving development assistance under chapter 1 of part I of this Act, a system for determining and evaluating the progress being made by each such country to foster and enhance the freedom and opportunity of individuals to participate in the economic growth of their respective countries. Such system shall be referred to as the "Index of Economic Freedom" (hereafter in this section referred to as the "Index"). The Index shall be developed in consultation with such Federal agencies and private organizations as the Administrator deems appropriate.

(b) EXTENSION OF TIME.—The Administrator may extend the date by which the Index is required to be developed by an additional 90 days if he determines that the period specified in subsection (a) for the development of the Index is inadequate.

(c) FACTORS EVALUATED BY THE INDEX.—The Index should take into account such factors as the following and should be able to assess the degree of economic freedom and opportunity in a country:

"(1) PROPERTY RIGHTS.—The extent to which poor or landless individuals are illegally or otherwise artificially constrained from acquiring land or other forms of property or are unable to gain secure legal title to land, the degree to which laws and an independent judiciary protect private property and enforce contracts for individuals against the government, the extent of nationalization of property and the state's power to nationalize private property, and the degree of access of private parties to the judicial system.

"(2) REGULATIONS.—The difficulty and costliness of securing a business license, regulations which inherently favor established business at the expense of newcomers, and limitations on the freedom and ability of citizens to establish businesses or add prohibitive costs or additional risks to maintaining such businesses.

"(3) INFORMAL SECTOR.—The extent to which government policies force economic activity into nominally illegal informal sectors where otherwise legal activities are conducted outside of government regulations and requirements, and the extent to which those policies discourage the development of locally controlled non-governmental institutions.

"(4) WAGE AND PRICE CONTROLS.—The identity of industries or goods which are subject to government mandated wages or prices, the value of goods sold wholesale and retail subject to price controls, the degree to which private farmers are forced to sell produce at government established prices, and the degree to which farmers are not allowed to profit from the real market price of their products.

"(5) TAXATION.—The highest rate of taxation, the income level at which this rate takes effect, the relationship between per-capita income and the level at which the highest rate of taxation takes effect, rate of the value added tax (VAT), the level of taxation on assets, and the rate of monetary inflation.

"(6) TRADE POLICY.—Customs duty rates, quantitative restrictions on imports, import quotas, import prohibitions, foreign exchange availability for those engaged in international trade, export taxes, restrictive export practices, market-distorting export incentives such as subsidies, import licenses, and country-of-origin restrictions.

"(7) RESTRICTIONS ON INVESTMENT AND CAPITAL FLOWS.—Limitations on foreign investment and foreign ownership, limits on repatriation of principal and profits for foreign investors, and restrictions on removal of foreign or domestic capital from the home country.

"(8) SIZE OF STATE SECTOR.—Value of industries owned by the government, percentage of GNP produced by state-owned industries, prohibitions on private economic activities in certain sectors and the value of the state sector assets.

"(9) BANKING.—Degree of government ownership of banking sector, private citizens rights to own and operate banks and citizens' access to private sources of credit.

"(d) REPORT.—Beginning two years after the date of enactment of this section, and every 12 months thereafter the Administrator shall apply the Index to each country which is eligible for "development assistance under chapter 1 of part I of this Act" on that data and, based upon such evaluation, shall submit to the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate a report setting forth the findings of that evaluation. In making that evaluation, the Administrator shall rely, to the maximum extent practicable, on data supplied by private indigenous institutions in less developed countries.

"(e) DETERMINATION OF COUNTRIES ELIGIBLE FOR UNITED STATES SUPPORT.—Beginning two years after the date of enactment of this section, no assistance (except as otherwise provided by this Act) may be provided under chapter 1 of part I of this Act." With respect to a foreign country unless the advisability of furnishing support for that country has been considered in light of the data on that country contained in the latest report submitted under subsection (d).

"(f) USE OF INDEX TO EVALUATE COUNTRIES RECEIVING UNITED STATES ASSISTANCE.—In furnishing development assistance under chapter 1 of part I of this Act, the Administrator shall use the Index to promote improvements in the underlying economic conditions evaluated by the Index while retaining flexibility in designing and implementing development programs and projects. The Administrator shall use the Index as a basis for evaluating the direction of policy changes in less developed countries and as a basis for evaluating specific projects and programs assisted by the Agency for International Development.".

SEC. 1304. ELIGIBILITY OF COUNTRIES FOR FINANCIAL ASSISTANCE FROM CERTAIN INTERNATIONAL INSTITUTIONS.

The Secretary of the Treasury shall direct the United States executive directors to the International Monetary Fund, the International Bank for Reconstruction and Development, the International Development Association, the Inter-American Development Bank, the African Development Bank, the African Development Fund, the Asian Development Bank, and the Asian Development Fund to consider the advisability of opposing the extension of any loan or other financial assistance to countries which the Secretary determines have rated poorly under the latest report submitted under section 671(d) of the Foreign Assistance Act of 1961.

SYMMS AMENDMENT NO. 854

Mr. SARBANES (for Mr. SYMMS) proposed an amendment to the bill S. 1435, supra, as follows:

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

SEC. . POLICY ON DEVELOPING NATION GROWTH.

(a) FINDINGS.—The Congress finds that—

(1) the creation of new employment worldwide is increasingly needed to maintain stability as populations expand;

(2) such job growth in developing nations would open vital new markets for the products and services of the advanced nations; and

(3) private direct investment is needed to bring about growth in the developing nations.

(b) POLICY.—It is the sense of the Congress that—

(1) the United States should urge developing nations to pursue policies conducive to growth through private direct investment;

(2) the United States should urge industrialized nations to avoid erecting trade barriers which could have the effect of restricting imports from developing nations; and

(3) the United States should encourage developing nations to pursue a policy that supports "national treatment" for private direct investors.

CHAFEE (AND KASSEBAUM) AMENDMENT NO. 855

Mr. SARBANES (for Mr. CHAFEE, for himself and Mrs. KASSEBAUM) proposed an amendment to the bill S. 1435, supra, as follows:

The United States Congress understands that all Palestinian schools and universities in the West Bank and Gaza Strip will be opened at an early date, and expresses the hope that they will remain open, and will be respected and regarded by all parties as places of learning.

DECONCINI AMENDMENTS NOS. 856 THROUGH 858

Mr. SARBANES (for Mr. DECONCINI and Mr. PRESSLER) proposed three amendments to the bill S. 1435, supra, as follows:

AMENDMENT NO. 856

On page 142, between lines 3 and 4, add the following:

"(c) INTERIM ACTION.—As an interim step, the United States should consider introducing, during the ongoing negotiations on confidence and security-building measures at the Conference on Security and Cooperation in Europe (CSCE), a proposal regarding the international exchange of information, on an annual basis, on the sale and transfer of major defense equipment, particularly to the Middle East and Persian Gulf region."

AMENDMENT NO. 857

On page 195, between lines 18 and 19, insert the following:

SEC. 690. LIMITED ASSISTANCE FOR ANGOLA.

(a) DEMOCRACY-BUILDING AND OTHER ASSISTANCE.—(1) Beginning with fiscal year 1992, the President shall provide—

(A) nonpartisan election and democracy-building assistance to Angola for support in developing democratic institutions and supporting such institutions; and

(B) assistance for the voluntary relocation and resettlement of refugees, the demobilization and retraining of former military members of UNITA and the armed forces of the Government of Angola, the provision of emergency medical assistance, with a special emphasis on the medical needs of children, and the provision of other appropriate assistance to implement the Estoril peace accords.

(b) SUPERSEDING EXISTING LAW.—Assistance under this section shall be provided without regard to any provision of law which prohibits direct or indirect assistance for Angola.

(c) PROHIBITION.—In the event that the Government of the People's Republic of Angola (PRA) or the National Union for the Total Independence of Angola (UNITA) violates the Peace Accords for Angola, then none of the funds made available under this Act or any other Act may be used for Angola.

(d) DEFINITION.—The term "Estoril peace accords" refers to the document entitled "Fundamental Principles for the Establishment of Peace in Angola", done at Lisbon on May 1, 1991.

At the bottom of page 5, after the item relating to section 689, add the following new item:

Sec. 690. Limited assistance for Angola.

(e) REPORTING REQUIREMENT.—The Secretary of State shall submit a report to Congress on June 1, 1992, and every six months thereafter, providing details of how the authorized funds have been used.

AMENDMENT NO. 858

On page 119, at the end of line six, strike out the quotation marks and the second period, and between lines 6 and 7, add the following:

"(4) the United States Government should channel directly to the Baltic states United States Government technical and humanitarian assistance.

"(5) the United States should maintain direct contacts with the parliaments of Lithuania, Latvia and Estonia as the legitimate, freely elected and democratic representatives of the people of the Baltic States; and

"(6) the United States should seek support for observer status for the Baltic states in the Conference on Security and Cooperation in Europe (CSCE).".

DECONCINI (AND OTHERS) AMENDMENT NO. 859

Mr. SARBANES (for Mr. DECONCINI, for himself, Mr. GORTON, Mr. KOHL, Mr. D'AMATO, Mr. ADAMS, Mr. GORE, Mr. CRAIG, Mr. WIRTH, Mr. GRAHAM, Mr. MOYNIHAN, Mr. MCCAIN, Mr. DASCHLE, Mr. BINGAMAN, Mr. DOMENICI, Mr. CRANSTON, Mr. MURKOWSKI, Mr. LUGAR, and Ms. MIKULSKI) proposed an amendment to the bill S. 1435, supra, as follows:

At the end of the bill, add the following:

TITLE —MICROENTERPRISE DEVELOPMENT ACT OF 1991

SEC. 01. SHORT TITLE.

This title may be cited as the "Microenterprise Development Act of 1991".

SEC. 02. FINDINGS.

The Congress makes the following findings and declarations:

(1) More than a billion people in the developing world are living in poverty, with incomes of less than $370 a year.

(2) According to the World Bank, mortality for children under 5 averaged 121 per thousand for all developing countries.

(3) Nearly 40,000 children die each day from malnutrition and disease.

(4) Poor people themselves can lead the fight against hunger and poverty through the development of self-sustaining microenterprise projects.

(5) Women in poverty generally are less educated, have a larger workload, and have less access to economic opportunity than their male counterparts. Directly aiding women in the developing world has a positive effect on family incomes, child nutrition, and health and education.

(6) microenterprise development offers the opportunity for the poor to play a central role in undertaking strategies for small scale, self-sustaining businesses that can bring them out of poverty.

(7) The World Bank estimates that there are over 400,000,000 self-employed poor in the developing world and projects that, by the year 2020, 95 percent of African workers will be employed in the informal sector.

(8) For many people, lack of credit creates an obstacle to the development of self-sustaining enterprises.

(9) Projects like the Grameen Bank of Bangladesh, the Badan Kredit Kecamatan in Indonesia, and ADEMI in the Dominican Republic have been successful in promoting credit programs that have lent money directly to the poor. Repayment rates in these programs are 95 percent or higher indicating that it is possible to "bank on the poor".

(10) The Agency for International Development has been a leader in small and microenterprise development in the past 20 years.

(11) The Congress earmarked funds for fiscal years 1988, 1989, 1990, and 1991 for microenterprise development activities and has called upon the Agency for International Development to take steps to ensure that its microenterprise activities included a credit component designed to reach the poorest sector of the developing world.

(12) In 1990, the Agency for International Development created the Office of Small and microenterprise Development within the Bureau for Private Enterprise to lead and coordinate the Agency's microenterprise efforts.

(13) In March 1990, the Agency for International Development reported that new spending for microenterprise development was $58,800,000 for 1988 and $83,300,000 for 1989 and that the average loan size for the credit component of the program averaged $329 for 1988 and $387 for 1989. However, less than 10 percent of the spending for the 1988 program, and less than 7 percent of the spending for the 1989 program, was for loans of under $300.

(14) A February 1991 report by the General Accounting Office indicated that data in that March 1990 report was of "questionable validity" and that the Agency for International Development did not have a system to track detailed information concerning its microenterprise credit activities. Furthermore, the General Accounting Office found that none of the three missions that it visited targeted their microenterprise projects specifically to women or to the poorest 20 percent of the population, as recommended by the Congress.

(15) The Agency for International Development has stated its belief that it should have a system established to track this detailed information concerning its microenterprise credit activities during the fiscal year 1992.

(16) The Congress recognizes that provision of credit alone may not be sufficient to generate opportunities for successful microenterprise development and that assistance focused in the areas of institutional development, technical assistance, training, and policy reform may also be appropriate for assisting microenterprise development.

(17) The Agency for International Development has indicated its willingness to explore the idea of holding a series of regional workshops on microenterprise development. The Congress encourages the Agency to include in these workshops opportunities for training Agency personnel and United States and indigenous private and voluntary organizations in activities designed to reach the poorest of the poor.

SEC. 03. PURPOSES.

The purposes of this title are—

(1) to provide for the continuation and expansion of the commitment of the Agency for International Development to microenterprise development;

(2) to increase the amount of assistance going to credit activities designed to reach the poorest sector in developing countries; and

(3) to increase the percentage of such credit that goes to women beneficiaries.

SEC. 04. ASSISTANCE FOR microenterprise DEVELOPMENT.

(a) GENERAL AUTHORITY.—The President, acting through the Administrator of the Agency for International Development, is

authorized to provide assistance for programs of credit and other assistance for microenterprises in developing countries. In addition to providing financial resources for direct credit activities of indigenous financial intermediaries, assistance under this title may include assistance for institutional development of such intermediaries (including assistance to enable private and voluntary organizations to develop the capability to serve as financial intermediaries), technical assistance, training, and policy reform. microenterprise credit and related activities assisted under this title shall be carried out primarily through those indigenous financial intermediaries and private and voluntary organizations that are oriented toward working directly with the poor and women.

(b) ELIGIBILITY CRITERIA FOR FINANCIAL INTERMEDIARIES.—The mission of the Agency for International Development that is responsible for a country receiving assistance under this title shall establish criteria for determining the financial intermediaries that will receive assistance under this title, taking into account the following:

(1) The extent to which the recipients of credit from the intermediary lack collateral.

(2) The extent to which the recipients of credit from the intermediary do not have access to the local formal financial sector.

(3) The extent to which the recipients of credit from the intermediary have relatively limited amounts of fixed assets.

(4) The extent to which the recipients of credit from the intermediary are among the poorest people in the country.

(5) The extent to which interest rates charged by the intermediary on loans reflect the real cost of lending.

(6) The extent to which the intermediary reaches women as recipients of credit.

(7) The extent to which the intermediary is oriented toward working directly with the poor and women.

(c) LOWER TIER FOR POVERTY LENDING ACTIVITIES.—A significant portion of the amount made available each fiscal year to carry out this title shall be used to support direct credit assistance by, and the institutional development of, those financial intermediaries with a primary emphasis on assisting those people living in absolute poverty, especially women.

(d) FOCUS ON WOMEN.—The Office of Small and microenterprise Development in the Agency for International Development shall include in its annual action plans a strategy for increasing the access of women in developing countries to credit and other microenterprise development activities, with the goal of increasing to at least 50 percent the percentage of microenterprise credit that goes to women beneficiaries. This strategy shall be developed in consultation with the Agency's Women in Development Office.

SEC. 05. FUNDING SOURCES.

(a) SOURCES.—Funds to carry out this title shall be derived from the following sources:

(1) Funds available to carry out chapter 1 of part I of the Foreign Assistance Act of 1961 (relating to the functional development assistance accounts).

(2) Funds available to carry out chapter 10 of part I of that Act (relating to the Development Fund for Africa).

(3) Funds available to carry out chapter 4 of part II of that Act (relating to the economic support fund).

(4) Local currency accruing as a result of assistance provided under chapter 1 of part I, chapter 10 of part I, or chapter 4 of part II of that Act.

(5) Local currency proceeds available for use under titles II and III of the Agricultural Trade Development and Assistance Act of 1954 (as amended by section 1512 of the Food, Agriculture, Conservation, and Trade Act of 1990 (Public Law 101-624)).

(6) Local currency which accrues as a result of assistance provided under the Agricultural Trade Development and Assistance Act of 1954 as in effect immediately before the effective date of the amendment made by section 1512 of the Agriculture Development and Trade Act of 1990.

(7) Local currency generated under subsection (b) of this section.

(b) AUTHORITY TO GENERATE LOCAL CURRENCIES.—In order to generate local currencies for use in providing assistance under this title, the President is authorized to use funds made available to carry out chapter 1 of part I, chapter 10 of part I, or chapter 4 of part II of the Foreign Assistance Act of 1961 to provide assistance to the governments of developing countries on a loan basis repayable in local currencies, at a rate of exchange to be negotiated by the President and the foreign government. Such loans shall have a rate of interest and a repayment period determined by the President. Section 122 of the Foreign Assistance Act of 1961 shall not apply with respect to loans pursuant this subsection.

(c) NONAPPLICABILITY OF CERTAIN LAWS.—Local currencies used under this section shall not be subject to the requirements of section 1306 of title 31, United States Code, or other laws governing the use of foreign currencies owned by, owed to, or accruing to the United States.

SEC. 06. FUNDING LEVELS FOR FISCAL YEARS 1992 AND 1993.

(a) MINIMUM LEVEL OF ASSISTANCE.—There are authorized to be appropriated to the Administrator of the Agency for International Development $85,000,000 for fiscal year 1992, and $85,000,000 for fiscal year 1993, for microenterprise assistance pursuant to this title.

(b) ASSISTANCE FOR THE POOREST SECTORS.—

(1) MINIMUM FUNDING LEVEL.—Of the amounts authorized to be appropriated by subsection (a), there are authorized to be appropriated $20,000,000 for fiscal year 1992 and $30,000,000 for fiscal year 1993, to be used to support poverty lending programs.

(c) USE OF LOCAL CURRENCIES.—In order to meet the minimum funding requirements of this section, local currencies described in section 05(a) may be used in lieu of an equivalent amount of dollars.

SEC. 07. MONITORING OF microenterprise ASSISTANCE ACTIVITIES.

The Administrator of the Agency for International Development shall develop a monitoring system to track the performance of the Agency's microenterprise development activities, including their effectiveness in reaching the poor and women in each beneficiary developing country. In developing this system, the Administrator shall consult with the Congress and with appropriate private and voluntary organizations.

SEC. 08. REPORTS TO CONGRESS.

The Administrator of the Agency for International Development shall report to the Congress annually on the Agency's microenterprise development activities, including the Agency's strategy for complying with the minimum funding requirements of subsections (a) and (b) of section 06.

MACK (AND GRAHAM) AMENDMENT NO. 860

Mr. SARBANES (for Mr. MACK, for himself, and Mr. GRAHAM) proposed an amendment to the bill S. 1435, supra, as follows:

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

SEC. . PROHIBITION ON CERTAIN TRANSACTIONS BETWEEN CERTAIN UNITED STATES FIRMS AND CUBA.

The Trading with the Enemy Act is amended by adding at the end thereof the following new section:

"SEC. 44. Notwithstanding any other provision of law, no license may be issued for any transaction described in section 515.559 of title 31, Code of Federal Regulations, as in effect on July 1, 1989, unless a license may be issued for such transaction if such transaction were undertaken by a firm organized under the laws of any of the States of the United States.".

WIRTH AMENDMENT NO. 861

Mr. SARBANES (for Mr. WIRTH) proposed an amendment to the bill S. 1435, supra, as follows:

On page 132, after line 22, add the following new section:

SEC. 630A. PARTNERSHIP IN ESSENTIAL GOVERNMENTAL SERVICES.

(a) POLICY.—It is the sense of the Congress that a program should be developed to make United States Federal employees available on a temporary basis to assist SEED countries in the development of essential governmental and related services. Such a program should seek to meet legitimate needs identified by eligible SEED countries with appropriate United States Government employees whose short-term secondment to a SEED country would not disrupt or interfere with the United States Government services. In-country costs of such a program, such as housing, should be borne by the host country, while the salary of United States Government employees would continue to be paid by the relevant department or agency. Management of such a program should be administered through existing institutions, such as the Citizens Democracy Corps.

(b) AUTHORITY.—The President is authorized to make available, on a volunteer basis and as appropriate, Federal civil service employees of United States Government departments, agencies, and bureaus for temporary duty in SEED countries to assist those countries in the development of essential governmental services.

(c) REPORT.—Not later than 90 days after the date of enactment of this Act, the President shall submit to the Congress a report setting forth a plan to carry out this section.

LEAHY AMENDMENT NO. 862

Mr. SARBANES (for Mr. LEAHY) proposed an amendment to the bill S. 1435, supra, as follows:

On page 162, at the end of line 8, insert a comma and add the following: "and assistance under the Agricultural Trade Development and Assistance Act of 1954".

On page 169, line 7 after "1961", add the following: "or the Agricultural Trade Development and Assistance Act of 1954".

On page 170, line 7, insert after "1961", add the following: "and the Agricultural Trade Development and Assistance Act of 1954".

DODD AMENDMENT NO. 863

Mr. SARBANES (for Mr. DODD) proposed an amendment to the bill S. 1435, supra, as follows:

On page 196, line 6 strike the word "and" and after "Hemisphere" and insert in lieu thereof a comma.

On page 196, line 7, strike the period at the end of the sentence and insert in lieu thereof ", and broad based environmentally sustainable development.".

On page 196, between lines 20 and 21 insert the following:

"(4) the sustainable use of the hemisphere's natural resources and environmental protection.".

On page 197, line 20, strike the period and insert in lieu thereof ", and the sustainable use of natural resources.".

On page 199, line 14, strike the period and insert in lieu thereof ", and will not have an adverse impact on such countries' natural resources.".

On page 210, line 11 after "agencies" insert the following: "and a broad range of interested non-governmental organizations".

On page 211, line 5, after "agencies," insert the following: "a broad range of".

On page 211, line 18, after "Development" insert the following: "and the government of the eligible country,".

On page 213, line 19, after "Development" insert the following: "and the government of the eligible country."

On page 217, line 21 renumber the current "SEC. 774. DEBTOR CONSULTATION." as SEC. 775 and insert the following:

"SEC. 774. ELIGIBLE INVESTMENT ACTIVITIES.

Not later than 180 days after enactment of this title, the Administrator of the Agency for International Development, in consultation with other government agencies and a broad range of interested non-governmental organizations, shall identify activities that use natural resources on a sustainable basis or otherwise practice sound environmental management and promulgate environmental standards to review proposed activities. Such standards shall, among other things, identify, and prohibit the sale of credits in support of specific activities that typically involve significant threats to the environment, natural resources and public health."

HELMS AMENDMENTS NOS. 864 THROUGH 866

Mr. SARBANES (for Mr. HELMS) proposed three amendments to the bill S. 1435, supra, as follows:

AMENDMENT NO. 864

On page 98, after line 19, add the following new section:

SEC. 514. AUDITING OF ACCOUNTS OF INTERNATIONAL ORGANIZATIONS.

(a) UNITED NATIONS ORGANIZATIONS.—It is the sense of Congress that in the case of the United Nations and its affiliated organizations, including the International Atomic Energy Agency, the President should (acting through the United States representative to such organizations), propose and actively seek the establishment by the governing authorities of such organizations of independent, professionally qualified auditors for the purpose of providing a continuing program of selective examinations, review, evaluation, and audits of the programs and activities of such organizations.

(b) MULTILATERAL DEVELOPMENT BANKS.—

(1) IN GENERAL.—It is the sense of Congress that in the case of each of the organizations specified in paragraph (2), the President should, acting through the United States representative to such organizations, propose and actively seek the establishment by the governing authorities of that organization of independent, professionally qualified auditors for the purpose of providing a continuing program of examination, review, and audits of the programs and activities of that organization.

(2) MDB'S SUBJECT TO PARAGRAPH (1).—The organizations to which paragraph (1) applies are the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Multilateral Investment Guarantee Agency, the Inter-American Investment Corporation, the African Development Bank, the Inter-American Development Bank, the African Development Fund, the Asian Development Fund, and the Asian Development Bank.

AMENDMENT NO. 865

On page 98, after line 19, add the following new section:

SEC. 514. REPORTS ON INTERNATIONAL ORGANIZATIONS.

(a) SUBMISSION DATE FOR ANNUAL REPORT.—The annual reports to the Congress under section 2 of the Act of September 21, 1950 (22 U.S.C. 262a), shall be submitted within 9 months after the end of the fiscal year to which they relate.

(b) ANNUAL REPORTS ON VOLUNTARY CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS BY ALL UNITED STATES GOVERNMENT AGENCIES.—

(1) REQUIREMENT FOR REPORTS.—Not later than January 31 each year, the President shall submit a report to the Congress listing all voluntary contributions by the United States Government to international organizations during the preceding fiscal year.

(2) INFORMATION TO BE INCLUDED.—Each such report shall specify the Government agency making the voluntary contribution, the international organization to which the contribution was made, the amount and nature of the contribution, and the purpose for which the contribution was made. Contributions shall be listed on both an agency-by-agency basis and an organization-by-organization basis.

(3) OBLIGATION OF EACH AGENCY.—In order to facilitate the preparation of the report required by paragraph (1), the head of any Government agency that makes a voluntary contribution to any international organization shall report that contribution to the Director of the Office of Management and Budget on a quarterly basis.

(4) DEFINITION.—As used in this subsection, the term "contribution" means any contribution of any kind, including the furnishing of funds or other financial support, services of any kind (including the use of experts or other personnel) or commodities, equipment, supplies, or other material.

AMENDMENT NO. 866

On page 98, after line 19, add the following new section:

SEC. 514. WITHHOLDING OF UNITED STATES PROPORTIONATE SHARE FOR CERTAIN PROGRAMS OF INTERNATIONAL ORGANIZATIONS.

(a) REQUIREMENT TO WITHHOLD.—Funds authorized to be appropriated by this chapter shall not be available for the United States proportionate share for programs for countries or organizations or for projects described in subsection (d). This prohibition applies notwithstanding any provision of law that earmarks funds under this chapter for a particular international organization or program.

(b) USE OF FUNDS WITHHELD.—Funds returned or not made available to programs or projects pursuant to subsection (a) shall remain available until expended for use under this chapter.

(c) OBLIGATIONS.—The President—

(1) shall review, at least annually, the budgets and accounts of all international organizations receiving payments of any funds authorized to be appropriated by this chapter; and

(2) shall report to the appropriate congressional committees the amounts of funds expended by each such organization for programs or projects described in subsection (d) and the amount contributed by the United States to each such organization.

(d) DESIGNATION OF PROGRAMS AND PROJECTS.—Subsection (a) applies with respect to programs for Cuba, Iran, Libya, Iraq, North Korea, Yemen, Syria, or the Palestine Liberation Organization and to projects whose purpose is to provide benefits to the Palestine Liberation Organization or entities associated with it.

BROWN AMENDMENT NO. 867

Mr. SARBANES (for Mr. BROWN) proposed an amendment to the bill S. 1435, supra, as follows:

"(4) PRESIDENTIAL REPORT.—Before announcing his intention to reduce the amount owed to the United States for any country deemed eligible pursuant to chapter 3 of this title, the President shall report to Congress on:

(i) Other efforts undertaken to make possible the repayment of the debt;

(ii) A complete report on that country's financial health, including outstanding loans from other countries;

(iii) The effect of ongoing reforms in that country and their effect upon the balance of trade between it and the United States."

CRAIG AMENDMENT NO. 868

Mr. CRAIG proposed an amendment to the bill S. 1435, supra, as follows:

Strike out Chapters 5 and 7 of title VII, including sections 751, 752, 753, 771, 772, 773, and 774, of this Act.

DIXON (AND OTHERS) AMENDMENT NO. 869

Mr. DIXON (for himself, Mr. BYRD, Mr. BOREN, Mr. D'AMATO, Mr. FORD, Mr. HATFIELD, Mr. HOLLINGS, Mr. SHELBY, Mr. DECONCINI, Mr. KERRY, Mr. ROCKEFELLER, Mr. WELLSTONE, and Ms. MIKULSKI) proposed an amendment to the bill S. 1435, supra, as follows:

On page 88, between lines 13 and 14, insert the following new section:

SEC. . REQUIREMENT REGARDING TRANSMITTAL OF MEMORANDA OF UNDERSTANDING.

Section 36 of the Arms Export Control Act is amended by adding at the end thereof the following new subsection:

"(e) Notwithstanding any other provision of this section, no Presidential certification under subsection (b), (c), or (d) shall be deemed to have been received by the Congress, for purposes of any such subsection, if the certification is made with respect to a sale, export, or agreement required by a

memorandum of understanding (MOU) between the United States and a foreign government for the coproduction or codevelopment of major defense equipment, unless the President, before such MOU entered into force with respect to the United States, transmitted the text of such MOU and any related documents (including exchanges of letters between the governments) to the Speaker of the House of Representatives and the President pro tempore of the Senate.".

McCAIN (AND DECONCINI) AMENDMENT NO. 870

Mr. McCAIN (for himself and Mr. DECONCINI) proposed an amendment to the bill S. 1435, supra, as follows:

At the appropriate place add a new title as follows:

SECTION 1. SHORT TITLE.

This Act may be cited as the "United States-Mexico Border Environmental Protection Act".

SEC. 2. PURPOSE.

It is the purpose of this Act to provide for the protection of the environment within the area comprising the border region between the United States and the Republic of Mexico, as defined by the 1983 Border Environment Agreement between the United States and Mexico.

SEC. 3. FUND.

(a) ESTABLISHMENT OF FUND.—There is established in the Treasury of the United States the "United States-Mexico Border Environmental Protection Fund" (hereinafter referred to as the "Fund"). The Fund shall consist of such amounts as may be appropriated or transferred to the Fund. No moneys in the Fund shall be available for obligation or expenditure except pursuant to an environmental emergency declaration pursuant to section 4.

(b) PURPOSE OF THE FUND.—The Fund shall be readily available for use by the Administrator of the Environmental Protection Agency (hereinafter referred to as the "Administrator") to investigate and respond to conditions which the Administrator determines present a substantial threat to the land, air, or water resources of the area comprising the border region of the United States and the Republic of Mexico.

(c) USES OF FUND.—(1) Moneys in the Fund shall be available, without fiscal year limitation, for use by the Administrator in carrying out field investigations and remediation of any environmental emergency declared by the Administrator under this Act.

(2) In carrying out his authority under this Act, the Administrator is authorized to expend moneys in the Fund directly or make such moneys available through grants or contracts.

(3) Moneys in the Fund shall be available for use by the Administrator for cost-sharing programs with the Republic of Mexico, any of the States of Arizona, California, New Mexico, or Texas, any political subdivision of any such State, federally recognized Indian tribes, or any other appropriate entity, for use in carrying out field investigations and remediation actions pursuant to this Act.

SEC. 4. DECLARATION OF ENVIRONMENTAL EMERGENCY.

(a) DETERMINATION BY ADMINISTRATOR.—The Administrator, whenever he determines conditions exist which present a substantial threat to the land, air, or water resources of the area comprising the border region of the United States and the Republic of Mexico, may declare the existence of an enviromental emergency in such region. In no case shall the Administrator declare a condition an emergency under this section if such condition is specifically within the sole jurisdiction of the International Boundary and Water Commission.

(b) PETITION OF GOVERNOR.—In addition to the authority under subsection (a), the Administrator, upon the petition of the Governor of the State of Arizona, California, New Mexico, or Texas, or the governing body of a Federally recognized Indian Tribe, may declare, the existence of an environmental emergency in such region. In no case shall the Administrator declare a condition an emergency under this Section if such condition is specifically within the sole jurisdiction of the International Boundary * * *.

SEC. 5. INFORMATION SHARING.

The Administrator, in cooperation with the Secretary of State, the Governors of the States of Arizona, California, New Mexico, and Texas,* * * and the Republic of Mexico, is authorized to establish a system for information sharing and for early warning to the United States, each of the several States and political subdivisions thereof, and Indian tribes, of environmental problems affecting the border region of the United States and the Republic of Mexico.

The Administrator shall integrate systems and procedures authorized by this section into any existing systems and procedures established to provide information sharing and early warning regarding environmental problems affecting the border region of the United States and Mexico.

SEC. 6. REPORT TO CONGRESS.

The Administrator, after consultation with the Secretary of State, the Republic of Mexico, the Governors of the States of Arizona, California, New Mexico, and Texas, and the tribal governments of appropriate Indian tribes, shall submit an annual report to the Congress on the use of the Fund during the calendar year preceding the calendar year in which such report is filed, and the status of the environmental quality of the area comprising the border region of the United States and the Republic of Mexico.

The Administrator shall publish the availability of the report in the Federal Register, along with a brief summary.

SEC. 7. ADVISORY COMMITTEE.

(a) ESTABLISHMENT.—The Administrator shall establish a United States-Mexico Border Environmental Protection Advisory Committee (hereinafter referred to as the "Advisory Committee").

(b) FUNCTIONS.—It shall be the functions of the Advisory Committee to—

(1) monitor and study environmental conditions within the border region of the United States and the Republic of Mexico;

(2) plan and make recommendations for ongoing environmental protection within such border region; and

(3) carry out such other functions as the Administrator may prescribe.

(c) COMPOSITION OF ADVISORY COMMITTEE.—The Advisory Committee shall consist of such number as the Administrator shall appoint. At least 2 of the members shall be from business, 2 from non-Government organizations, and 5 from State local or tribal governments. The term of each member shall be for a period of not more than 5 years, specified by the Administrator at the time of appointment. Before filling a position on the Advisory Committee, the Administrator shall publish a notice in the Federal Register soliciting nominations for membership on the Advisory Committee.

(d) MEETINGS AND REPORTS.—The Advisory Committee shall meet at least on a quarterly basis, and report to the President and Congress not less than annually, on the state of the border region between the United States and the Republic of Mexico, together with the recommendations of the Advisory Committee, if any. The initial report shall be submitted within 12 months following the date of the enactment of this Act.

(e) COMPENSATION.—Members of the Advisory Committee shall serve without compensation. When serving away from home or regular place of business, a member may be allowed travel expenses, including per diem in lieu of subsistence as authorized by section 5703 of title 5, United States Code, for individuals employed intermittently in the Government service.

SEC. 8. INTERNATIONAL AGREEMENTS.

(a) AUTHORITY.—The Secretary of State, acting through the United States Commissioner, International Boundary and Water Commission, United States and Mexico (hereafter "United States Commissioner") is authorized to conclude agreements with the appropriate representative of the Ministry of Foreign Relations of Mexico for the purpose of correcting border sanitation problems in international streams that cross the international boundary between the United States and the Republic of Mexico, caused by the discharge of untreated or inadequately treated sewage into such streams.

(b) RECOMMENDATIONS.—Agreements concluded under subsection (a) should consist of recommendations to the Governments of the United States and the Republic of Mexico of measures to protect the health and welfare of persons along those international streams that cross the international boundary between the United States and the Republic of Mexico, and should include—

(1) facilities that should be constructed, operated, and maintained in each country;

(2) estimates of the costs of plans, construction, operation, and maintenance of such facilities;

(3) formulas for the division of costs between the United States and the Republic of Mexico; and

(4) time schedule for the construction of facilities and other measures recommended within the agreements authorized by this section.

SEC. 9. JOINT RESPONSES TO SANITATION EMERGENCIES.

(a) CONSTRUCTION OF WORKS.—The Secretary of State, acting through the United States Commissioner, is authorized to conclude agreements with the appropriate representative of the Ministry of Foreign Relations of the Republic of Mexico for the purpose of joint response through the construction of works, repair of existing infrastructure, and other such appropriate measures in the Republic of Mexico and the United States to correct water pollution emergencies in international streams that form or cross the international boundary between the United States and the Republic of Mexico caused by the discharge of untreated or inadequately treated sewage into such streams.

(b) HEALTH AND WELFARE.—Agreements concluded under subsection (a) should consist of recommendations to the Governments of the United States and the Republic of Mexico establishing general response plans to protect the health and welfare of persons along those international streams that form or cross the international boundary between the United States and the Republic of Mexico, and should include, but not be limited to—

(1) description of types of sanitation emergencies requiring response including, but not limited to, sewer line breaks, power interruptions to wastewater handling facilities, components breakdowns to wastewater handling facilities, and accidental discharge of sewage which results in the pollution of streams that form or cross the international boundary;

(2) description of types of response to emergencies including but not limited to, acquisition, use and maintenance of joint response equipment and facilities, small scale construction, including modifications to existing infrastructure and temporary works, and the installation of emergency and standby power facilities;

(3) formulas for distribution of costs of response to emergencies under this section on a case-by-case basis; and

(4) requirements for defining the beginning and end of an emergency.

SEC. 10. CONSTRUCTION; REPAIRS; AND OTHER MEASURES.

(a) WATER POLLUTION EMERGENCIES.—The Secretary of State, acting through the United States commissioner, is authorized to respond through construction, repairs and other measures in the United States to correct sanitation emergencies in international streams that form or cross the international boundary between the United States and the Republic of Mexico, caused by the accidental discharge of untreated or inadequately treated sewage into such streams.

(b) CONSULTATION.—In responding to emergencies the Secretary of State shall consult and cooperate with the Administrator, affected States, counties, municipalities, Indian tribes, the Republic of Mexico, and other affected parties.

SEC. 11. BINATIONAL ADVISORY COMMITTEE.

The Administrator in cooperation with the Secretary of State, is authorized to enter into an agreement or other arrangement with the Republic of Mexico to establish an Advisory Committee comprised of members from the Republic of Mexico and the United States.

"(a) FUNCTIONS OF THE BINATIONAL ADVISORY COMMITTEE.—It shall be the functions of the Binational Advisory Committee to (1) assist EPA and SEDUE in the monitoring and study of environmental conditions within the border region of the United States and Mexico; (2) plan and make recommendations to EPA and SEDUE for ongoing environmental protection within such border region; and (3) carry out such other functions as EPA and SEDUE may prescribe."

"(b) COMPOSITION OF UNITED STATES DELEGATION TO THE BINATIONAL ADVISORY COMMITTEE.—The United States Delegation shall consist of such number as the Administrator shall appoint. At least two of the members shall be from business, two from non-government organizations, and five from State or local governments. The term of each member shall be for a period of not more than five years, specified by the Administrator at the time of appointment. Before filling a position on the Advisory Committee, the Administrator shall publish a notice in the Federal Register soliciting nominations for membership on the U.S. Advisory Committee."

"(c) MEETING AND REPORTING REQUIREMENTS.—Reporting and meeting requirements of the Binational Advisory Commission will be established by the members.

SEC. 12. TRANSFER OF FUNDS.

(a) TRANSFER AUTHORITY.—The Secretary of State, acting through the United States Commissioner, is authorized to include as part of the agreements authorized by sections 8, 9, and 10 of this Act, the necessary arrangements to administer the transfer to another country of funds assigned to one country and obtained from Federal or non-Federal governmental or nongovernmental sources.

(b) COST-SHARING AGREEMENTS.—No funds of the United States shall be expended in the Republic of Mexico for emergency investigation or remediation pursuant to section 8, 9, or 10 of this Act absent a cost-sharing agreement between the United States and the Republic of Mexico unless the Secretary of State has determined and can demonstrate that the expenditure of such funds in the Republic of Mexico would be cost-effective and in the interest of the United States. In cases where funds of the United States are expended in the Republic of Mexico without a cost-sharing agreement, the Secretary of State shall submit a report to the appropriate committees of Congress explaining why costs were not shared between the United States and the Republic of Mexico, and why the expenditure of such funds without cost-sharing was in the national interest of the United States.

(c) ESTABLISHMENT OF FUND.—(1) There is established in the Treasury of the United States the United States International Boundary and Water Commission Fund (hereinafter referred to as the "Commission Fund"). The Commission Fund shall consist of such amounts as may be appropriated or transferred to the Commission Fund.

(2) Moneys in the Commission Fund shall be available, without fiscal year limitation, for use by the Secretary of State in carrying out the provisions of sections 8, 9, 10, 11, and 12 of this Act.

(3) In carrying out the purposes of sections 8, 9, 10, 11, and 12 of this Act, the Secretary of State is authorized to expend moneys in the Commission Fund directly or make such moneys available to fulfill the purposes of any such section through grants or contracts.

SEC. 13. AUTHORIZATION.

(a) AUTHORIZATION FOR THE FUND.—There is authorized to be appropriated to the Fund $10,000,000, for use in accordance with the purposes of this Act.

(b) AUTHORIZATION FOR ADVISORY COMMITTEE.—There is authorized to be appropriated to the Administrator $500,000 for support and operation of the Advisory Committee.

(c) AUTHORIZATION FOR INTERNATIONAL BOUNDARY AND WATER COMMISSION FUND.—There is authorized to be appropriated to the International Boundary and Water Commission Fund $5,000,000 for carrying out sections 8, 9, 10, 11, and 12 of this Act.

(d) AVAILABILITY OF FUNDS.—All amounts appropriated pursuant to this Act shall remain available until expended.

SEC. 14. DISCLAIMER.

Nothing in this Act shall be construed as amending, repealing or otherwise modifying any provision of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, the Superfund Amendments and Reauthorization Act of 1986, or any other environmental law treaty or international agreement of the United States.

CRANSTON AMENDMENT NO. 871

Mr. CRANSTON proposed an amendment to the bill S. 1435, supra, as follows:

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

(a) The Congress finds that—

(1) one of the most important changes that must occur in newly emerging democracies is that a Nation's military and other security forces are fully under the control of civilian authority;

(2) the success and prestige of the United States Armed Forces and those of many other democracies have been immeasurably advanced by their unquestioned subordination to civilian political authority and their strict adherence to a mission of national defense of territory and sovereignty;

(3) the American model has an important array of lessons in the proper management of civil-military relations, such as—

(A) the clear and unequivocal direction provided by civilian political leaders of the military structure and forces; and

(B) the control of the military budget by Congress provides essential oversight by elected officials responsible to the people;

(C) the existence of close interaction and contact between civilians and military, and between the four services, throughout the command and control structure;

(D) civilian-run nongovernmental agencies help inform and shape defense policy; and

(E) the United States military, which has no internal law enforcement functions except in extreme and unusual circumstances, has, therefore, remained at the margins of partisan politics;

(4) in many emerging democracies the corps of civilian managers that forms an integral part of military management in the United States does not exist, particularly within the parliaments or congresses of these new democracies;

(5) the lack of continuity in democratic political institutions can mean a loss of historical memory, gaps in technical training, and an absence of personal ties between military officers and civilians which sustain good will in times of crisis.

(b) Recognizing that democraic control over the military cannot be established without empowering civilian managers in defense and security issues and without circumscribing the role of the armed forces to that of national defense functions, it is the purpose of this section to require that, within 120 days of the enactment of this bill, the administration shall provide to the committee a report that—

(1) outlines a program for the training of foreign civilian officials, particularly members of national legislatures or parliaments and their staffs, in the management and administration of military establishments and budgets, and for training these civilian authorities in creating and maintaining effective military judicial systems and military codes of conduct, including the observance of internationally recognized human rights;

(2) this program shall have as its principal objectives (a) the contributing to responsible defense resource management; (b) the fostering of greater respect for and understanding of the principle of civilian control of the military, including the separation of civilian law enforcement and military national defense roles as stated in posse comitatus, and (c) the improvement of military justice systems and procedures in accordance with internationally recognized human rights."

HELMS (AND OTHERS) AMENDMENT NO. 872

Mr. HELMS (for himself, Mr. PACKWOOD, and Mr. NICKLES) proposed an amendment to the bill S. 1435, supra, as follows:

At the appropriate place in the bill, add the following new section:

"SEC. . It is the sense of Congress that no U.S. policy or assistance for Israel may be conditioned upon the denial of the right of Jews to settle anywhere in the area identifiable as Biblical Israel, including Judea and Samaria.".

KASTEN (AND INOUYE) AMENDMENT NO. 873

Mr. KASTEN (for himself and Mr. INOUYE) proposed an amendment to the bill S. 1435, supra, as follows:

On page 234, line 24, add the following new title:

TITLE XIII—MIDDLE EAST ENVIRONMENTAL COOPERATION AND RESTORATION ACT OF 1991

SEC. 1301. SHORT TITLE.

This title may be cited as the "Middle East Environmental Cooperation and Restoration Act of 1991".

SEC. 1302. FINDINGS.

The Congress of the United States finds that—

(1) the Gulf War and the resulting damage to the environment of the Arabian Gulf graphically demonstrates the vulnerability of the natural environment of the Middle East and man's potential for inflicting untold damage on that environment;

(2) interdependence, rather than independence, characterizes the relationship of all parts of the Middle East, the natural environment, and the global community;

(3) environmental quality is an integral component of every nation's national security;

(4) through concerted, cooperative action the peoples of the Middle East can reverse the damage to their natural environment;

(5) regional cooperation is essential to the management, restoration and maintenance of the environment of the Middle East;

(6) the problems associated with environmental degradation affect all countries of the Middle East regardless of national income, religious orientation or political persuasion;

(7) environmental protection and stewardship of the earth is compatible with the major religious traditions of the peoples of the region;

(8) the President of the United States was correct in declaring before Congress on March 6, 1991 that regional cooperation will stand in the future as a central pillar of United States foreign policy in the Middle East; and

(9) there is an urgent need for the countries of the Middle East, in cooperation with the United States and other concerned parties, to address through enlightened action, the environmental problems of the region.

SEC. 1303. ESTABLISHMENT OF THE MIDDLE EAST ENVIRONMENTAL DEFENSE NETWORK.

(b) ESTABLISHMENT.—The President shall establish and direct, through the Agency for International Development, a program to be known as the "Middle East Environmental Defense Network" (hereafter in this title referred to as "Project EDEN").

(c) PURPOSE.—The purposes of Project EDEN are as follows:

(1) To develop a Middle East Regional Environmental Protection Plan.

(2) To assess the environmental problems affecting all Middle East states.

(3) To seek and advance ways in which all Middle East states can work cooperatively to ameliorate natural resource and environmental degradation.

(4) To promote national and, wherever appropriate, cross-boundary natural resource and environmental restoration and maintenance activities.

(5) To develop and disseminate educational programs to promote regional understanding and cooperation in all areas of environmental protection.

(6) To undertake and encourage both public and private initiatives to improve the quality, quantity, and management of natural resources and the environment through initiatives such as regional planning, joint infrastructure investment, water conservation, water quality management, air quality management, solid waste management, desalinization, reforestation, energy efficiency, and renewable energy utilization.

(7) To provide a framework for new interstate structures, institutions, and relationships which might be developed to further environmental and natural resource management in the Middle East region.

(8) To undertake and encourage the safe handling, minimization, substitution, and cleanup of hazardous substances as well as the restoration of degraded desert and marine ecosystems between regional states.

(9) To conserve, protect, manage, restore, maintain and promote the historical, cultural, social, archaeological, and geophysical resources and heritages of the peoples of the Middle East, where possible, within their natural environment.

(10) To conserve, protect, and enhance biodiversity, both in situ and ex situ, and to develop regional programs to advance these ends.

(11) To undertake and encourage the involvement of the private sector, governmental, nongovernmental, bilateral and multilateral organizations and entities in all aspects of environmental protection and rehabilitation.

(12) To promote environment-related technology transfer as well as identify new technologies which might contribute to environmental protection, management, restoration, and maintenance.

(13) To initiate and guide mutually beneficial environmental research and development projects between various Middle East countries.

(14) To research, investigate, document, and mitigate, wherever possible, the adverse effects on the public health and general welfare of environmental degradation.

(d) FUNDING.—(1) There are authorized to be appropriated to the President $10,000,000 for fiscal year 1992 and each fiscal year thereafter for United States participation in Project EDEN. The President may seek reimbursement for United States expenses associated with Project EDEN by the Conference as established in Sec. 1306.

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

SEC. 1304. ENVIRONMENTAL PLANNING COUNCIL.

(a) ESTABLISHMENT.—There is established an interagency Environmental Planning Council (hereafter in this title referred to as the "Planning Council").

(b) COMPOSITION.—The Planning Council shall be composed of 9 members, or their designees, as follows:

(1) The Administrator of the Agency for International Development.

(2) The Secretary of State.

(3) The Administrator of the Environmental Protection Agency.

(4) The Administrator of the National Oceanographic and Atmospheric Administration (NOAA).

(5) The Secretary of Agriculture.

(6) The Secretary of the Interior.

(7) The Director of the National Academy of Sciences, Board on Science and Technology in Development (BOSTID).

(8) The Director of the United States Trade and Development Program (TDP).

(9) The Chairman of the Council on Environmental Quality.

(c) ADMINISTRATION.—(1)(A) The Administrator of the Agency for International Development, or his designee, shall serve as Chairman of the Planning Council and shall convene not less than four meetings of the full Planning Council each year.

(B) The Administrator of the Agency for International Development shall provide the Planning Council with a permanent staff, office space and any other support, as required by the Planning Council, from within the Agency for International Development.

(2) The Administrator shall—

(A) enter into contracts, grants, and other financial arrangements, as necessary on behalf of the Planning Council, in accordance with other applicable law, to carry out the work of the Planning Council and the purposes of Project EDEN;

(B) establish, coordinate, and fund a Project EDEN postgraduate fellowship program focused on issues of environmental public policy in the Middle East; and

(C) maintain and coordinate the work of the United States Environmental Center pursuant to section 1309(f) of this Act.

(d) PLANNING COUNCIL RESPONSIBILITIES.—The Planning Council, shall have the following responsibilities:

(1) To prescribe policies and procedures to establish and implement Project EDEN.

(2) To coordinate United States activities in support of Project EDEN with the Permanent Conference on Environmental Security and Cooperation and its Secretariat.

(3) To establish working groups, as necessary, to assist in the carrying out of Planning Council responsibilities and the purposes of Project EDEN.

(4) To prepare an annual 5-year strategic environmental plan for the Middle East which shall be presented to the Secretariat of the Permanent Conference on Environmental Security and Cooperation for annual review and then to the Permanent Conference on Environmental Security and Cooperation for ratification.

(5) To encourage the establishment of Environmental Planning Councils by each member state participating in Project EDEN.

(6) To recommend to the Administrator of the Agency for International Development specific ways to enhance existing bilateral and multilateral programs of the United States established to promote the diffusion of knowledge on regional environmental issues through joint research and development, cooperative exchanges, education, and mutual assistance.

(7) To advise the Administrator on the operation of the United States Environmental Center.

(f) ANNUAL REPORTING REQUIREMENTS.—Not later than June 1 of each year, the Administrator of the Agency for International Development shall submit a report to the Committees on Appropriations of the Senate and House of Representatives and the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives, on the work and future agenda of Project EDEN, including—

(1) an evaluation of the progress Project EDEN is making to environmental management in the Middle East;

(2) a timetable, a budget, and an action plan for the execution of Project EDEN initiatives during the coming fiscal year; and

(3) a detailed accounting of the operating expenses of the Planning Council, the Permanent Conference on Environmental Security and Cooperation in the Middle East, and the Secretariat of the Conference.

SEC. 1305. ACTIONS OF THE PRESIDENT OF THE UNITED STATES.

The President is authorized to enter into negotiations and agreements with governments of Middle East for the purpose of concluding, by September 1, 1992, an international agreement establishing a Permanent Conference on Environmental Security and Cooperation, a Conference Secretariat, a Middle East Regional Environmental Fund, and Middle East Environmental Centers.

SEC. 1306. THE PERMANENT CONFERENCE ON ENVIRONMENTAL SECURITY AND COOPERATION.

(a) ESTABLISHMENT.—The President is authorized to enter into agreements with the governments of countries described in subsection (b) on the establishment of a Permanent Conference on Environmental Security and Cooperation in the Middle East (hereafter in this title referred to as the "Conference"), by September 1, 1992.

(b) COMPOSITION.—The countries referred to in subsection (a) are those countries designated by the United States Agency for International Development as Middle East and North Africa or which choose to participate in Project EDEN.

(c) RESPONSIBILITIES AND OBJECTIVES.—The Conference should have the following responsibilities and objectives:

(1) To carry out the purposes of Project EDEN.

(2) To serve as the focus for substantive interaction on environmental matters among Project EDEN member states.

(3) To provide regional leadership in the advancement of new ideas for environmental management.

(4) To approve by a majority vote the annual operating budgets of the Conference and the Secretariat.

(5) To establish the Middle East Regional Environmental Fund.

(6) To approve by a majority vote of the members the projects to be funded from the income derived from the Middle East Regional Environmental Fund.

(7) To maintain a corpus within the Middle East Regional Environmental Fund of not less than the equivalent of $100,000,000 in United States dollars.

(8) To solicit from donor countries, multilateral institutions, private entities, the United Nations Iraq reparations account and other sources, initial funding and subsequent capital increases for the Middle East Regional Environmental Fund.

(9) To promote the maximum exchange of information and research data on the state of the environment in the Middle East.

(10) To involve and solicit the views of nongovernmental organizations.

(11) To coordinate the work of the national Planning Councils.

(12) To hold an annual meeting of Conference members.

(13) To approve and amend operating procedures for the Conference.

SEC. 1307. SECRETARIAT TO THE PERMANENT CONFERENCE ON ENVIRONMENTAL SECURITY AND COOPERATION.

(a) ESTABLISHMENT.—The President is authorized to enter into an agreement with foreign governments on the establishment of a Secretariat to the Permanent Conference on Environmental Security and Cooperation in the Middle East (hereafter in this title referred to as the "Secretariat"), by September 1, 1992. Such agreement should provide for the United States to serve as permanent head of the Conference Secretariat.

(b) RESPONSIBILITIES.—An agreement negotiated under subsection (a) should provide for the Conference Secretariat to—

(1) devise and recommend changes to the operating procedures of the Conference;

(2) manage the regular affairs of the Conference;

(3) establish the work plan for the Conference, including project solicitation, project development, project evaluation, preparation of an annual budget for the review and approval of the Conference, and the obligation and expenditure of funds;

(4) prepare an annual operating budget and a 5-year strategic plan for the Conference;

(5) exercise full oversight and accountability over Project EDEN by maintaining full financial disclosure and planning visibility through regular project audits and other mechanisms as may be necessary;

(6) prepare an annual report for the approval of the Conference;

(7) organize an annual public meeting of Conference members;

(8) establish and support scientific committees to study, evaluate, monitor and make scientifically based recommendations to the Conference on problems connected with the purposes of Project EDEN; and

(9) establish working bilateral and multilateral relationships with governmental and nongovernmental financial, development and other institutions.

(c) ROLE OF THE ADMINISTRATOR OF AID.—The Administrator of the Agency for International Development, or his designee, should serve as the permanent chair of the Conference and shall retain the right of veto over Conference decisions and appointments.

(d) COMPOSITION OF THE SECRETARIAT.—The daily operations of the Secretariat of the Conference should be managed by a Director-General with supervisory authority over a full-time professional staff appointed by the Director-General and approved by the Conference.

(e) DIRECTOR-GENERAL.—The position of Director-General should be held for a period not to exceed one 5-year term and should rotate among member states of Project EDEN.

(f) STAFF OF THE SECRETARIAT.—(1) The staff of the Secretariat shall be vested with the same responsibilities, rights and entitlements of civil servants employed by the International Bank for Reconstruction and Development.

(2) The professional staff of the Secretariat should be drawn from Project EDEN member states and should be persons of distinction in the fields of basic sciences, engineering, ocean and environmental sciences, education, research management, international affairs, health physics, health sciences, or social sciences.

(3) The number of full-time professional staff employed by the Conference Secretariat should not exceed 50. The number of clerical staff employed by the Conference Secretariat should be as required to support the work of the professional staff and the Conference.

(g) ANNUAL ENVIRONMENTAL ASSESSMENTS.—The Secretariat of the Conference should prepare and submit to the Conference, no later than May 1 of each year, a report on the state of the Middle East environment including measures indicating the progress, or lack of progress, made by each country in the Middle East in fostering environmental cooperation and in solving and managing the regional environmental issues addressed by Project EDEN.

SEC. 1308. MIDDLE EAST REGIONAL ENVIRONMENTAL FUND.

(a) ESTABLISHMENT.—The President is authorized to enter into agreements with foreign governments on the establishment of a Middle East Regional Environmental Fund (hereafter in this title referred to as the "Fund"), by September 1, 1992.

(b) PURPOSE.—It should be the purpose of the Fund—

(1) to finance Middle East environmental projects having a transnational dimension consistent with the purposes of Project EDEN and which are authorized by the Conference; and

(2) to finance the full operating costs of the Permanent Conference on Environmental Security and the Conference Secretariat.

(c) ORGANIZATION.—The Fund should be established and managed by the Conference Secretariat.

(d) CAPITALIZATION OF FUND.—The Fund shall be capitalized with contributions solicited by the Conference Secretariat from Project EDEN member states and pursuant to the terms of section 1308(f)(2) and section 1308(f)(3) of this Act.

(e) PURPOSES FOR DISBURSEMENT OF FUNDS.—Disbursements from the Fund should be made only for projects conforming to the purposes of Project EDEN and for the administrative costs associated with the work of the Conference and the Secretariat.

(f) AUTHORITY TO INCUR OBLIGATIONS.—Obligations against the Fund should be made by the Secretariat and should be subject to the review and approval of the Conference.

(g) USE OF IRAQI REPARATIONS.—The Secretariat, with the full cooperation and active leadership of the President of the United States, should work through the United Nations to seek 25 percent of any future reparations paid by Iraq for war damages leading to, or resulting from, the Persian Gulf War is applied to the Middle East Regional Environmental Fund and used for environmental remediation, natural resource management, environmental research and environmental education.

(h) ANNUAL CONTRIBUTIONS.—The Secretariat, with the full cooperation and active leadership of the President of the United States should solicit annual contributions to the Middle East Regional Environmental Fund from national and multilateral entities, private donors, individuals and other sources as might be required to carry out the purposes of Project EDEN.

SEC. 1309. MIDDLE EAST ENVIRONMENTAL CENTERS.

(a) ESTABLISHMENT.—The President is authorized to enter into agreements with foreign governments for the establishment, by September 1, 1992, of Middle East Environmental Centers (hereafter in this title referred to as the "Environmental Centers") and an Environmental Data Network, within and between the sovereign member countries of Project EDEN.

(b) COORDINATION.—Coordination of the Environmental Centers should be carried out by and through the Conference Secretariat.

(c) PURPOSES.—The purpose of each Environmental Center would be to serve as a national focal point for regional environmental cooperation and the national support of environmental initiatives through the active fulfillment of the purposes of Project EDEN pursuant to section 1305(c) of this Act. The responsibilities of the Environmental Centers also should be, among others—

(1) to support and assist national environment ministries and regional environmental organizations and initiatives;

(2) to establish and maintain the Project EDEN Environmental Data Network through regional cooperation;

(3) to direct innovative environmental research and sustainable development initiatives;

(4) to establish and maintain a broad-based, active, and integrated early warning system for irregular or threatening interstate ecological, geophysical, biological, atmospheric, or maritime hazards;

(5) to serve as a crisis management coordination, communication, and information network between sovereign countries participating in Project EDEN, international organizations, and others;

(6) to establish and maintain a comprehensive inventory database of all significant biological, geophysical, historical and cultural resources on national lands to be freely available for public study and global dissemination; and

(7) to establish and maintain a water research authority to—

(A) monitor national water supplies;

(B) support study into more efficient means of water allocation, distribution and utilization;

(C) promote water conservation;

(D) study the environmental and social effects of water engineering projects;

(E) study the environmental and social effects of development projects on local and regional water availability;

(F) recommend new approaches toward managing or resolving local and regional water disputes; and

(G) contribute to the making of sound national water policies.

(d) ENVIRONMENTAL DATA NETWORK FOR THE MIDDLE EAST.—The Secretariat, in coordination with the permanent Conference Chair, shall establish the Project EDEN Environmental Data Network (hereafter in this title referred to as the "Data Network").

(e) RESPONSIBILITIES.—The purpose of the Data Network would be—

(1) to support the work of Project EDEN and the Middle East Environmental Centers in which it will be housed;

(2) to provide for a voice and data link between all participating Middle East, associated states, international agencies and entities, educational institutions and private organizations in Project EDEN.

(3) to serve as a means for providing real-time communications and dissemination of information on actual or potential environmental occurrences, hazards, accidents, and crises;

(4) to promote the wide distribution of technical, scientific, and information on environmental resources in the Middle East;

(5) to assist in providing and fostering environmental education and an appreciation for the importance of regional environmental awareness;

(6) to facilitate environmental research, evaluation, and testing; and

(7) to provide on-line access to the Project EDEN environmental data bank.

(f) THE UNITED STATES ENVIRONMENTAL CENTER.—It is the sense of the Congress that the President should establish within the Agency for International Development, an Environmental Center dedicated to the purposes of Project EDEN and linked fully to the Middle East Environmental Centers and the Data Network.

SARBANES (FOR MITCHELL) AMENDMENT NO. 874

Mr. SARBANES (for Mr. MITCHELL) proposed an amendment to the bill S. 1435, supra, as follows:

On page 136, lines 17 and 18, strike "including the Chairman of the United States Delegation" and insert "unless the Speaker determines otherwise".

On page 136, lines 21 and 22, strike "including the Vice Chairman of the United States Delegation" and insert "unless the President of the Senate, upon the recommendation of the Majority and Minority Leaders, determines otherwise".

On page 137, lines 4 and 5, strike "including the Chairman of the United States Delegation" and insert "unless the President of the Senate, upon the recommendation of the Majority and Minority Leaders, determines otherwise".

On page 137, line 11, strike "including the Vice Chairman" and insert "unless the Speaker determines otherwise".

On page 137, beginning on line 14, strike out "the period" and all that follows through "for" on line 17.

On page 137, line 24, strike out "from the Committee on Foreign Affairs" and insert "designated by the Speaker".

On page 138, lines 1 and 2, strike "from the Committee on Foreign Relations" and insert "designated by the President of the Senate, upon the recommendation of the Majority Leader".

On page 138, lines 4 and 5, strike "from the Committee on Foreign Relations" and insert "designated by the President of the Senate, upon the recommendation of the Majority Leader".

On page 138, line 6, strike out "from the Committee on Foreign Affairs" and insert "designated by the Speaker".

On page 138, line 12, strike "Chairman of the Committee on Foreign Affairs" and insert "chairman of the delegation".

On page 138, lines 14 and 15, strike "Chairman of the Committee on Foreign Relations" and insert "chairman of the delegation".

On page 138, line 15, insert at the end thereof the following new sentence: "Each delegation secretary shall be an officer or employee of the Senate or of the House of Representatives, as the case may be.".

KASTEN AMENDMENT NO. 875

Mr. KASTEN proposed an amendment to the bill S. 1435, supra, as follows:

On page 98, after line 19, insert the following new section:

SEC. . AUTHORIZATION ADJUSTMENTS.

In each of fiscal years 1992 and 1993, the amounts authorized by—

(1) section 532(a)(7);

(2) section 504(a)(1)(E); and

(3) section 302(a)(1)(F)

of the Foreign Assistance Act of 1961, shall be deemed to be increased by amounts authorized for, respectively—

(1) section 502(a)(1) through (6);

(2) section 504(a)(1)(A) through (D); and

(3) section 302(a)(1)(A) through (E)

of such Act, and any other provision of law specifying an amount of funds that may be made available for the countries, organizations, or programs identified in such sections shall not apply, if—

(a) the country or organization for which such funds were authorized has significantly reduced its military, economic or political cooperation with the United States, or there has been a fundamental change in circumstances with respect to the program for which funds were authorized, or

(b) the further obligation or expenditure of the funds so authorized becomes impossible by operation of law. Nothing in this section shall render inapplicable to reprogramming provisions of section 634A of the Foreign Assistance Act.

NOTICES OF HEARINGS

SPECIAL COMMITTEE ON AGING

Mr. REID. Mr. President, I would like to announce for the public that the Special Committee on Aging has scheduled a hearing entitled "Forever Young: Music and Aging," which will explore the role of music in the survival of human vitality.

The hearing will take place on Thursday, August 1, 1991, beginning at 10 a.m. in room 216 of the Hart Senate Office Building in Washington, DC.

For further information, please contact Portia Mittelman, staff director at (202) 224-5364.

Mr. COHEN. Mr. President, I would like to announce for the public that the Special Committee on Aging has scheduled a hearing entitled, "Older Women and Employment: Facts and Myths," to examine a variety of issues facing older women, both as they continue to work and as they try to reenter the job market.

The hearing will take place in room 385 of the Russell Senate Office Building in Washington, DC, on Friday, August 2, 1991, beginning at 9:30 a.m.

For further information, please contact Portia Mittelman, staff director at (202) 224-5364.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON HEALTH FOR FAMILIES AND THE UNINSURED

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Subcommittee on Health for Families and the uninsured of the Committee on Finance be authorized to meet during the session of the Senate on July 26, 1991, at 10 a.m. to hold a hearing on Medicaid financing, the maternal and child health block grant, and qualified medicare beneficiary program.

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

SUBCOMMITTEE ON EDUCATION, ARTS, AND HUMANITIES

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Subcommittee on Education, Arts and Humanities of the Committee on Labor and Human Resources be authorized to meet during the session of the Senate on Friday, July 26, 1991, at 9 a.m., for a hearing on "Channel One: Education Television Technology."

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

SUBCOMMITTEE ON ENVIRONMENTAL PROTECTION

Mr. MITCHELL. 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 Friday, July 26, beginning at 10 a.m., to conduct a hearing to consider S. 58, the "National Biological Conservation and Environmental Research Act," which would establish a national policy for the conservation of biological diversity.

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

SUBCOMMITTEE ON DISABILITY POLICY

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Subcommittee on Disability Policy of the Committee on Labor and Human Resources be authorized to meet during the session of the Senate on Friday, July 26, 1991, at 9 a.m., for a field hearing on "Americans with Disabilities Act First Anniversary."

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

SUBCOMMITTEE ON LABOR

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Subcommittee on Labor of the Committee on Labor and Human Resources be authorized to meet during the session of the Senate on Friday, July 26, 1991, at 9:30 a.m., for a hearing on "S. 353, Worker Family Protection Act of 1991."

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

ADDITIONAL STATEMENTS

AESCULAPIUS INTERNATIONAL MEDICINE IN GUATEMALA

• Mr. HARKIN. Mr. President, I wish to bring to the attention of my colleagues and the American people the work of Aesculapius International Medicine on behalf of improved health care in Guatemala.

Aesculapius International Medicine is a private, nonprofit organization which responds to situations throughout the world where the local political or military situation has made it dangerous for health care workers to provide health care. It is my understanding that the work of Aesculapius is nonsectarian, nonpartisan and in accordance with the principles set forth in the Universal Declaration of Human Rights which proclaims health care as a human right.

Mr. President, 30 years of civil conflict and poverty have devastated Guatemala's highland areas where thousands of Indians have disappeared, been killed, or forced to leave their homes. Further, these years of violence have discouraged most governmental humanitarian assistance efforts in the region. This tragic situation means that in most rural areas where 40 percent of indigenous children are malnourished at birth and two of every five children will not live to the age of 5, will not have access to adequate health care.

Mr. President, in light of the aforementioned situation, I believe it is appropriate to recognize the outstanding efforts of Aesculapius International Medicine. I am proud of this group of American health professionals who, at great personal sacrifice, are dedicated to assist the people of Guatemala. I strongly supported a similar project in El Salvador, upon which the Guatemalan project is modeled. I believe that programs, such as Aesculapius International Medicine, which assist people recovering from the ravages of war and enable them to find new hope in life are in the best tradition of our country and deserving of public recognition. The following is a more complete explanation of Aesculapius International Medicine's project in Guatemala.

AESCULAPIUS INTERNATIONAL MEDICINE [AIM]

In 1987, Aesculapius International Medicine [AIM], in conjunction with the Catholic Diocese of Solola, initiated a health care project in the western highlands of Guatemala. The parish of San Pedro La Laguna on Lake Atitlan was chosen as the appropriate site, based upon the lack of adequate existing health care sources. The Aesculapius team provides training and supervision to a network of indigenous Guatemalan health care providers—health promoters—serving four towns—San Pedro, San Pablo, San Marcos, and Tz'ununa—and a rural population of approximately 20,000. Training emphasizes health education, nutrition, and disease prevention, and is directed primarily toward children and women of childbearing years.

The Diocese of Solola includes the departments of Solola, Chimaltenango, and Suchitepequez. The area is one of the few regions in Central America where traditional indigenous language, dress, and customs have been preserved. It has approximately 750,000 inhabitants, of whom 90 percent are indigenous. Most speak one of the three Indian languages—Quiche, Cakchiquel, or Tzutujil. Fluency in Spanish is limited, and literacy even rarer, particularly among women and the elderly. Faming continues to be the major economic activity, with the majority of the population farming coffee, avocados, and onions for exportation, and corn and beans for subsistence. While a wide variety of crops is cultivated for export, the diet of most of the indigenous population is severely limited.

The most significant health problems found in the region include: malnutrition, intestinal parasites, diarrheal diseases, skin infections, alcoholism, anemia, tuberculosis, and other respiratory illnesses. According to local government statistics, the leading causes of death seen at government clinics in Solola include: Intestinal parasites, diarrhea, skin infections, upper respiratory illnesses, and anemia. The government centers do not consider malnutrition as a cause of death. However, Ministry of Education statistics indicate that 80 percent of indigenous children suffer from some degree of malnutrition.

In the western highlands, there is approximately 1 physician for every 85,000 people. When a physician is available, a prescription can often cost a family 10 days wages. The health care services are ill-suited to the reality of the indigenous population, and focus primarily on curative medicine. The Ministry of Health has stated that the small amount of attention directed toward preventative health has caused the rise in hospitalization, without any marked improvement in the general level of health.

The health care model used by Aesculapius, in its Guatemala project, is an adaptation of a model first developed by AIM in El Salvador in early 1984. However, the Aesculapius project in Guatemala distinguishes itself from the Salvador project, and other health promoter training efforts in the region, through its commitment to working almost exclusively with indigenous women. By working with women, maternal, and child health issues can be more directly addressed since it is the women of the region who are the primary care-givers. In traditional indigenous families, women are in charge of areas which greatly affect health, such as daily meal preparation and child care. AIM's work has had a significant effect on the health practices of the indigenous women involved; a recent survey indicates that as many as 80 percent of the household activities, and that 50 percent of those children who entered the project malnourished, have recuperated.

Most existing health projects in Guatemala require Spanish literacy as a prerequisite for training, thereby preventing most indigenous women from participating. Similarly, few programs make an effort to accommodate the unique needs of wives and mothers. For example, by holding training sessions in week-long segments, women are effectively excluded due to daily household and family commitments. Aesclapius has made a conscious decision to avoid these pitfalls.

A byproduct of AIM's emphasis on working with women health promoters is that the project provides indigenous women, a consistently marginalized population, an opportunity for self-advancement.

The role of the Aesculapius team is to develop and train a network of health promoters. Team members are fully trained health professionals, fluent in Spanish, who have made an 18-

month to 2-year commitment, and are unpaid volunteers. They provide training for the health promoters, the mid-level management, and the professional support required to maintain the health promoter network and assist in program development. The Diocese of Solola, the in-country counterpart for the project, introduces the project to the participating communities and ensures the safety of the promoters in an environment often hostile to popular health work.●

1991 GAO SURVEY OF CABLE RATES

● Mr. DANFORTH. Mr. President, Congressman EDWARD MARKEY, the chairman of the House Subcommittee on Telecommunications and Finance, asked the U.S. General Accounting Office [GAO] to conduct a third survey of cable television rates and services in May of this year. Previous GAO surveys were made in response to the chairman's request in August 1989 and June 1990.

We now have the results of GAO's third survey and I want to applaud Chairman MARKEY for his determination and leadership on this important consumer issue. For those of us familiar with the monopolistic practices of cable companies, the results of the GAO survey come as no surprise. The survey provides irrefutable evidence that cable companies continue to act like monopolies, even in the face of threatened legislation, unchecked by competition or regulation.

The study shows that cable rates continue to skyrocket. In the 4 years since deregulation was implemented the average monthly charge for the lowest priced basic cable service increased 56 percent and for the most popular basic cable service 61 percent, while inflation rose less than 18 percent. In the last 15 months alone, the rates for the lowest price basic tier increased 9 percent, yet the average number of channels on that tier decreased. Rates for the most popular basic cable service increased 15 percent, with two fewer channels available. Not only did prices continue to rise in the last year, but those prices bought fewer channels. The survey shows that 66 percent of cable subscribers for the lowest priced tier incurred increases of more than 10 percent in this 15-month period.

The GAO survey also quantifies the widespread retiering undertaken by the cable industry to avoid possible rate regulation. Many legislative proposals would regulate the rates of the tier on which broadcast signals are carried. So what have the cable companies done? In record numbers, they have created two tiers of basic services: One with little more than broadcast signals, and an enhanced basic tier which includes cable's most popular programs like CNN. In this way, only the stripped down basic tier with broadcast signals would be subject to rate regulation under most proposals. The study shows that the number of cable systems offering two or more tiers has more than doubled—from 16.6 to 41.4 percent. Cable will go to any lengths to avoid rate regulation. What unregulated monopolist would not?

Of course, the cable companies don't want consumers to subscribe only to their new lower priced basic tier. So some of the cable systems fail to tell their potential subscribers about the existence of that tier. GAO staff, acting as potential subscribers, randomly called the customer service departments of 30 cable systems to verify information on cable rates and services being offered. Seventeen of the systems called were known to have two or more tiers. But over half did not acknowledge having a lower priced tier, even when asked.

The only way to protect consumers from these kinds of abuses is to encourage competition and to enforce regulation where competition does not exist. The recent FCC proposal would regulate the rates of any cable system that does not compete with at least six over-the-air TV stations in its community. GAO found that this standard would leave 80 percent of all cable subscribers paying unregulated rates. That standard is simply not going to protect the consumer.

S. 12, the Cable Television Consumer Protection Act, which I introduced this Congress, would prevent this kind of unrestrained monopolistic behavior. S. 12 beats the cable industry at its own game. It does not allow cable companies to avoid regulation through retiering. S. 12 imposes real regulation while encouraging real competition.

Chairman MARKEY's outstanding leadership in the House has provided us with overwhelming evidence that the cable industry's greed continues unabashed today. It would be negligent, in the face of this evidence, to fail to act. I urge the Senate to move quickly on S. 12 to address this critical issue for consumers.●

ANNIVERSARY OF THE AMERICANS WITH DISABILITIES ACT

● Mr. ADAMS. Mr. President, today we mark the first anniversary of the signing into law of the Americans With Disabilities Act, a landmark rights bill to ensure that persons with disabilities are treated as equal, productive, and respected citizens of the United States.

No person should be discriminated against on the basis of a physical or mental disability. Disabilities are in-and-of themselves not necessarily limiting; lack of access to or exclusion from transportation, jobs, schools, and other opportunities is the real limitation. The Americans With Disabilities Act safeguards the rights of the disabled to transportation, equal job opportunities, and services that will further allow persons with disabilities to live independent and fulfilling lives.

Many persons with disabilities, through their own initiative and often without the assistance of Government-sponsored programs, have been significant contributors to the fields of science, the arts and humanities, and civic service, most famously, President Franklin Delano Roosevelt. But before the ADA, only those persons with the financial ability could maintain independent and productive lives. The ADA will enable every disabled person to use his or her minds, special talents, and energies to lead productive lives for themselves and for the benefit of us all.

That ADA is also very important for persons with the HIV virus and AIDS. Sadly, persons suffering from this disease are stigmatized and discriminated against in housing, employment, and other activities. The ADA will require persons with AIDS to be treated with the respect and dignity that they deserve as do all Americans.

Today, the administration is publishing the final regulations implementing the provisions concerning public accommodations, state and local governments, and employment. I am troubled by the Equal Employment Opportunity Commission's decision to include a standard that a person with a disability may be deemed unqualified for a job if he or she poses a high probably of substantial harm to himself or herself. The risk to self will have a negative impact in making employers change their attitudes toward and stereotypes of disabled persons.

Now we must make sure that this historic legislation is implemented correctly and that disabled persons know their rights. I will work to make that legislation meaningful for the 43 million disabled Americans.●

● Mr. INOUYE. Mr. President, I rise today to bring to the attention of my colleagues the General Accounting Office 1991 Survey of Cable Television Rates and Services. This report was prepared by GAO at the request of Congressman MARKEY, the chairman of the House Telecommunications and Finance Subcommittee. I want to commend Chairman MARKEY for his wisdom and foresight in requesting this report. This exemplifies Chairman MARKEY's commitment to ensuring that the Congress has a complete and current record upon which to base its legislative decisions.

Both the House and the Senate have been considering cable legislation for over 3 years now and the situation is getting worse, not better. Often when Congress indicates a desire to regulate an industry, the industry in question tries to clean up its act. Not the cable industry.

This report demonstrates that S. 12, the Cable Television Consumer Protec-

tion Act of 1991, is needed now more than ever. Cable rates for the most popular basic cable tier of programming have increased 61 percent since deregulation went into effect in 1986, while the rates for the lowest priced tier increased by 56 percent. During the same 4-year period, 1986 to 1991, the cost of consumer goods only rose by 17.9 percent.

According to GAO, "the average monthly rates for the lowest priced basic cable service increased by 9 percent, from $15.95 to $17.34 per subscriber" from December 1989 to April 1991. During that same period, the average number of channels offered on the lowest priced tier decreased by one channel. Consumers are paying more for less.

The cable industry has recently been touting the availability of its new low-priced basic tiers. Yet when GAO employees posing as consumers called 17 of the systems with the new low priced tiers, 8 of those systems did not even inform GAO of the existence of those tiers. Obviously subscribers cannot be expected to take advantage of tiers they do not even know exist.

The report also demonstrates that the FCC's June effective competition decision does not address the problem of run-away cable rates. The FCC ruled that effective competition exists when there are six over-the-air broadcast signals, up from three. This will permit local authorities to regulate the rates for basic cable service when there are fewer than six over-the-air broadcast signals. According to the GAO report, under this definition, 80 percent of the cable subscribers' rates would not be subject to rate regulation.

Mr. President, I also take this opportunity to address the cable industry's campaign of misinformation about S. 12 and its effect on consumer's cable rates. The cable industry is attempting to mislead consumers through newspaper ads, bill stuffers and advertisements on their systems. One fallacy they promote is that S. 12 will allow the television networks to a 20 percent-surcharge to cable subscribers' bills. Another dark scenario being painted by the cable industry is that S. 12 could result in the great television blackout. Nothing could be further from the true intent and effect of S. 12.

The retransmission consent provisions of S. 12 are straightforward. They simply provide that when a local station forgoes the option for must-carry protection, it may utilize its retransmission rights to negotiate with the local cable system over the terms and conditions of its carriage on the system. In other words, broadcasters will have the option of being treated like any other cable programmer. Cable operators negotiate with cable programming services for the right to carry those program services. Gone are the days when broadcasters received their revenues from advertisers and cable received its revenues solely from subscribers. Today, cable competes with broadcasters for local and national advertising.

Cable has also asserted that retransmission will cause cable rates to increase. The GAO report states that the price per channel of programming for the lowest priced tier increased from 51 cents to 58 cents per channel in the past year. The lowest priced tier is the tier of programming that contains the broadcast signals, signals which cable operators receive for free. Thus, subscribers are paying an average of 58 cents per channel for broadcast programming that is free to cable.

The retransmission provisions of S. 12 will permit local stations, not national networks, to control the use of their signals. S. 12 contains no formula for retransmission fees or surcharge. On the contrary, the committee report specifies that in its proceeding implementing retransmission consent, the FCC must ensure that local stations retransmission rights will be implemented with due concern for any impact on cable subscribers' rates. The Commission is also required to regulate the rates for the basic tier, the tier that contains the broadcast signals, to ensure that those rates remain reasonable. Thus, the FCC has a mandate to ensure that retransmission does not result in harmful rate increases.

Moreover, the bill is completely silent on what the negotiations between cable operators and broadcasters may entail—the parties may negotiate for money, or for nonmonetary consideration, such as channel position, additional channel capacity, joint advertising or promotional opportunities, or any other form of compensation.

In short, S. 12 will benefit all television viewers, whether they subscribe to cable or not, by helping to restore a local television marketplace that function's competitively. Instead of causing blackout of television signals, it will eliminate the cable industry's present absolute power over the signals it provides or denies to its subscribers. Instead of driving up rates, S. 12 will ensure that the FCC or local governments maintain control over these rates in the absence of effective competition to local cable systems.

Finally, the record should reflect that I have offered to sit down with the cable industry or any Members who have concerns about this bill to explore ways of addressing those concerns and to date no one has come forward. The cable industry has taken the position that there should be no legislation and has refused to try to work with me and other members of the committee.

In closing, protecting consumers is the issue. S. 12 will promote competition and impose regulation until that competition develops. I want to urge all of my colleagues to read the GAO report and to look beyond the rhetoric being employed by the cable industry to the solid foundation that supports S. 12.

Mr. President, I ask unanimous consent that the General Accounting Office 1991 Survey of Cable Television Rates and Services, be printed in the RECORD.

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

U.S. GENERAL ACCOUNTING OFFICE,
Washington, DC, July 17, 1991.

B-226720.

Hon. EDWARD J. MARKEY,
Chairman, Subcommittee on Telecommunications and Finance, Committee on Energy and Commerce, House of Representatives.

DEAR MR. CHAIRMAN: The cable industry has grown tremendously in providing consumers with a wide range of video programming. Historically, there has been concern about rate increases and how cable systems offer services. As you requested in May 1991, we have completed our third survey of cable television rates and services. The two previous surveys, also made in response to your requests, were completed in August 1991[1] and June 1990.[2]

This report provides information on changes in basic cable television rates for both the lowest priced service available to cable subscribers and the most popular service—the one to which most customers subscribe—offered by cable systems; the number of channels offered; the levels or tiers of service offered; and the overall revenue to cable system operators per subscriber. To obtain this information, we contacted the 1,530 cable television systems that responded to our 1990 survey; we sent that survey to 1,971 systems. We chose this approach of resurveying the respondents to the 1990 survey because we already had information on these operations from 1984 through 1989 that would allow us to look at price changes over time. We also believed this was the only approach that would allow us to respond to your need for information on changes in cable rates by July 1991. Given the excellent response rate of 98 percent (1,505 of 1,530) of the systems surveyed, we believe that relying on information from the respondents to our previously selected sample provides a reasonable representation of changes in basic cable television rates since the completion of our prior study. Because responses were voluntary, we could not have completed our work without the excellent cooperation of the many cable operators, associated corporate officials, and industry representatives whose efforts were essential to the success of this study.

This report presents the results of our most recent survey, which covers the period from December 1989 to April 1991. It also highlights rate and service changes for these same systems since November 1986 (prior to deregulation of cable rates and services).

[1] "Telecommunications: National Survey of Cable Television Rates and Services" (GAO/RCED-89-193, Aug. 3, 1989) and testimony entitled "National Survey of Cable Television Rates and Services" (GAO/T-RCED-89-60, Aug. 3, 1989).

[2] "Telecommunications: Follow-up National Survey of Cable Television Rates and Services" (GAO/RCED-90-199, June 13, 1990) and testimony entitled "Follow-up National Survey of Cable Television Rates and Services" (GAO/T-RCED-90-89, June 14, 1990).

RESULTS IN BRIEF

Our survey showed that over the period between December 1989 and April 1991:

Average monthly rates for the lowest priced basic service increased by 9 percent, from $15.95 to $17.34 per subscriber; the average number of channels offered dropped by one.

Average monthly rates for the most popular basic cable service increased by 15 percent, from $16.33 to $18.84 per subscriber; the average number of channels offered increased by two.

The number of systems offering only one tier or level of service decreased from 83.4 to 58.6 percent. The number of systems offering two or more tiers increased from 16.6 to 41.4 percent. Some of the legislative proposals introduced in 1990 would have generally restricted rate regulation to only the lowest priced basic service.

Overall monthly revenue (basic rate charges, premium services, pay-per-view, etc.) to cable operators per subscriber increased on average by 4.2 percent, from $26.36 to $27.47, between December 1989 and December 1990. In comparison, the increase between December 1990 and March 1991 was 4.7 percent for the 3-month period. As discussed later, the increase for the 3-month period was due, in part, to two pay-per-view offerings during March, which generated substantial revenue for some systems.

Appendixes I and II contain tables detailing the results of our survey.

BACKGROUND

Today cable service offers a wide range of video programming to millions of subscribers, including not only over-the-air television channels but also movies, sporting events, and other programming available only to cable subscribers. In rural areas cable television is seen by some as an essential service, serving as a window to the outside world because of otherwise poor television reception. In other parts of the country, however, cable is considered a multichannel video entertainment service, competing not only with broadcast television but also with other sources of entertainment, such as movie theaters and video rental stores.

When the Cable Communications Policy Act of 1984 (the Cable Act) was passed, about 32 million households had cable subscriptions. In the more than 6 years since passage of the act, Broadcasting magazine reported that cable subscriptions have increased to serve about 54 million households.

Cable systems market several different services—basic, optional, premium, and pay-per-view. Basic service includes any service offering the retransmission of local television broadcast signals and may also include programs available via satellite transmission, such as C-Span and Cable News Network (CNN), either as a single level of service or as two or more "tiers," each priced individually. Additional tiers of basic service are generally referred to as "expanded basic" service and offer additional channels beyond the basic level of service. Optional services are additional features that can be purchased, such as the set-top converter, the remote control, FM radio, a program guide, and additional television outlets. Premium service generally includes movie channels or other entertainment, such as Home Box Office (HBO) and Cinemax, at an additional monthly fee over and above the charge for basic service. Pay-per-view is selective program viewing for special sporting events, movies, or other shows for an additional fee per showing.

Cable television rates, once subject to broad control at the local or state level for generally the lowest priced basic service, have been deregulated since late 1986 in most communities, when the Federal Communications Commission's (FCC) effective competition regulations implementing the Cable Act took effect. Since then, local officials and consumer groups around the country have expressed concern about increases in cable rates, and a number of bills to reregulate cable rates have been introduced in the Congress. Cable industry officials, on the other hand, report that rate increases are moderating and are justified due to a number of factors, including cost increases, system upgrades, and improvements in customer services.

The act generally prohibits state and local governments from regulating basic cable service rates in those localities where the cable system is subject to "effective" competition. As defined by FCC, effective competition exists if residents of a locality received three or more television stations using their own antennas as an alternative to cable service.

On June 13, 1991, FCC modified its regulation to redefine the existence of effective competition for purposes of regulating basic cable service rates. The final order on this modification was released July 12, 1991. Effective competition would exist and local authorities could not regulate basic rates under either of the following conditions:

1. Six or more unduplicated over-the-air broadcast television signals are available in the entire cable community. To determine the systems and subscribers that this change could affect, we analyzed the data gathered during our 1990 survey. This analysis indicated that 59 percent of the systems serving 80 percent of the nation's subscribers would not have been subject to regulation under FCC's new criteria.

2. An independently owned, competing multichannel video delivery service provider is available to 50 percent of the homes passed (homes to which cable service is available) by the incumbent cable system, and subscribed to by at least 10 percent of the homes passed by the incumbent cable system. The FCC considers such providers to include a second cable service; multichannel, multipoint distribution systems; home satellite dishes; satellite master antenna television systems; and direct broadcast satellites. FCC noted that it adopted the proposed 50-percent availability 10-percent penetration benchmarks because they are sufficient to indicate the presence of an alternative provider and a viewing choice for the consumer.

BASIC RATES AND SERVICES

Over the more than 4 years since deregulation, our surveys showed that the charge for the lowest priced service increased 56 percent, from an average of $11.14 to $17.34 per month, and the subscriber on the average received 6 additional channels (24 to 30). The most popular basic service showed a higher increase of 61 percent, from an average charge of $11.71 to $18.84 per month; the subscriber on the average received 8 additional channels (27 to 35).[3]

[3]During this period, the nation's overall price level for consumer goods, as measured by the gross national product implicit price deflator, rose by about 17.9 percent. Taking inflation into account by adjusting April 1991 cable rates to November 1986 constant dollars results in increases of about 32.0 percent for lowest priced basic service and 36.5 percent for most popular basic service.

Over the 15-month period—December 1989 to April 1, 1991—the monthly rates for the lowest priced basic service increased by 9 percent, from an average of $15.95 to $17.34 per subscriber, with the average number of channels decreasing by 1 (31 to 30). The monthly rates for the most popular service increased by 15 percent, from an average of $16.33 to $18.84, with an increase of 2 in the average number of channels offered (33.6 to 35.3). Table 1 below shows the rate changes since November 30, 1986.

TABLE 1.—AVERAGE MONTHLY BASIC SERVICE CHARGE PER SUBSCRIBER

Date	Average basic service charge per subscriber for:	
	Most popular service	Lowest priced service
Nov. 30, 1986	$11.71	$11.14
Dec. 31, 1989	16.33	15.95
Apr. 1, 1991	18.84	17.34

Table 2 shows how subscribers were affected by the different ranges of the rate increases. As the table shows, approximately 70 percent of subscribers for the most popular service and 66 percent for the lowest priced service incurred rate increases of more than 10 percent between December 31, 1989, and April 1, 1991. Additional basic service data are detailed in appendix I.

TABLE 2.—CHANGES IN BASIC RATES SINCE DEC. 31, 1989

[Percentages of subscribers with rate change between Dec. 31, 1989 and Apr. 1, 1991 for two services]

Change in rate	Most popular	Lowest priced
No change or decrease	6	12
Increase:		
>0 ≦5	5	6
>5 ≦10	18	16
>10 ≦20	40	35
>20 ≦30	19	17
>30 ≦40	7	7
>40 ≦50	1	2
>50	3	5

Retiering of Basic Service

The results of our most recent survey indicate that there was a sizable decrease in the number of systems offering only one tier of service from 83.4 to 58.6 percent between December 31, 1989, and April 1, 1991.

Correspondingly, the number of systems offering two or more tiers increased from 16.6 to 41.4 percent. Some of the legislative proposals introduced in 1990 would have generally restricted rate regulation to only the lowest priced basic service.

REVENUE PER SUBSCRIBER

Revenue per subscriber includes the revenue received by cable systems from all subscriber services, such as basic and premium services, installation, pay-per-view, and options. Average monthly revenue per subscriber received by cable systems increased from $21.78 to $28.76 between November 1986 and March 1991, an increase of 32 percent.[4]

Our survey showed that average monthly revenue per subscriber increased 4.2 percent, from $26.36 to $27.47, for the 12-month period between December 1989 and December 1990. Over the 15-month period of our survey between December 1989 and March 1991, the increase in average monthly revenue cable systems received per subscriber was 9 percent, from $26.36 to $28.76. The increase for the 3-month period from December 1990 to March 1991 was 4.7 percent (see app. II). The indus-

[4]Taking inflation into account by adjusting 1991 revenues to 1986 constant dollars results in increases of about 12.0 percent for the average monthly revenue to cable systems per subscriber.

try believes there was an anomaly in revenue that may have affected the statistics during this period. According to the industry, this increase can be attributable, at least in part, to the pay-per-view events occurring in March 1991. The Tyson-Ruddock fight in March was the third largest pay-per-view event in cable's history. Also, March 1991 included a big professional wrestling event.

The total impact of these pay-per-view events is not clear. Discussions with officials of cable systems contacted during the survey indicated that in spite of the two big events, all cable systems did not show gains for March 1991. Some cable systems that had pay-per-view showed a decrease in the average monthly revenue per subscriber, while others had minimal increases. For example, one multisystem operator provided us average monthly revenue per subscriber for March 1991 with and without pay-per-view for 11 systems. Using the pay-per-view data, of the 11 systems, 3 showed decreases in the average monthly revenue per subscriber of as much as $.93; and 8 systems had increases of as much as $5.24. The portion of the increases attributable to pay-per-view ranged from $.03 to $2.96.

The cable industry is changing rapidly. Recently, many events have moved from over-the-air broadcasts to cable. Large numbers of championship boxing events are now available only on cable television. Both baseball and football now have games shown only on cable. Many cable systems are showing movies on a pay-per-view basis. The cable industry has expanded to provide more entertainment options to the viewing public. These types of options are becoming a standard. Therefore, we believe that although the March figure may be inflated over what it would have been without the Tyson-Ruddock fight, it also can be used to show the general revenue/pricing trend in the cable industry. As a further indication of this trend, we noted that in April and June, fights were offered on pay-per-view which exceeded the March revenue for the Tyson-Ruddock fight.

SCOPE AND METHODOLOGY

To obtain updated information on rates, revenue, tiers, and channels from our previous survey, we mailed questionnaires to the 1,530 cable systems that responded to our previous survey, noting that we would be calling to obtain the needed information. We made these calls over a 3-week period, obtaining information from 1,505 systems for a 98-percent response rate. Appendixes I and II contain tables detailing the results of our survey and the sampling errors for all estimates reported. Appendix III provides a complete description of the methodology used.

The detailed work related to conducting our survey took place between April 1991 and June 1991. In accordance with Subcommittee policy, we did not obtain comments on a draft of this report from representatives of the cable industry. However, in letters dated May 10, 1991, to GAO and May 15, 1991, to you, the National Cable Television Association (NCTA) expressed concerns about our survey methodology. Generally, they believed reliance on our previously selected random sample was not appropriate because the number of cable systems had increased; pricing data would not be comparable with prior survey results because NCTA considered this survey a new sample; collection of data over three different time periods would be confusing; and use of March 1991 revenue-per-subscriber data may be misleading because NCTA believes it was an atypical month.

Overall, we believe our survey methodology provides accurate information comparable to our prior survey results. We recognize that the number of cable systems operating has increased since our earlier surveys, primarily as a result of small cable systems not being recognized by the firm from which we obtained our statistics on cable systems. However, we believe that the 98-percent response rate we received in this survey from those cable companies responding to our earlier survey provides a sound basis for asserting that our survey results provide an accurate representation of the changes in cable industry rates for the period from December 1989 to April 1991. We have included tables in our report designed to show the time periods covered by information on price increases gathered in this and earlier GAO surveys, as well as the cumulative effects. As discussed on page 7, pay-per-view can have a significant effect on some companies' revenue, but not on others. In any event, pay-per-view is increasingly becoming a standard cable offering and therefore an integral part of any cable company's revenue base. More details on our responses to NCTA's concerns are contained in appendix III.

As arranged with your office, unless you publicly announce its contents earlier, we plan no further distribution of this report until 30 days from the date of this letter. At that time, we will send copies to interested parties and will make copies available to others upon request.

Major contributors to this report are listed in appendix IV. If I can be of further assistance, please contact me at (202) 275-5525.

Sincerely yours,

JOHN M. OLS, JR.,
Director, Housing and Community Development Issues.

ABBREVIATIONS

CNN—Cable News Network.
FCC—Federal Communications Commission.
GAO—General Accounting Office.
HBO—Home Box Office.
NCTA—National Cable Television Association.

APPENDIX I—CHANGES IN BASIC CABLE RATES AND SERVICES

TABLE I.1.—AVERAGE MONTHLY BASIC SERVICE CHARGE PER SUBSCRIBER

Date	Average basic service charge per subscriber for:	
	Most popular service	Lowest priced service
Nov. 11, 1986	$11.71 (±10) N=4,002 (±218)	$11.14 (±.11) N=3,995 (±218)
Dec. 31, 1988	$14.91 (±.11) N=5,405 (±227)	$14.50 (±.11) N=5,380 (±227)
Dec. 31, 1989	$16.33 (±.10) N=6,289 (±215)	$15.95 (±.10) N=6,284 (±215)
Apr. 1, 1991	$18.84 (±.10) N=6,435 (±212)	$17.34 (±.22) N=6,444 (±212)
Percent increase:		
1989–91	15.3 (±1.2)	8.7 (±1.9)
1986–91	60.8 (±1.9)	55.7 (±2.8)

Note.—The table above contains sampling errors in parentheses for the values presented, as well as estimates of the number of cable systems (N) that would have responded had we surveyed all systems.

(Figure I.-1 not reproducible in the RECORD.)

TABLE I.2.—AVERAGE NUMBER OF BASIC CHANNELS RECEIVED PER SUBSCRIBER

Date	Average number of basic channels received per subscriber for:	
	Most popular service	Lowest priced service
Nov. 30, 1986	27.1 (±0.5) N=3,988 (±218)	24.2 (±0.5) N=4,005 (±218)
Dec. 31, 1988	32.2 (±0.6) N=5,429 (±227)	30.2 (±0.7) N=5,429 (±227)
Dec. 31, 1989	33.6 (±0.5) N=6,327 (±214)	31.2 (±0.4) N=6,329 (±214)
Apr. 1, 1991	35.3 (±0.4) N=6,445 (±212)	29.8 (±0.7) N=6,454 (±211)

Note.—The table above contains sampling errors in parentheses for the values presented, as well as estimates of the number of cable systems (N) that would have responded had we surveyed all systems.

(Figure I.2 not reproducible in the RECORD.)

TABLE I.3.—AVERAGE MONTHLY CHARGE PER BASIC CHANNEL

Date	Average subscriber charge per channel for:	
	Most popular service	Lowest priced service
Nov. 30, 1986	$.44 (±.01) N=3,980 (±218)	$.47 (±.01) N=3,995 (±218)
Dec. 31, 1988	$.47 (±.01) N=5,380 (±227)	$.49 (±.01) N=5,380 (±227)
Dec. 31, 1989	$.49 (±.01) N=6,283 (±215)	$.51 (±.01) N=6,284 (±215)
Apr. 1, 1991	$.53 (±.01) N=6,435 (±212)	$.58 (±.01) N=6,444 (±212)

Note.—The table above contains sampling errors in parentheses for the values presented, as well as estimates of the number of cable systems (N) that would have responded had we surveyed all systems.

TABLE I.4.—CHANGES IN BASIC SERVICE RATES

Change in rate	Percentage of subscribers whose rates changed between 12/31/89 and 4/1/91 for:	
	Most popular service	Lowest priced service
No change or decrease	5.5 (±1.0)	11.9 (±2.5)
Increase:		
>0 ≤5	5.2 (±1.4)	6.3 (±1.0)
>5 ≤10	17.7 (±1.6)	16.2 (±2.9)
>10 ≤20	40.0 (±2.1)	35.0 (±3.5)
>20 ≤30	19.4 (±1.8)	17.1 (±3.2)
>30 ≤40	7.2 (±1.4)	6.7 (±2.4)
>40 ≤50	1.4 (±0.5)	1.5 (±1.1)
>50	3.4 (±1.1)	5.4 (±2.5)

Note.—The table above contains sampling errors in parentheses for the values presented. Below are our estimates of the number of cable systems (N) that would have responded had we surveyed all systems.
Most popular service, N=6,139 (±218).
Lowest priced service, N=6,144 (±217).
> means greater than; ≤ means less than or equal to.

TABLE I.5 EXPANDED.—CHANGES IN RATES FOR MOST POPULAR PRICED BASIC SERVICE TIER BY SYSTEM SIZE

[Percentage of subscribers with rate change between Dec. 31, 1989 and Apr. 1, 1991]

Change in rate	Very small	Small	Medium	Large	Very large	All systems
No change or decrease	19.4 (±10.2)	8.1 (±3.3)	7.5 (±2.3)	4.8 (±1.9)	2.6 (±0.0)	5.5 (±1.0)
Increase:						
>0 ≤5	(1)	3.7 (±1.8)	2.3 (±1.3)	4.5 (±1.8)	5.9 (±0.0)	5.2 (±1.4)
>5 ≤10	16.6 (±9.8)	19.8 (±7.3)	18.2 (±3.7)	17.5 (±3.4)	17.5 (±0.0)	17.7 (±1.6)
>10 ≤20	22.0 (±9.7)	33.2 (±8.7)	40.5 (±4.6)	38.8 (±4.4)	45.9 (±0.0)	40.0 (±2.1)
>20 ≤30	17.6 (±10.8)	13.1 (±4.0)	22.6 (±4.1)	22.8 (±3.8)	16.0 (±0.0)	19.4 (±1.8)
>30 ≤40	2.1 (±1.2)	11.5 (±11.0)	4.2 (±1.8)	6.4 (±2.5)	9.4 (±0.0)	7.2 (±1.4)
>40 ≤50	2.1 (±1.7)	1.6 (±1.4)	3.0 (±1.9)	1.7 (±1.1)	0.4 (±0.0)	1.4 (±0.5)
>50	4.7 (±3.8)	(1)	1.9 (±1.1)	3.5 (±1.8)	2.5 (±0.0)	3.4 (±1.1)
	N=3,281 (±204)	N=1,202 (±64)	N=799 (±33)	N=714 (±25)	N=143 (±0)	N=6,139 (±218)

[1] Unreliable estimate.

Note.—The table above contains sampling errors in parentheses for the values presented, as well as estimates of the number of cable systems (N) that would have responded had we surveyed all systems.
> means greater than; ≤ means less than or equal to.

TABLE I.6 EXPANDED—CHANGES IN RATES FOR MOST POPULAR PRICED BASIC SERVICE TIER BY SYSTEM SIZE

Change in rate	Percentage of systems with rate change between 12/31/89 and 4/1/91					
	Very small	Small	Medium	Large	Very large	All systems
No change or decrease	21.8 (±4.3)	10.7 (±3.0)	8.0 (±2.2)	6.8 (±2.0)	2.8 (±0.0)	15.6 (±2.4)
Increase:						
>0 ≤5	7.8 (±2.8)	5.3 (±2.2)	2.4 (±1.2)	4.7 (±1.6)	3.5 (±0.0)	6.2 (±1.6)
>5 ≤10	19.0 (±4.1)	17.3 (±3.7)	17.9 (±3.1)	18.4 (±3.0)	19.6 (±0.0)	18.5 (±2.4)
>10 ≤20	26.2 (±4.6)	39.0 (±4.8)	41.7 (±4.0)	38.6 (±3.8)	44.1 (±0.0)	32.6 (±2.7)
>20 ≤30	12.8 (±3.5)	17.0 (±3.7)	20.2 (±3.3)	21.4 (±3.2)	18.2 (±0.0)	15.7 (±2.1)
>30 ≤40	5.3 (±2.3)	4.3 (±2.0)	5.1 (±1.8)	5.0 (±1.7)	8.4 (±0.0)	5.1 (±1.3)
>40 ≤50	2.5 (±1.6)	2.0 (±1.4)	2.7 (±1.3)	2.1 (±1.1)	0.7 (±0.0)	2.3 (±0.9)
>50	4.7 (±2.2)	4.3 (±2.0)	2.1 (±1.2)	3.0 (±1.3)	2.8 (±0.0)	4.0 (±1.3)
	N=3,281 (±204)	N=1,202 (±64)	N=799 (±33)	N=714 (±25)	N=143 (±0)	N=6,139 (±218)

Note.—The table above contains sampling errors in parentheses for the values presented, as well as estimates of the number of cable systems (N) that would have responded had we surveyed all systems.
> means greater than; ≤ means less than or equal to.

TABLE I.7.—CHANGES IN MOST POPULAR BASIC SERVICE RATES BY SYSTEM SIZE

Percentage of subscribers whose rates changed between Dec. 31, 1989 and Apr. 1, 1991]

Change in rate	Very small	Small	Medium	Large	Very large	All systems
No change or decrease	19.4 (±10.2)	8.1 (±3.3)	7.5 (±2.3)	4.8 (±1.9)	2.6 (±0.0)	5.5 (±1.0)
Increase:						
>0 ≤20	54.2 (±14.5)	56.7 (±11.0)	60.9 (±4.7)	60.8 (±4.5)	69.3 (±0.0)	62.9 (±2.2)
>20 ≤40	19.7 (±10.9)	24.6 (±10.4)	26.7 ±4.3)	29.2 (±4.2)	25.4 (±0.0)	26.7 (±2.1)
>40 ≤60	3.1 (±2.1)	3.4 (±1.9)	3.2 (±1.9)	2.3 (±1.2)	1.0 (±0.0)	2.1 0.6
>60 ≤80	(1)	(1)	(1)	1.0 (±1.0)	0.0 (±0.0)	0.6 (±0.4)
>80 ≤100	(1)	(1)	1.0 (±0.8)	(1)	0.6 (±0.0)	0.6 (±0.3)
>100	(1)	(1)	(1)	1.6 (±1.4)	1.2 (±0.0)	1.6 (±1.0)
	N=3,281 (±204)	N=1,202 (±64)	N=799 (±33)	N=714 (±25)	N=143 (±0)	N=6,139 (±218)

[1]Unreliable estimate.

Note.—The table above contains sampling errors in parentheses for the value presented, as well as estimates of the number of cable systems (N) that would have responded had we surveyed all systems.
> means greater than; ≤ means less than or equal to.

TABLE I.8 EXPANDED.—CHANGES IN RATES FOR LOWEST PRICED BASIC SERVICE TIER BY SYSTEM SIZE

[Percentage of subscribers with rate change between Dec. 31, 1989 and Apr. 1, 1991]

Change in rate	Very small	Small	Medium	Large	Very large	All systems
No change or decrease	31.0 (±13.7)	13.0 (±5.4)	14.8 (±5.2)	5.1 (±2.7)	9.0 (±0.0)	11.9 (±2.5)
Increase:						
>0 ≤5	3.9 (±2.0)	4.7 (±2.9)	5.0 (±2.8)	3.4 (±2.1)	12.7 (±0.0)	6.3 (±1.0)
>5 ≤10	22.1 (±13.5)	19.2 (±8.3)	14.5 (±6.0)	13.3 (±5.1)	16.6 (±0.0)	16.2 (±2.9)
>10 ≤20	19.4 (±8.4)	31.8 (±7.1)	34.1 (±7.7)	32.4 (±8.5)	48.3 (±0.0)	35.0 (±3.5)
>20 ≤30	10.6 (±5.7)	18.8 (±5.7)	24.4 (±7.6)	24.1 (±8.1)	6.0 (±0.0)	17.1 (±3.2)
>30 ≤40	2.1 (±1.6)	(1)	4.7 (±4.1)	10.2 (±6.5)	6.9 (±0.0)	6.7 (±2.4)
>40 ≤50	(1)	2.2 (±2.0)	(1)	(1)	0.0 (±0.0)	1.5 (±1.1)

TABLE I.8 EXPANDED.—CHANGES IN RATES FOR LOWEST PRICED BASIC SERVICE TIER BY SYSTEM SIZE

[Percentage of subscribers with rate change between Dec. 31, 1989 and Apr. 1, 1991]

Change in rate	Very small	Small	Medium	Large	Very large	All systems
>50	8.9 (±1.1) N=3,292 (±204)	6.7 (±3.7) N=1,206 (±64)	2.6 (±2.0) N=797 (±33)	8.6 (±5.9) N=707 (±26)	0.5 (±0.0) N=143 (±0)	5.4 (±2.5) N=6,145 (±218)

[1] Unrealiable estimate.

Note.—The table above contains sampling errors in parentheses for the values presented, as well as estimates of the number of cable systems (N) that would have responded had we surveyed all systems.
> means greater than; ≤ means less than or equal to.

TABLE I.9 EXPANDED.—CHANGES IN RATES FOR LOWEST PRICED BASIC SERVICE BY SYSTEM SIZE

Change in rate	Percentage of systems with rate change between 12/31/89 and 4/1/91					
	Very small	Small	Medium	Large	Very large	All systems
No change or decrease	28.2 (±4.9)	28.8 (±4.7)	43.0 (±4.2)	47.0 (±4.1)	46.3 (±0.0)	32.9 (±2.9)
Increase:						
>0 ≤5	9.6 (±3.2)	7.5 (±2.7)	12.4 (±2.8)	8.2 (±2.2)	5.1 (±0.0)	9.3 (±1.9)
>5 ≤10	18.9 (±4.3)	15.7 (±3.8)	11.1 (±2.7)	13.2 (±2.8)	12.5 (±0.0)	16.4 (±2.5)
>10 ≤20	23.4 (±4.6)	25.1 (±4.5)	18.6 (±3.3)	15.5 (±3.0)	22.8 (±0.0)	22.1 (±2.7)
>20 ≤30	10.3 (±3.3)	13.1 (±3.5)	9.4 (±2.5)	8.6 (±2.3)	2.9 (±0.0)	10.4 (±1.9)
>30 ≤40	3.4 (±2.0)	3.4 (±1.9)	2.9 (±1.4)	2.3 (±1.2)	5.1 (±0.0)	3.3 (±1.2)
>40 ≤50	1.7 (±1.4)	2.2 (±1.5)	(1)	2.0 (±1.1)	0.7 (±0.0)	1.6 (±0.8)
>50	4.5 (±2.3) N=2,975 (±210)	4.1 (±2.1) N=1,070 (±68)	2.3 (±1.3) N=730 (±35)	3.3 (±1.5) N=644 (±28)	4.4 (±0.0) N=136 (±0)	4.0 (±1.3) N=5,554 (±225)

[1] Unreliable estimate.

Note.—The table above contains sampling errors in parenthesis for the values presented, as well as estimates of the number of cable systems (N) that would have responded had we surveyed all systems.
> means greater than; ≤ means less than or equal to.

TABLE I.10.—CHANGES IN LOWEST PRICED BASIC SERVICE RATES BY SYSTEM SIZE

Change in rate	Percentage of subscribers whose rates changed between Dec. 31, 1989 and Apr. 1 1991 for:					
	Very small	Small	Medium	Large	Very large	All systems
No change or decrease	31.0 (±13.7)	13.0 (±5.4)	14.8 (±5.2)	5.1 (±2.7)	9.0 (±0.0)	11.9 (±2.5)
Increase:						
>0 ≤20	45.4 (±13.9)	55.7 (±8.1)	53.6 (±8.2)	49.1 (±9.1)	77.6 (±0.0)	57.4 (±4.0)
>20 ≤40	12.7 (±6.1)	22.4 (±6.5)	29.1 (±8.0)	34.3 (±9.1)	12.9 (±0.0)	23.8 (±3.7)
>40 ≤60	2.8 (±2.4)	5.8 (±3.4)	(1)	3.9 (±3.3)	0.0 (±0.0)	2.5 (±1.3)
>60 ≤80	(1)	(1)	(1)	(1)	(0.0) (±0.0)	(0.3) (±0.3)
>80 ≤100	(1) (1)	(1)	(1)	(1)	(0.0) (±0.0)	(0.5) (±04)
>100	(1) (1) (N=3,292) (±204)	(1) (1) (N=1,206) (±64)	(1) (1) (N=797) (±33)	(6.8) (±5.7) (N=707) (±26)	(0.4) (±0.0) (N=143) (±0)	(3.6) (±2.4) (N=6,145) (±218)

[1] Unreliable estimate.

Note.—The table above contains sampling errors in parentheses for the value presented, as well as estimates of the number of cable systems (N) that would have responded had we surveyed all systems.
>means greater than; ≤means less than or equal to.

TABLE I.11.—DOLLAR CHANGES IN BASIC SERVICE RATES SINCE DECEMBER 1989

[Percentage of subscribers whose rates changed between Dec. 31, 1989 and Apr. 4, 1991]

Change in rate	Most popular service	Lowest priced service
0–≤$2.00	40.0 (±2.2)	48.4 (±3.9)
>$2.00–≤$4.00	44.4 (±2.2)	39.3 (±3.9)
>$4.00–≤$6.00	11.7 (±1.5)	7.4 (±2.4)
>$6.00–≤$8.00	1.7 (±0.6)	1.2 (±0.7)
>$8.00–≤$10.00	0.6 (±.03)	(1)
>$10.00–≤$12.00	0.4 (±0.3)	(1)
>$12.00	1.1 (±0.9)	2.1 (±1.9)

[1] Unreliable estimate.

Note.—The table above contains sampling errors in parentheses for the values presented. Below are our estimates of the number of cable systems (N) that would have responded had we surveyed all systems.
Most popular service, N=6139 (±218).
Lowest priced service, N=6145 (±218).
> means greater than; ≤means less than or equal to.

TABLE I.12.—DOLLAR CHANGES IN MOST POPULAR BASIC SERVICE RATES BY SYSTEM SIZE

[Percentage of subscribers whose rates changed between Dec. 31, 1989 and Apr. 1, 1991]

Change in rate	Very small	Small	Medium	Large	Very large	All systems
0–≤$2.00	63.8	41.9	46.7	36.3	37.1	40.0

TABLE I.12.—DOLLAR CHANGES IN MOST POPULAR BASIC SERVICE RATES BY SYSTEM SIZE—Continued

[Percentage of subscribers whose rates changed between Dec. 31, 1989 and Apr. 1, 1991]

Change in rate	Very small	Small	Medium	Large	Very large	All systems
	(±12.9)	(±9.5)	(±4.7)	(±4.3)	(±0.0)	(±2.2)
>$2.00–≤$4.00	25.7	35.9	41.6	48.3	46.1	44.4
	(±11.4)	(±9.0)	(±4.7)	(±4.5)	(±0.0)	(±2.2)
>$4.00–≤$6.00	5.6	13.7	9.0	11.2	13.9	11.7
	(±4.2)	(±10.8)	(±2.6)	(±3.0)	(±0.9)	(±1.5)
>$6.00–≤$8.00	1.6	1.8	(1)	2.4	1.0	1.7
	(±1.3)	(±1.4)		(±1.4)	(±0.0)	(±0.6)
>$8.00–≤$10.00	(1)	(1)	1.1	(1)	0.6	0.6
			(±0.9)		(±0.0)	(±0.3)
>$10.00–≤$12.00	(1)	(1)	(1)	(1)	0.5	0.4
					(±0.0)	(±0.3)
>$12.00	(1)	(1)	(1)	(1)	0.8	1.1
					(±0.0)	(±0.9)
	N=3,281	N=1,202	N=799	N=714	N=143	N=6,139
	(±204)	(±64)	(±33)	(±25)	(±0)	(±218)

[1] Unreliable estimate.

Note.—The table above contains sampling errors in parentheses for the value presented, as well as estimates of the number of cable systems (N) that would have responded had we surveyed all systems.
> means greater than; ≤ means less than or equal to.

TABLE I.13.—DOLLAR CHANGES IN LOWEST PRICED BASIC SERVICE RATES BY SYSTEM SIZE

Change in rate	Percentage of subscribers whose rates changed between 12/31/89 and 4/1/91 for:					
	Very small	Small	Medium	Large	Very large	All systems
0–≤$2.00	68.8	51.6	49.8	31.9	57.6	48.4
	(±12.0)	(±8.2)	(±8.2)	(±7.6)	(±0.0)	(±3.9)
>$2.00–≤$4.00	19.2	36.3	43.8	48.5	35.9	39.3
	(±7.5)	(±7.7)	(±8.3)	(±9.1)	(±0.0)	(±3.9)
>$4.00–≤$6.00	3.6	6.8	4.7	11.1	6.5	7.4
	(±2.4)	(±3.4)	(±4.1)	(±6.7)	(±0.0)	(±2.4)
>$6.00–≤$8.00	(1)	4.8	(1)	(1)	0.0	1.2
		(±3.3)			(±0.0)	(±0.7)
>$8.00–≤$10.00	(1)	(1)	(1)	(1)	0.0	(1)
					(±0.0)	
>$10.00–≤$12.00	(1)	(1)	(1)	(1)	0.0	(1)
					(±0.0)	
>$12.00	(1)	(1)	(1)	5.7	0.0	2.1
				(±5.5)	(±0.0)	(±1.9)
	N=3,292	N=1,206	N=797	N=707	N=143	N=6,145
	(±204)	(±64)	(±33)	(±26)	(±0)	(±2,178)

[1] Unreliable estimate.

Note.—The table above contains sampling errors in parentheses for the value presented, as well as estimates of the number of cable systems
> means greater than; ≤ means less than or equal to.

TABLE I.14.—NUMBER OF TIERS OF BASIC SERVICE OFFERED BY CABLE SYSTEMS

Date	Percentage of systems offering:		
	One tier	Two tiers	Three tiers +
Nov. 30, 1986	74.3	22.5	3.2
	(±2.3)	(±2.2)	(±0.9)
Dec. 31, 1989	83.4	13.5	3.1
	(±1.9)	(±1.7)	(±0.9)
Apr. 1, 1991	58.6	38.0	3.4
	(±2.5)	(±2.5)	(±0.7)

Note.—The table above contains sampling errors in parentheses for the value presented. Below are our estimates of the number of cable systems
Nov. 20, 1986, N=5258 (±227); Dec. 31, 1989, N=6527 (±209); Apr. 1, 1991, N=6470 (±211).

(Figure I.3 not reproducible in the RECORD.)

TABLE I.15.—RATES AND SERVICES OF CABLE SYSTEMS OFFERING ONE TIER VERSUS SYSTEMS OFFERING TWO OR MORE BASIC SERVICES IN AREAS RECEIVING SIX OR MORE OVER THE AIR SIGNALS.

Monthly average per subscriber as of Apr. 1, 1991	One basic service	Two or more basic services	
		Most popular	Lowest priced
Basic service rate	$17.97	$19.21	$14.59
	(±.27)	(±.11)	(±.4)
	N=1,963	N=1,671	N=1,686
	(±198)	(±132)	(±134)
Number of channels	32.7	37.7	22.6
	(±0.7)	(±.06)	(±2.1)
	N=1,963	N=1,671	N=1,686
	(±198)	(±132)	(±134)
Cost per channel	$.55	$.51	$.65
	(±.01)	(±.01)	(±.05)

TABLE I.15.—RATES AND SERVICES OF CABLE SYSTEMS OFFERING ONE TIER VERSUS SYSTEMS OFFERING TWO OR MORE BASIC SERVICES IN AREAS RECEIVING SIX OR MORE OVER THE AIR SIGNALS.—Continued

Monthly average per subscriber as of Apr. 1, 1991	One basic service	Two or more basic services	
		Most popular	Lowest priced
	N=1,968	N=1,671	N=1,690)
	(±198)	(±132)	(±134)

Note.—The table above contains sampling errors in parentheses for the values presented, as well as our estimates of the number of cable systems (N) that would have responded had we surveyed all systems.

We used information from our previous survey to determine those cable systems located in areas receiving six or more over-the-air signals.

TABLE I.16.—RATES AND SERVICES OF CABLE SYSTEMS OFFERING ONE TIER VERSUS SYSTEMS OFFERING TWO OR MORE BASIC SERVICES IN AREAS RECEIVING LESS THAN SIX OVER-THE-AIR SIGNALS

Monthly average per subscriber as of Apr. 1, 1991	One basic service	Two or more basic services	
		Most popular	Lowest priced
Basic service rate	$17.35	$18.90	$15.06
	(±.41)	(±.38)	(±1.03)
	N=1,641	N=866	N=862
	(±194)	(±113)	(±113)
Number of channels	25.2	32.6	20.0
	(±1.0)	(±0.9)	(±2.3)
	N=1,651	N=866	N=862
	(±195)	(±113)	(±113)
Cost per channel	$.69	$.58	$.75
	(±.03)	(±.02)	(±.06)
	N=1,641	N=866	N=866
	(±194)	(±113)	(±113)

Note.—The table above contains sampling errors in parentheses for the values presented, as well as our estimates of the number of cable systems (N) that would have responded had we surveyed all systems.
We used information from our previous survey to determine those cable systems located in areas receiving less than six over-the-air signals.

APPENDIX II—REVENUE TO CABLE SYSTEMS PER SUBSCRIBER AND OTHER INFORMATION

TABLE II.1—AVERAGE MONTHLY REVENUE EACH SUBSCRIBER GENERATES FOR THE CABLE SYSTEM

	Average revenue per subscriber
November 1986	$21.78 (±.21) N=3,295 (±207)
December 1988	$25.00 (±.21) N=4,753 (±228)
December 1989	$26.36 (±.22) N=5,532 (±226)
December 1990	$27.47 (±.25) N=6,220 (±216)
March 1991	$28.76 (±.26) N=6,201 (±217)
Percent increase:	
1989–90	4.2 (±1.6)
1989–91	9.1 (±1.7)
1990–91	4.7 (±1.7)
1986–91	32.0 (±2.0)

Note.—The table above contains sampling errors in parentheses for the values presented, as well as our estimates of the number of cable systems (N) that would have responded had we surveyed all systems.

(Figure II.1 not reproducible in the RECORD.)

TABLE II.2.—LOCAL OVER-THE-AIR PROGRAMMING AVAILABLE TO SUBSCRIBERS ON DEC. 31, 1989

[Subscribers with less than 6 local over-the-air signals]

Cable system size	Percent
Very small	46.5 (±15.4) N=3,363 (±202)
Small	33.3 (±5.1) N=1,182 (±65)
Medium	29.1 (±4.1) N=806 (±33)
Large	17.0 (±3.2) N=729 (±24)
Very large	13.5 (±0.0) N=150 (±0)
All systems	19.8 (±1.8) N=6,230 (±216)

Note.—The table above contains sampling errors in parentheses for the values presented, as well as our estimates of the number of cable systems (N) that would have responded had we surveyed all systems.

We used information from our previous survey to determine the percentage of subscribers with less than six local over-the-air signals.

TABLE II.3.—LOCAL OVER-THE-AIR PROGRAMMING AVAILABLE FROM CABLE SYSTEMS ON DEC. 31, 1989

Cable system size	Percentage of systems with less than six local over-the-air signals
Very small	50.0 (±5.1) N=3,394 (±201)
Small	38.1 (±4.8) N=1,198 (±64)
Medium	34.4 (±3.8) N=816 (±32)
Large	19.9 (±3.1) N=733 (±24)

TABLE II.3.—LOCAL OVER-THE-AIR PROGRAMMING AVAILABLE FROM CABLE SYSTEMS ON DEC. 31, 1989—Continued

Cable system size	Percentage of systems with less than six local over-the-air signals
Very large	15.9 (±0.0) N=151 (±0)
All systems	41.4 (±3.0) N=6,291 (±215)

Note.—The table above contains sampling errors in parentheses for the values presented, as well as our estimates of the number of cable systems (N) that would have responded had we surveyed all systems.

We used information from our previous survey to determine the percentage of systems with less than six local over-the-air signals.

APPENDIX III—OBJECTIVES, SCOPE AND METHODOLOGY

The Chairman, Subcommittee on Telecommunications and Finance, House Committee on Energy and Commerce, requested that we update our 1990 national survey of cable television rates and services. The Chairman requested that the data be current as well as compatible with the previous survey so that historical information trends could be developed and further examinations could be made of the effects of the Cable Act on changes in rates and services. After discussions with the Chairman's office, we agreed to obtain current information from the 1,530 cable systems that responded to our previous survey and specifically address the following questions:

1. What have been the changes in the cost of service for the lowest priced tier and number of channels offered?

2. What have been the changes in the cost of service for the most popular basic service and number of channels offered?

3. How many basic tiers of service are offered?

4. What have been the changes in the average monthly revenue per subscriber?

Responding to these objectives, we asked for the basic rate and number of channels, number of tiers of service, and subscriber information as of April 1, 1991. Revenue per subscriber was collected for December 1990 so that we could compare it with the previous 12-month time period, and also with March 1991 so that we could have the most current information.

The 1,530 cable systems we contacted had reported information for our last survey, which covered the period from December 31, 1984, to December 31, 1989, using a mail survey questionnaire. To initiate data collection for this survey, we mailed a preliminary questionnaire to the general managers of 1,530 cable systems, informing them of the information to be collected and also provided them with the appropriate instructions on when to expect our telephone calls. The letters were mailed April 24, 1991. The telephone calls began May 1, 1991, and continued for 3 weeks.

Although the current information was obtained over the telephone, the questions were structured the same as those in our previous mail survey. Surveying the same systems has the advantage of combining information from the same cable systems without requiring that a system provide GAO with data from 1984 to the current period. In receiving responses from 1,505 systems, we are receiving information from essentially the same sample as in the previous survey. The current sampling approach was selected because we wanted to make estimates of pricing changes over time, which a "fresh" sample would not have allowed us to make, unless the cable systems provided longitudinal data, which would have required a large commitment of time and resources by the cable systems.

Sample Selection

As indicated above, the 1,530 cable systems used in our sample for 1991 current information are the same systems that responded to the mail questionnaire survey in our 1990 rate survey. For that survey, we obtained cable system names and addresses from the 1989 data base maintained by Television Digest, Inc., publisher of the annual "Television and Cable Factbook," a well-known industry reference book. Television Digest, Inc., canvasses cable systems annually to update its data base.

The cable television industry has a wide range of different-sized systems, based on numbers of subscribers. To capture the industry's diversity and accurately represent any significant differences in rates and services based on size, our sample was previously designed using five size groupings (or strata) of systems as indicated in table III.1. However, to sample by cable system size, it was essential that the universe of systems from which we selected our sample include a subscriber count for each system. Of the 9,850 systems in Television Digest's 1989 data base, we eliminated 895 systems from our universe that did not have an accompanying mailing address or subscribe count, leaving 8,955 systems.

From that data base, we selected 1,971 systems according to five different-sized groupings to capture the diversity of the cable industry and accurately represent significant differences in rates and services based upon system size. As shown in table III.1, of the original sample of 1,971 systems, we had a 77.6-percent response rate (1,530 respondents) in our 1990 follow-up nationwide survey. We contacted the 1,530 systems and obtained responses from 1,505 of them, resulting in a response rate of 98 percent for this survey and a 76-percent response rate for the original sample of 1,971 systems used in our previous survey.

TABLE III.1.—GAO SAMPLE SELECTION METHODOLOGY

System size (no. of subscribers)	All systems (as of 1989) according to Television Digest	GAO sample			
		No. of systems	Number of subscribers (millions)	1990 response rate, percent	1991 response rate, percent
1–1,000	5,111	500	0.17	70.6	68.6
1,001–3,500	1,703	425	0.82	74.8	73.6
3,501–10,000	1,070	450	2.69	79.3	79.1
10,001–50,000	900	425	9.32	82.6	81.9
50,001 and up	171	171	16.12	88.3	84.8
Total	8,955	1,971	29.12	77.6	76.4

Our sample of 1,971 cable systems contained about 29 million subscribers, according to Television Digest, Inc. This sample represents about 20 percent of the universe of cable systems and accounts for about 62 percent of all cable subscribers as of 1989.

Because our respondents are the same cable systems that responded to our previous survey, we are using the data they provided last year for the years 1986 through 1989. In addition, to help to ensure that we received valid responses to our latest survey, we randomly selected 30 cable systems to verify the accuracy of the information collected. Acting as potential subscribers, we called the customer service departments of the 30 cable systems to obtain information on cable rates

and services being offered. Seventeen of the 30 systems had two or more tiers, according to our survey, but when we contacted them as potential customers, only eight systems acknowledged having a lower priced tier. The other nine, even when asked, did not acknowledge the existence of the lower tier. Aside from this, the information the 30 systems did provide generally tracked with the rate and service data we had obtained during our survey. While this was a small sample, it is an indication that the rate data in this report can be considered conservative compared to the rates subscribers are actually paying.

Since we used a sample (called a probability sample) of cable systems to develop our estimates, each estimate has a measurable precision, or sampling error, which may be expressed as a plus/minus figure. A sampling error indicates how closely we can reproduce from a sample the results that we would obtain if we were to take a complete count of the universe using the same measurement methods. By adding the sampling error to and subtracting it from the estate, we can develop upper and lower bounds for each estimate. This range is called a confidence interval. Sampling errors and confidence intervals are stated at a certain confidence level—in this case, 95 percent. For example, a confidence interval, at the 95-percent confidence level, means that in 95 out of 100 instances, the sampling procedure we used could produce a confidence interval containing the universe value we are estimating.

As with our past survey, we agreed to keep information obtained from the cable systems confidential. No individual cable system's or company's response is identified or reported individually.

On May 10, 1991, the National Cable Television Association (NCTA) wrote to GAO expressing the following concerns about the methodology we were using in our survey:

1. We should have drawn a fresh random sample of systems because the universe of systems has grown and limiting our survey to only those systems that responded to our earlier survey automatically results in a biased, non-random sample.

2. Pricing changes over time across different samples will offset the reliability of the pricing changes because the resulting data would not be comparable.

3. The 3 different months for which we were collecting data will be confusing.

4. We should not be using March 1991 for revenue-per-subscriber data because it was obviously an atypical month.

On May 15, 1991, NCTA wrote to Chairman Markey expressing its concerns and enclosed a copy of its letter to us. Our response to the NCTA concerns is as follows:

1. Our time constraints for completing the survey did not permit the drawing of a "fresh" random sample of systems. We already had rate and service informaton back to 1984 for 1,530 systems, which had been randomly selected. While we are aware that the universe of cable systems has increased to some extent, we have been advised by the firm that collects these data that those are generally small systems which had not been previously recognized.

2. In this survey, we strove for a very high response rate because we were aware before we began that having two "samples" would seriously affect the reliability of the survey results. Thus, our 98-percent response rate ensured that we have, in effect, one sample. We believe our data base has high credibility because we have rate and service data from 1984 to 1991 on 1,505 cable systems that provide service to almost 27 million subscribers, which is about half of all subscribers. Our sample can be used to make estimates of price changes affecting about 45 million of the 54 million current cable subscribers.

3. We used the different months for two reasons. We selected December 1990 to be consistent with the data base we already had on these systems, where December was the annual data benchmark. March and April were selected because we wanted to obtain the most current data available. As we began our survey on May 1, systems would not have had revenue-per-subscriber data for April, but they would have had March revenue data and basic service rate data for April 1, which they readily provided. In making the decision on the months to be used, we favored currency.

4. NCTA contended at the time that March was atypical because of the pay-per-view events, suggesting instead that we use February or June 1991. According to industry information the March events have been surpassed by fights in April and June, as previously noted. The June fight was apparently one of the richest pay-per-view television fights in history.

In its May 15 letter to Chairman Markey, NCTA mentioned that it had virtually no opportunity to review the survey before it was mailed out. The four questions used in this survey were four of those used in the previous survey, the only change being the months to be covered. NCTA had reviewed those survey questions before they were used in the previous survey. Moreover, NCTA was provided a copy of our current survey early in the morning on April 22, and the survey was mailed late in the day on April 24, which was the day Chairman Markey made the final decision to go ahead with the survey. NCTA had no comments on the survey questions prior to mailing.

APPENDIX IV—MAJOR CONTRIBUTORS TO THIS REPORT

Resources Community, and Economic Development Division, Washington, DC

Paul J. O'Neill, Assistant Director.
Jacqueline A. Cook, Evaluator-in-Charge.
John A. Thomson, Jr., Senior Evaluator.
Jonathan T. Bachman, Senior Social Science Analyst.
Sarah Ann W. Moessbauer, Operations Research Analyst. •

WHAT SHALL I TELL MY CHILDREN WHO ARE BLACK?

• Mr. SIMON. Mr. President, some weeks ago, in a supplement to the Chicago Sun-Times, there was a cover story about Dr. Margaret Burroughs, a dynamic leader in Chicago who has helped on a host of cultural things in that city.

Her own story is a fascinating one. Among many other things, she almost became part of the 1936 Olympic team.

Her interests have been varied, but one of the lasting contributions she made was to found the DuSable Museum, a museum in the city of Chicago that celebrates both the African culture and the African-American culture.

But my immediate reason for my comments today is that I put aside a poem by Dr. Burroughs that appeared in the Chicago Sun-Times and re-read it the other day and thought it was important enough that it should be in the CONGRESSIONAL RECORD.

I do not recall ever placing a poem in the CONGRESSIONAL RECORD. Perhaps I have, but in 17 years in Congress, I do not recall having done it.

This poem is important because it tells the story of what many Americans go through, and why all of us have to reach out to one another with greater sensitivity no matter what our background is.

Mr. President, I ask to insert the poem, "What Shall I Tell My Children Who Are Black?" by Dr. Margaret Taylor Goss Burroughs, at this point into the RECORD?

The poem follows:

[N'Digo/Chicago Sun-Times Supplement, Mar. 1991]

WHAT SHALL I TELL MY CHILDREN WHO ARE BLACK?

(By Dr. Margaret Taylor Goss Burroughs)

What shall I tell my children who are black
Of what it means to be a captive in this dark skin?
What shall I tell my dearone, fruit of my womb,
Of how beautiful they are when everywhere they turn
They are faced with abhorrence of everything that is black.
The night is black and so is the boogy-man.
Villains are black with black hearts.
A black cow gives no milk. A black hen lays no eggs.
Bad news comes bordered in black, mourning clothes black.
Storm clouds, black, black is evil
And evil is black and devils food is black . . .
What shall I tell my dear ones raised in a white world
A place where white had been made to represent
All that is good and pure and fine and decent,
Where clouds are white and dolls and heaven
Surely is white, white place with angels
Robed in white, and cotton candy and ice cream
And milk and ruffled Sunday dresses
And dream houses and long sleek Cadillacs
And Angel's food is white . . . all, all . . . white.

What can I say therefore, when my child
Comes home in tears because a playmate
Has called him black, big-lipped, flatnosed
And nappy headed? What will he think
When I dry his tears and whisper, "Yes, that's true.
But no less beautiful and dear."
How shall I lift up his head, get to square
His shoulders, look his adversaries in the eye
Confident in the knowledge of his worth
Serene under his sable skin and proud of his own beauty?

What can I do to give him strength,
That he may come through life's adversities
As a whole human being unwarped and human in a world
Of unbiased laws and inhuman practices that he might
Survive. And survive he must! For who knows?
Perhaps this black child here bears the genius
To discover the cure for . . . cancer
Or to chart the course for exploration of the universe

So, he must survive for the good of all humanity.
He must and will survive.
I have drunk deeply of late from the fountain
Of my black culture, sat at the knee and learned
From Mother Africa, discovered the truth of my heritage
The truth, so often obscured and omitted
And, I find I have much to say to my black children.
I will lift up their heads in proud blackness
With the story of their fathers and their fathers'
Fathers. And I shall take them into a way back time
Of Kings and Queens who ruled the Nile
And measured the stars and discovered the
Laws of mathematics. Upon whose backs have been built
The wealth of two continents. I will tell him
This and more. And his heritage shall be his weapon.
And his armor will make him strong enough to win
Any battle he may face. And since this story is
Often obscured, I must sacrifice to find it
For my children, even as I sacrificed to feed,
Clothe and shelter them. So this I will do for them
If I love them. None will do it for me.
I must find the truth of heritage for myself
And pass it on to them. In years to come, I believe
Because I have armed them with the truth, my children
And their children's children will venerate me.
For it is the truth that will make us free!•

ARIZONANS RECEIVING AWARDS FROM JUNIOR SOLAR SPRINT

• Mr. DECONCINI. Mr. President, I rise today to recognize several outstanding young people from the State of Arizona for their unique achievements. The junior solar sprint competition, sponsored by the Department of Energy and Argonne National Laboratory was held on The Mall earlier this month. This competition focused on science, engineering and solar energy and featured junior high school students from across the Nation who designed, built, and then raced solar-powered model cars. I am proud to recognize the winning entries submitted by the following fine young Arizonans:

Steve Brown and Josh Luckow of Tortolita Junior High in Tucson, AZ, received a best design award and a best performance award.

David and Daniel Ayers of Imes School in Glendale, AZ, received a best design award and were finalists in the best performance category.

Mr. President, in light of the serious energy concerns that face this Nation, I feel that we should join in honoring these fine students for their interest and accomplishments in the utilization and application of renewable energy. Indeed, it is the youth of this great country who will be tomorrow's leaders, and I submit to my colleagues that these young scholars give us reason to have hope and confidence in our future. I am confident that I voice the feelings of the entire Senate in congratulating and commending these fine individuals for their unique accomplishments and contributions.•

INTELLIGENCE AUTHORIZATION ACT

• Mr. BOREN. Mr. President, on behalf of the Select Committee on Intelligence, I recently introduced S. 1539, the Intelligence Authorization Act, fiscal year 1992 (S. Rept. 102-117).

This bill would authorize appropriations for fiscal year 1992 for the conduct of the intelligence activities of the following elements of the U.S. Government: the Central Intelligence Agency, the Department of Defense—to include the Defense Intelligence Agency, the National Security Agency, and each of the military departments—and the national intelligence activities of the Departments of State, Treasury, Energy, and the Federal Bureau of Investigation.

The bill also would require the President, starting with the fiscal year 1993 budget request, to disclose the amounts requested for intelligence activities and the amounts spent in the prior fiscal year. In addition, the bill would require the conference report on the annual intelligence authorization to disclose the amount authorized for intelligence.

The bill also makes certain changes to the CIA retirement and disability system, and directs the FBI to conduct a study relative to the establishment of an undergraduate training program similar in purpose, conditions, content, and administration to those administered by the CIA, NSA, and DIA.

Finally, the bill authorizes funds within the intelligence budget for a national security education program. This program will begin to correct serious deficiencies in the Nation's training in the areas of foreign languages, regional studies, and international studies.

Mr. President, I ask that the text of this legislation be printed in the RECORD.

The bill follows:

S. 1539

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 "Intelligence Authorization Act, Fiscal Year 1992".

TITLE I—INTELLIGENCE ACTIVITIES

SEC. 101. AUTHORIZATION OF APPROPRIATIONS.

Funds are hereby authorized to be appropriated for fiscal year 1992 for the conduct of the intelligence activities of the following elements of the United States Government:

(1) The Central Intelligence Agency.
(2) The Department of Defense.
(3) The Defense Intelligence Agency.
(4) The National Security Agency.
(5) The Department of the Army, the Department of the Navy, and the Department of the Air Force.
(6) The Department of State.
(7) The Department of Treasury.
(8) The Department of Energy.
(9) The Federal Bureau of Investigation.
(10) The Drug Enforcement Administration.

SEC. 102. CLASSIFIED SCHEDULE OF AUTHORIZATIONS.

(a) AMOUNTS AND PERSONNEL CEILINGS.—The amounts authorized to be appropriated under section 101, and the authorized personnel ceilings as of September 30, 1992, for the conduct of the intelligence activities of the elements listed in such section, are those specified in the classified Schedule of Authorizations prepared to accompany S. _____ of the One Hundred Second Congress.

(b) AVAILABILITY OF THE SCHEDULE OF AUTHORIZATIONS.—The Schedule of Authorizations described in subsection (a) shall be made available to the Committees on Appropriations of the Senate and the House of Representatives and to the President. The President shall provide for suitable distribution of the Schedule, or of appropriate portions of the Schedule, within the executive branch.

SEC. 103. PERSONNEL CEILING ADJUSTMENTS.

The Director of Central Intelligence may authorize employment of civilian personnel in excess of the numbers for such personnel authorized for fiscal year 1992 under sections 102 and 202 of this Act whenever he determines that such action is necessary for the performance of important intelligence functions, except that such number may not, for any element of the Intelligence Community, exceed 2 percent of the number of civilian personnel authorized under such section for such element. The Director of Central Intelligence shall promptly notify the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate whenever he exercises the authority granted by this section.

SEC. 104. PRESIDENTIAL BUDGET SUBMISSION.

Section 1105(a) of title 31, United States Code, is amended by inserting at the end thereof the following new paragraph:

"(29) a separate, unclassified statement of the aggregate amount of expenditures for the previous fiscal year, and the aggregate amount of funds requested to be appropriated for the fiscal year for which the budget is submitted, for intelligence and intelligence-related activities.".

SEC. 105. FUNDING OF INTELLIGENCE ACTIVITIES.

Section 502 of the National Security Act of 1947 (50 U.S.C. 414) is amended—

(1) by redesignating subsection (c) as subsection (d); and

(2) by inserting after subsection (b) the following:

"(c) Any bill reported by a committee of conference of the Congress which authorizes funds to be appropriated for intelligence and intelligence-related activities of the United States shall contain an unclassified statement of the aggregate amount of such funds authorized to be appropriated.".

TITLE II—INTELLIGENCE COMMUNITY STAFF

SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated for the Intelligence Community Staff for fiscal year 1992 $28,832,000, of which amount $6,566,000 shall be available for the Security Evaluation Office.

SEC. 202. AUTHORIZATION OF PERSONNEL END-STRENGTH.

(a) AUTHORIZED PERSONNEL LEVEL.—The Intelligence Community Staff is authorized

240 full-time personnel as of September 30, 1992, including 50 full-time personnel who are authorized to serve in the Security Evaluation Office. Such personnel of the Intelligence Community Staff may be permanent employees of the Intelligence Community Staff or personnel detailed from other elements of the United States Government.

(b) REPRESENTATION OF INTELLIGENCE ELEMENTS.—During fiscal year 1992, personnel of the Intelligence Community Staff shall be selected so as to provide appropriate representation from elements of the United States Government engaged in intelligence and intelligence-related activities.

(c) REIMBURSEMENT.—During fiscal year 1992, any officer or employee of the United States or a member of the Armed Forces who is detailed to the Intelligence Community staff from another element of the United States Government shall be detailed on a reimbursable basis, except that any such officer, employee, or member may be detailed on a nonreimbursable basis for a period of less than one year for the performance of temporary functions as required by the Director of Central Intelligence.

SEC. 203. INTELLIGENCE COMMUNITY STAFF ADMINISTERED IN SAME MANNER AS CENTRAL INTELLIGENCE AGENCY.

During fiscal year 1992, activities and personnel of the Intelligence Community Staff shall be subject to the provisions of the National Security Act of 1947 (50 U.S.C. 401 et seq.) and the Central Intelligence Agency Act of 1949 (50 U.S.C. 403a et seq.) in the same manner as activities and personnel of the Central Intelligence Agency are subject to those provisions.

TITLE III—CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM PROVISIONS

SEC. 301. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated for the Central Intelligence Agency Retirement and Disability Fund $164,100,000 for fiscal year 1992.

SEC. 302. SURVIVOR BENEFITS FOR CHILDREN WHO HAVE A SURVIVING PARENT.

(a) COMPUTATION OF ANNUITIES FOR OTHER THAN FORMER SPOUSES.—Section 221 of the Central Intelligence Agency Retirement Act of 1964 for Certain Employees (50 U.S.C. 403 note) is amended—

(1) in subsection (c)(1), by striking out "wife or husband and by a child or children, in addition to the annuity payable to the surviving wife or husband, there shall be paid to or on behalf of each" and inserting in lieu thereof "spouse or a former spouse who is the natural or adoptive parent of a surviving child of the annuitant, there shall be paid to or on behalf of that surviving";

(2) in subsection (c)(2), by striking out "wife or husband but by a child or children, each surviving child shall be paid" and inserting in lieu thereof "spouse or a former spouse who is the natural or adoptive parent of a surviving child of the annuitant, there shall be paid to or on behalf of that surviving child";

(3) by amending subsection (d) to read as follows:

"(d) On the death of the surviving spouse or former spouse or termination of the annuity of a child, the annuity of any remaining child or children shall be recomputed and paid as though the spouse, former spouse, or child had not survived the participant. If the annuity to a surviving child who has not been receiving an annuity is initiated or resumed, the annuities of any other children shall be recomputed and paid from that date as though the annuities to all currently eligible children were then being initiated.";

(4) by adding at the end thereof the following new subsection:

"(q) For purposes of this section—

"(1) the term 'former spouse' includes any former wife or husband of the participant, regardless of the length of marriage or the amount of creditable service completed by the participant; and

"(2) the term 'spouse' has the same meaning given the terms 'widow' and 'widower' in section 204(b).'"; and

(5) in subsection (e), by striking out "under paragraph (c) or (d) of this section, or (c) or (d)" and inserting in lieu thereof "under subsection (c) of this section, or subsection (c) or (d)".

(b) DEATH IN SERVICE.—Section 232 of the Central Intelligence Agency Retirement Act of 1964 for Certain Employees (50 U.S.C. 403 note) is amended—

(1) in subsection (c)—

(A) by striking out "wife or a husband and a child or children, each" and inserting in lieu thereof "spouse or a former spouse who is the natural or adoptive parent of a surviving child of the participant, that";

(B) by striking out "section 221(c)(1)" and inserting in lieu thereof "subsections (c)(1) and (d) of section 221"; and

(C) by striking out the last sentence;

(2) in subsection (d)—

(A) by striking out "wife or husband, but by a child or children, each" and inserting in lieu thereof "spouse or a former spouse who is the natural or adoptive parent of a surviving child of the participant, that";

(B) by striking out "section 221 (c)(2)" and inserting in lieu thereof "subsections (c)(2) and (d) of section 221"; and

(C) by striking out the last sentence; and

(3) by adding at the end thereof the following new subsection:

"(e) For purposes of subsections (c) and (d)—

"(1) the term 'former spouse' includes any former wife or husband of the participant, regardless of the length of marriage or the amount of creditable service completed by the participant; and

"(2) the term 'spouse' has the same meaning given the terms 'widow' and 'widower' in section 204(b).".

SEC. 303. 18-MONTH PERIOD TO ELECT A SURVIVOR ANNUITY.

(a) Section 221 of the Central Intelligence Agency Retirement Act of 1964 for Certain Employees (50 U.S.C. 403 note) is amended—

(1) by redesignating subsection (q) (as added by subsection (a)) as subsection (r); and

(2) by inserting after subsection (p) the following new subsection:

"(q)(1)(A) A participant or former participant—

"(i) who, at the time of retirement, is married, and

"(ii) who elects at such time (in accordance with subsection (b)) to waive a survivor annuity for the spouse, may, during the 18-month period beginning on the date of the retirement of such participant, elect to have a reduction under subsection (b) of this section made in the annuity of the participant (or in such portion thereof as the participant may designate) in order to provide a survivor annuity for such spouse of the participant.

"(B) A participant or former participant—

"(i) who, at the time of retirement, is married, and

"(ii) who, at such time designates (in accordance with subsection (b)) that a portion of the annuity of such participant is to be used as the base for a survivor annuity, may, during the 18-month period beginning on the date of the retirement of such participant, elect to have a greater portion of the annuity of such participant so used.

"(2)(A) An election under subparagraph (A) or (B) of paragraph (1) of this subsection shall not be considered effective unless the amount specified in subparagraph (B) is deposited into the fund before the expiration of the applicable 18-month period under paragraph (1).

"(B) The amount to be deposited with respect to an election under this subsection is an amount equal to the sum of—

"(i) the additional cost to the system which is associated with providing a survivor annuity under subsection (b) and results from such election, taking into account (I) the difference (for the period between the date on which the annuity of the participant or former participant commences and the date of the election) between the amount paid to such participant or former participant under this title and the amount which would have been paid if such election had been made at the time the participant or former participant applied for the annuity, and (II) the costs associated with providing for the later election; and

"(ii) interest on the additional cost determined under clause (i), computed using the interest rate specified or determined under section 8334(e) of title 5, United States Code, for the calendar year in which the amount to be deposited is determined.

"(3) An election by a participant or former participant under this subsection voids prospectively any election previously made in the case of such participant under subsection (b).

"(4) An annuity which is reduced in connection with an election under this subsection shall be reduced by the same percentage reductions as were in effect at the time of the retirement of the participant or former participant whose annuity is so reduced.

"(5) Rights and obligations resulting from the election of a reduced annuity under this subsection shall be the same as the rights and obligations which would have resulted had the participant involved elected such annuity at the time of retiring.

"(6) The Director shall, on an annual basis, inform each participant who is eligible to make an election under this subsection of the right to make such election and the procedures and deadlines applicable to such election.".

(b)(1) The amendments made by subsection (a) shall take effect three months after the date of enactment of this Act.

(2)(A) Except as provided in subparagraph (B), the amendment made by subsection (a)(2) shall apply with respect to participants and former participants who retire before, on, or after such amendment first takes effect.

(B) The provisions of paragraph (1)(B) of section 221(q) of the Central Intelligence Agency Retirement Act of 1964 for Certain Employees (as added by subsection (a)(2) of this section) shall apply to participants and former participants who retire before the date on which the amendments made by subsection (a) first takes effect. For the purpose of applying such provisions to these annuitants—

(i) the 18-month period referred to in section 221(q)(1)(B) of such Act shall be considered to begin on the date on which the amendments made by subsection (a) first becomes effective; and

(ii) the amount referred to in paragraph (2) of section 221(q) of such Act shall be com-

puted without regard to the provisions of subparagraph (B)(ii) of such paragraph (relating to interest).

SEC. 304. WAIVER OF THIRTY-MONTH APPLICATION REQUIREMENT.

(a) WAIVER.—Section 224(c)(2)(A) of the Central Intelligence Agency Retirement Act of 1964 for Certain Employees (50 U.S.C. 403 note) is amended by adding at the end thereof the following new sentence: "The Director may waive the 30-month application requirement under this subparagraph in any case in which the Director determines that the circumstances so warrant.".

(b) EFFECTIVE DATE.—The amendment made by this section shall be effective as of October 1, 1986.

SEC. 305. REIMBURSEMENT FOR DISABILITY EXAMS—DIRECTOR'S DISCRETION.

Section 231(b)(1) of the Central Intelligence Agency Retirement Act of 1964 for Certain Employees, as amended (50 U.S.C. 403 note), is amended in the sixth sentence by striking "shall" and inserting in lieu thereof "may".

SEC. 306. TECHNICAL CORRECTIONS TO SECTION ON PREVIOUS SPOUSES OF CIARDS PARTICIPANTS.

(a) SURVIVOR ANNUITIES FOR PREVIOUS SPOUSES.—Section 226 of the Central Intelligence Agency Retirement Act of 1964 for Certain Employees (50 U.S.C. 403 note) is amended—

(1) in subsection (a)—

(A) by striking out "whose retirement or disability or FECA (chapter 81 of title 5, United States Code) annuity commences after the effective date of this section";

(B) by striking out "applicable to spouses" and inserting in lieu thereof "applicable to former spouses (as defined in section 8331(23) of title 5, United States Code)"; and

(C) by striking out "married for at least nine months with service creditable under section 8332 of title 5, United States Code" and inserting in lieu thereof "as prescribed by the Civil Service Retirement Spouse Equity Act of 1984"; and

(2) in subsections (a) and (b), by striking out "the effective date of this section" each place it appears and inserting in lieu thereof "September 29, 1988".

(b) EFFECTIVE DATE.—(1) Except as provided in paragraphs (2) and (3), the amendments made by this section shall take effect on the date of enactment of this Act.

(2) The amendments made by subparagraphs (B) and (C) of subsection (a)(1) shall be deemed to have become effective as of September 29, 1988.

(3) The amendment made by subparagraph (A) of subsection (a)(1) shall be deemed to have become effective as of September 30, 1990, and shall apply in the case of annuitants whose divorce occurs on or after such date.

SEC. 307. TECHNICAL CORRECTION TO MANDATORY RETIREMENT PROVISION UNDER CIARDS.

Section 235(b) of the Central Intelligence Agency Retirement Act of 1964 for Certain Employees (50 U.S.C. 403 note) is amended—

(1) in the first sentence, by striking "grade GS-18 or above" and inserting in lieu thereof "of level 4 or above of the Senior Intelligence Service pay schedule"; and

(2) in the second sentence, by striking "less than GS-18" and inserting in lieu thereof "that of level 4 of the Senior Intelligence Service pay schedule".

SEC. 308. EXCLUSION OF CIA FOREIGN NATIONAL EMPLOYEES FROM CERTAIN CSRS PROVISIONS AND FROM FERS.

(a) DEFINITION OF "EMPLOYEE".—Section 8331(1) of title 5, United States Code, is amended—

(1) by striking "or" at the end of clause (xii);

(2) by striking the period at the end of clause (xii) and inserting in lieu thereof "; or"; and

(3) by adding after clause (xii) the following: "(xiii) a foreign national employee of the Central Intelligence Agency whose services are performed outside the United States and who is appointed after December 31, 1989.".

(b) PARTICIPATION IN THE THRIFT SAVINGS PLAN.—Section 8351 of title 5, United States Code, is amended—

(1) by redesignating subsection (d) as subsection (e); and

(2) by inserting after subsection (c) the following:

"(d) A foreign national employee of the Central Intelligence Agency whose services are performed outside the United States shall be ineligible to make an election under this section.".

(c) FEDERAL EMPLOYEES' RETIREMENT SYSTEM.—Section 8402(c) of title 5, United States Code, is amended by adding at the end the following new paragraph:

"(7) The Director of Central Intelligence may exclude from the operation of this chapter a Central Intelligence Agency foreign national employee who is a permanent resident alien.".

(d) EFFECTIVE DATE.—(1) The amendment made by subsection (a) shall be effective as of January 1, 1990.

(2) The amendments made by subsections (b) and (c) shall be effective as of January 1, 1987.

(3) Any refund which becomes payable as a result of the effective dates made by this subsection shall, to the extent that such refund involves an individual's contributions to the Thrift Savings Fund (established under section 8437 of title 5, United States Code), be adjusted to reflect any earnings attributable thereto.

SEC. 309. CORRECTIONS AND CLARIFICATIONS TO QUALIFIED FORMER SPOUSE PROVISIONS UNDER FERS.

(a) SPECIAL RULES FOR FORMER SPOUSES.—Section 304 of the Central Intelligence Agency Retirement Act of 1964 for Certain Employees (50 U.S.C. 403 note) is amended to read as follows:

"SPECIAL RULES FOR FORMER SPOUSES

"SEC. 304. (a) Except as otherwise specifically provided in this section, the provisions of chapter 84 of title 5, United States Code, including subsections (d) and (e) of section 8435 of such title, shall apply in the case of an officer or employee of the Agency who is subject to chapter 84 of title 5, United States Code, and who has a former spouse (as defined in section 8401(12) of title 5, United States Code) or a qualified former spouse.

"(b) For purposes of this section—

"(1) the term 'employee' means an officer or employee of the Agency who is subject to chapter 84 of title 5, United States Code, including one referred to in section 302(a) of this Act;

"(2) the term 'qualified former spouse' means a former spouse of an employee who was divorced from the employee after November 15, 1982 and who was married to the employee for at least 10 years during periods of service by the employee which are creditable under section 8411 of title 5, at least five years of which were spent outside the United States by both the employee and the former spouse during the employee's service with the Central Intelligence Agency;

"(3) the term 'pro rata share' means the percentage that is equal to (A) the number of days of the marriage of the qualified former spouse to the employee during the employee's periods of creditable service under chapter 84 of title 5 divided by (B) the total number of days of the employee's creditable service;

"(4) the term 'spousal agreement' means any written agreement (properly authenticated as determined by the Director) between an employee and the employee's spouse or qualified former spouse that has not been modified by court order; and

"(5) the term 'court order' means any court decree of divorce, annulment or legal separation, or any court order or court-approved property settlement agreement incident to such court decree of divorce, annulment or legal separation.

"(c)(1)(A) Unless otherwise expressly provided by any spousal agreement or court order governing disposition of benefits payable under subchapter II or subchapter V of chapter 84 of title 5, a qualified former spouse of an employee is entitled to a share (determined under subparagraph (B)) of all benefits otherwise payable to such employee under subchapter II or subchapter V of chapter 84 of title 5.

"(B) The share referred to in subparagraph (A) equals—

"(i) 50 percent, if the qualified former spouse was married to the employee throughout the entire period of the employees service which is creditable under chapter 84 of title 5; or

"(ii) a pro rata share of 50 percent, if the qualified former spouse was not married to the employee throughout such creditable service.

"(2) The benefits payable to an employee under subchapter II of chapter 84 of title 5 shall include, for purposes of this subsection, any annuity supplement payable to such employee under sections 8421 and 8421a of title 5.

"(3) A qualified former spouse shall not be entitled to any benefit under this subsection if, before commencement of any benefit, the qualified former spouse remarries before becoming 55 years of age.

"(4)(A) the benefits of a qualified former spouse under this subsection commence on—

"(i) the day the employee upon whose service the benefits are based becomes entitled to the benefits; or

"(ii) the first day of the second month beginning after the date on which the Director receives written notice of the court order of spousal agreement, together with such additional information or documentation as the Director may prescribe;

whichever is later.

"(B) The benefits of such former spouse and the right thereto terminate on—

"(i) the last day of the month before the qualified former spouse remarries before 55 years of age or dies; or

"(ii) the date the retired employee's benefits terminate (except in the case of benefits subject to paragraph (5)(B)).

"(5)(A) Any reduction in payments to a retired employee as a result of payments to a qualified former spouse under this subsection shall be disregarded in calculating—

"(i) the survivor annuity for any spouse, former spouse (qualified or otherwise), or other survivor under chapter 84 of title 5, and

"(ii) any reduction in the annuity of the retired employee to provide survivor benefits under subsection (d) of this section or under sections 8442 or 8445 of title 5.

"(B) If a retired employee whose annuity is reduced under subparagraph (A) is recalled to service under section 302(c) of this Act,

the salary of that annuitant shall be reduced by the same amount as the annuity would have been reduced if it had continued. Amounts equal to the reductions under this subparagraph shall be deposited in the Treasury of the United States to the credit of the Civil Service Retirement and Disability Fund.

"(6) Notwithstanding paragraphs (1) and (4), in the case of any qualified former spouse of a disability annuitant—

"(A) the annuity of such former spouse shall commence on the date the employee would qualify, on the basis of his or her creditable service, for benefits under subchapter II of chapter 84 of title 5, or on the date the disability annuity begins, whichever is later; and

"(B) the amount of the annuity of the qualified former spouse shall be calculated on the basis of the benefits for which the employee would otherwise qualify under subchapter II of chapter 84 of title 5.

"(7) Notwithstanding paragraph (1)(B), in the case of an employee who has elected to become subject to chapter 84 of title 5, United States Code, the share of such employee's qualified former spouse shall equal the sum of—

"(A) 50 percent of the employee's annuity under subchapter III of chapter 83 of title 5, United States Code, or under title II of this Act (computed in accordance with section 302(a) of the Federal Employees' Retirement System Act of 1986 or section 307 of this Act), multiplied by the proportion that the number of days of marriage during the period of the employee's creditable service before the effective date of the election to transfer bears to the employee's total creditable service before such effective date; and

"(B) if applicable, 50 percent of the employee's benefits under chapter 84 of title 5, United States Code, or section 302(a) of this Act (computed in accordance with section 302(a) of the Federal Employees' Retirement System Act of 1986 or section 307 of this Act), multiplied by the proportion that the number of days of marriage during the period of the employee's creditable service on and after the effective date of the election to transfer bears to the employee's total creditable service after such effective date.

"(8) For purposes of the Internal Revenue Code of 1986, payments to a qualified former spouse under this subsection shall be treated as income to the qualified former spouse and not to the employee.

"(d)(1)(A) Subject to an election under section 8416(a) of title 5, United States Code, and unless otherwise expressly provided by any spousal agreement or court order governing survivor benefits payable under this subsection to a qualified former spouse, such former spouse is entitled to a share, determined under subparagraph (B), of all survivor benefits that would otherwise be payable under subchapter IV of chapter 84 of title 5, to an eligible surviving spouse of the employee.

"(B) The share referred to in subparagraph (A) equals—

"(i) 100 percent, if the qualified former spouse was married to the employee throughout the entire period of the employee's service which is creditable under chapter 84 of title 5; or

"(ii) a pro rata share of 100 percent, if the qualified former spouse was not married to the employee throughout such creditable services.

"(2)(A) The survivor benefits payable under this subsection to a qualified former spouse shall include the amount payable under section 8442(b)(1)(A) of title 5, and any supplementary annuity under section 8442(f) of title 5, that would be payable if such former spouse were a widow or widower entitled to an annuity under such section of title 5.

"(B) Any calculation under section 8442(f) of title 5, United States Code, of the supplementary annuity payable to a widow or widower of an employee referred to in section 302(a) of this Act shall be based on an 'assumed CIARDS annuity' rather than an 'assumed CSRS annuity' as stated in section 8442(f) of such title. For the purpose of this subparagraph, the term 'assumed CIARDS annuity' means the amount of the survivor annuity to which the widow or widower would be entitled under title II of this Act based on the service of the deceased annuitant determined under section 8442(f)(5) of such title.

"(3) A qualified former spouse shall not be entitled to any benefit under this subsection if, before commencement of any benefit, the qualified former spouse remarries before becoming 55 years of age.

"(4) If the survivor annuity payable under this subsection to a surviving qualified former spouse is terminated because of remarriage before becoming age 55, the annuity shall be restored at the same rate commencing on the date such remarriage is dissolved by death, divorce, or annulment, if—

"(A) such former spouse elects to receive this survivor annuity instead of any other survivor benefit to which such former spouse may be entitled under subchapter IV of chapter 84 of title 5, or under another retirement system for Government employees by reason of the remarriage; and

"(B) any lump sum paid on termination of the annuity is returned to the Civil Service Retirement and Disability Fund.

"(5)(A) Except as provided in subparagraph (B), a modification in a court order or spousal agreement to adjust a qualified former spouse's share of the survivor benefits shall not be effective if issued after the retirement or death of the employee, former employee, or annuitant, whichever occurs first.

"(B) In the case of a post-retirement divorce or annulment, a modification referred to in subparagraph (A) shall not be effective if issued—

"(i) more than a year after the date the decree of divorce or annulment becomes final, or

"(ii) after the death of the annuitant,

whichever occurs first.

"(C) To the extent a modification under subparagraph (B) increases a qualified former spouse's share of the survivor benefits, the annuitant shall pay a deposit computed in accordance with the provisions of section 8418 of title 5, United States Code.

"(6) After a qualified former spouse of a retired employee remarries before becoming age 55 or dies, the reduction in the retired employee's annuity for the purpose of providing a survivor annuity for such former spouse shall be terminated. The annuitant may elect, in a signed writing received by the Director within two years after the qualified former spouse's remarriage or death, to continue the reduction in order to provide or increase the survivor annuity for such annuitant's spouse. The annuitant making such election shall pay a deposit in accordance with the provisions of section 8418 of title 5, United States Code.

"(7) Notwithstanding paragraph (1)(B), in the case of an employee who has elected to become subject to chapter 84 of title 5, United States Code, the share of such employee's qualified former spouse to survivor benefits shall equal the sum of—

"(A) 50 percent of the employee's annuity under subchapter III of chapter 83 of title 5 or under title II of this Act (computed in accordance with section 302(a) of the Federal Employees' Retirement System Act of 1986 or section 307 of this Act), multiplied by the proportion that the number of days of marriage during the period of the employee's creditable service before the effective date of the election to transfer bears to the employee's total creditable service before such effective date; and

"(B) if applicable, 50 percent of—

"(i) the employee's annuity under chapter 84 of title 5, United States Code, or section 302(a) of this Act (computed in accordance with section 302(a) of the Federal Employees' Retirement System Act of 986 or section 307 of this Act), plus

"(ii) the survivor benefits referred to in subsection (d)(2)(A), multiplied by the proportion that the number of days of marriage during the period of the employee's creditable service on and after the effective date of the election to transfer bears to the employee's total creditable service after such effective date.

"(e) An employee may not make any election or modification of election under section 8417 or 8418 of title 5, United States Code, or any other section relating to the employee's annuity under subchapter II of chapter 84 of title 5, United States Code, that would diminish the entitlement of a qualified former spouse to any benefit granted to such former spouse by this section or by court order or spousal agreement.

"(f) Whenever an employee or former employee becomes entitled to receive the lump-sum credit under section 8424(a) of title 5, United States Code, a share (determined under subsection (c)(1)(B) of this section) of that lump-sum credit shall be paid to any qualified former spouse of such employee, unless otherwise expressly provided by any spousal agreement or court order governing disposition of the lump-sum credit involved.

"(g)(1) Except as provided in paragraph (2) in the case of an employee who has elected to become subject to chapter 84 of title 5, United States Code, the provisions of sections 224 and 225 of this Act shall apply to such employees former spouse (as defined in section 204(b)(4) of this Act) who would otherwise be eligible for benefits under such sections 224 and 225 but for the employee having elected to become subject to such chapter.

"(2) For the purpose of computing such former spouse's benefits under sections 224 and 225 of this Act—

"(A) the retirement benefits shall be equal to the amount determined under subsection (c)(7)(A) of this section; and

"(B) the survivor benefits shall be equal to 55 percent of the full amount of the employee's annuity computed in accordance with section 302(a) of the Federal Employees' Retirement System Act of 1986 or section 307 of this Act.

"(3) Benefits provided pursuant to this subsection shall be payable from the Central Intelligence Agency Retirement and Disability Fund.".

(b) EFFECTIVE DATE.—(1) Except as provided in paragraph (2) of this subsection, the amendments made by this section shall be deemed to have become effective as of January 1, 1987.

(2) Subsection (g) of section 304 of the Central Intelligence Agency Retirement Act of 1964 for Certain Employees, as amended by this section, shall be deemed to have become effective as of December 7, 1987.

SEC. 310. ELIMINATION OF OVERSEAS SERVICE REQUIREMENT FOR FORMER SPOUSES.

(a) ELIGIBILITY.—Section 204(b)(4) of the Central Intelligence Agency Retirement Act of 1964 for Certain Employees (60 U.S.C. 403 note) is amended by striking out "at least five years of which were spent outside the United States by both the participant and the former spouse" and inserting in lieu thereof "at least five years of which were spent by the participant outside the United States or otherwise in a position whose duties qualified him or her for designation by the Director as a participant pursuant to section 203 of this Act".

(b) APPLICABILITY.—The amendment made by subsection (a) shall apply only to a former husband or wife of a participant or former participant whose divorce from the participant or former participant became final after the date of enactment of this Act.

TITLE IV—GENERAL PROVISIONS

SEC. 401. INCREASE IN EMPLOYEE COMPENSATION AND BENEFITS AUTHORIZED BY LAW.

Appropriations authorized by this Act for salary, pay, retirement, and other benefits for Federal employees may be increased by such additional or supplemental amounts as may be necessary for increases in such compensation or benefits authorized by law.

TITLE V—FEDERAL BUREAU OF INVESTIGATION PROVISIONS

SEC. 501. FBI CRITICAL SKILLS SCHOLARSHIP PROGRAM.

(a) STUDY.—The Director of the Federal Bureau of Investigation shall conduct a study relative to the establishment of an undergraduate training program with respect to employees of the Federal Bureau of Investigation that is similar in purpose, conditions, content, and administration to undergraduate training programs administered by the Central Intelligence Agency (under section 8 of the Central Intelligence Agency Act of 1949 (50 U.S.C. 403j)), the National Security Agency (under section 16 of the National Security Agency Act of 1959 (50 U.S.C. 402 (note)), and the Defense Intelligence Agency (under 10 U.S.C. 1608).

(b) IMPLEMENTATION.—Any program proposed under subsection (a) may be implemented only after the Department of Justice and the Office of Management and Budget review and approve the implementation of such program.

(c) AVAILABILITY OF FUNDS.—Any payment made by the Director of the Federal Bureau of Investigation to carry out any program proposed to be established under subsection (a) may be made in any fiscal year only to the extent that appropriated funds are available for that purpose.

TITLE VI—CENTRAL INTELLIGENCE AGENCY PROVISIONS

SEC. 601. AMENDMENT TO TITLE 5.

Section 5315 of title 5, United States Code, is amended to insert at the end thereof the following:

"Inspector General, Central Intelligence Agency".

TITLE VII—NATIONAL SECURITY SCHOLARSHIPS, FELLOWSHIPS, AND GRANTS

SEC. 701. AMENDMENT TO THE NATIONAL SECURITY ACT OF 1947.

The National Security Act of 1947 is amended by adding at the end thereof the following new title:

"TITLE VIII—NATIONAL SECURITY SCHOLAR- SHIPS, FELLOWSHIPS, AND GRANTS"

"SEC. 801. SHORT TITLE.

"This title may be cited as the 'National Security Education Act of 1991'.

"SEC. 802. FINDINGS.

"The Congress finds that—

"(1) the security of the United States is and will continue to depend on our Nation's international leadership;

"(2) United States leadership is and will increasingly be based on our Nation's political, economic, as well as military strength around the world;

"(3) recent changes in the world pose threats of a new kind to international stability as Cold War tensions continue to decline while economic competition, regional conflicts, terrorist activities, and weapon proliferations have dramatically increased;

"(4) the future national security and economic well-being of the United States will substantially depend on the ability of its citizens to communicate and compete by knowing the languages and cultures of other countries;

"(5) the Federal Government has a vested interest to ensure that the employees within its national security agencies are prepared to meet the challenges of this changing international environment;

"(6) the Federal Government also must address the fact that American undergraduate and graduate students are inadequately prepared to meet the challenges posed by increasing global interaction among nations; and

"(7) American colleges and universities must place a new emphasis on improving the teaching of foreign languages, regional studies, and international studies to help meet such challenges.

"SEC. 803. PURPOSES.

"It is the purpose of this title—

"(1) to establish the National Security Education Trust Fund to—

"(A) provide the necessary resources, accountability, and flexibility to meet the Nation's security needs, especially as such needs change over time;

"(B) increase the quantity, diversity, and quality of teaching and learning of subjects in the fields of international studies, area studies, and foreign languages deemed to be critical to the Nation's interest;

"(C) enhance the pool of possible applicants to work in the national security agencies of the United States Government; and

"(D) in conjunction with other Federal programs, expand the international experience, knowledge base, and the perspectives on which the United States citizenry, government employees, and leaders shall rely; and

"(2) to permit the Federal Government to advocate the cause of international education;

"SEC. 804. PROGRAM AUTHORIZED.

"(a) PROGRAM AUTHORIZED.—

"(1) IN GENERAL.—The National Security Education Board shall conduct a program of—

"(A) awarding scholarships to undergraduate students who are United States citizens or resident aliens to enable such students to study abroad, for at least 1 semester, in countries identified by the Board as critical countries pursuant to section 805(c)(2);

"(B) awarding fellowships to graduate students who—

"(i) are United States citizens or resident aliens to enable such students to pursue education in the United States in the disciplines of international studies, area studies, and foreign languages, that the Board determines pursuant to section 805(c)(3) to be critical areas of such disciplines; and

"(ii) agree to work for the Federal Government or in the field of education, in the area of study for which the scholarship was awarded, in accordance with the agreement described in paragraph (3); and

"(C) awarding grants to institutions of higher education to enable such institutions to establish, operate, and improve programs in international studies, area studies, and foreign languages that the Board determines pursuant to section 805(c)(4) to be critical areas of such disciplines.

"(2) RESERVATIONS.—The Board shall have as a goal reserving—

"(A) ⅓ of the amount available for obligation under section 806(f)(1) to award scholarships pursuant to paragraph (1)(A);

"(B) ⅓ of such amount to award fellowships pursuant to paragraph (1)(B); and

"(C) ⅓ of such amount to award grants pursuant to paragraph (1)(C).

"(3) AGREEMENT.—Each individual receiving a fellowship pursuant to paragraph (1)(B) shall enter into an agreement with the Board which shall provide assurances that each such individual—

"(A) shall maintain satisfactory academic progress; and

"(B) shall agree to work for the Federal Government or in the field of education, in the area of study for which the fellowship was awarded, for a period determined by the Board which shall at least be equal to the period that fellowship assistance was provided under this title and shall not exceed 3 times such period, upon completion of such individual's education.

"(b) CRITERIA AND INFORMATION.—The Board shall—

"(1) develop criteria for awarding scholarships, fellowships, and grants under this title; and

"(2) provide for the wide disbursement of information regarding the activities assisted under this title.

"(c) DISTRIBUTION OF ASSISTANCE.—The Board shall take into consideration providing an equitable geographic distribution of scholarships, fellowships, and grants awarded under this title among the various regions of the United States.

"(d) MERIT REVIEW.—The Board shall utilize a merit review process in awarding scholarships, fellowships, and grants under this title.

"(e) INFLATION.—The amount of scholarships, fellowships, and grants awarded under this title shall be annually adjusted for inflation.

"SEC. 805. NATIONAL SECURITY EDUCATION BOARD.

"(a) ESTABLISHMENT.—The Secretary of Defense shall establish a National Security Education Board.

"(b) COMPOSITION.—

"(1) IN GENERAL.—The Board shall be composed of the following individuals or the representatives of such individuals:

"(A) The Secretary of Defense, who shall serve as the chairperson of the Board.

"(B) The Secretary of Education.

"(C) The Secretary of State.

"(D) The Secretary of Commerce.

"(E) the Director of the Central Intelligence Agency.

"(F) The Director of the United States Information Agency.

"(G) 4 individuals appointed by the President, by and with the advice and consent of

the Senate, who have expertise in the fields of international, language, and area studies education.

"(2) SPECIAL RULE.—Individuals appointed to the Board pursuant to paragraph (1)(G) shall be appointed for a period not to exceed 4 years. Such individuals shall receive no compensation for service on the Board but may receive reimbursement for travel and other necessary expenses.

"(c) FUNCTIONS.—The Board shall—

"(1) establish qualifications for students and institutions of higher education desiring scholarships, fellowships, and grants under this title;

"(2) identify as the critical countries described in section 804(a)(1)(A) those countries that are not emphasized in other United States study abroad programs, such as countries in which few United States students are studying;

"(3) identify as the critical areas within the disciplines described in section 804(a)(1)(B) those areas that the Board determines to be critical areas of study in which United States students are deficient in learning;

"(4) identify as critical areas those areas of study described in section 804(a)(1)(C) in which United States students, educators, and government employees are deficient in learning and in which insubstantial numbers of United States institutions of higher education provide training; and

"(5) review the administration of the program assisted under this title.

"SEC. 806. NATIONAL SECURITY EDUCATION TRUST FUND.

"(a) ESTABLISHMENT OF FUND.—There is established in the Treasury of the United States a trust fund to be known as the 'National Security Education Trust Fund'. The Fund shall consist of amounts transferred to it pursuant to subsection (b) of this section and amounts credited to the Fund under subsection (d) of this section.

"(b) TRANSFER OF AMOUNTS.—

"(1) TRANSFER.—The Secretary of Defense is authorized to transfer to the Trust Fund $180,000,000 from funds appropriated for fiscal year 1992 pursuant to section 101 of the Intelligence Authorization Act, Fiscal Year 1992.

"(2) RESERVATIONS.—From the amounts transferred pursuant to paragraph (1) for fiscal year 1992, the Board shall reserve—

"(A) $15,000,000 to award scholarships pursuant to section 804(a)(1)(A);

"(B) $10,000,000 to award fellowships pursuant to section 804(a)(1)(B); and

"(C) $10,000,000 to award grants pursuant to section 804(a)(1)(C).

"(c) INVESTMENT OF FUND ASSETS.—It shall be the duty of the Secretary of the Treasury to invest in full the amounts transferred to the Fund. Such investments may be made only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States. For such purpose, such obligations may be acquired on original issue at the issue price or by purchase of outstanding obligations at the market price. The purposes for which obligations of the United States may be issued under chapter 31 of title 31, United States Code, are hereby extended to authorize the issuance at par of special obligations exclusively to the Fund. Such special obligations shall bear interest at a rate equal to the average rate of interest, computed as to the end of the calendar month next preceding the date of such issue, borne by all marketable interest-bearing obligations of the United States then forming a part of the public debt, except that where such average rate is not a multiple of ⅛ of 1 percent, the rate of interest of such special obligations shall be the multiple of ⅛ of 1 percent next lower than such average rate. Such special obligations shall be issued only if the Secretary of the Treasury determines that the purchases of other interest-bearing obligations of the United States, or of obligations guaranteed as to both principal and interest by the United States or original issue or at the market price, is not in the public interest.

"(d) AUTHORITY TO SELL OBLIGATIONS.—Any obligation acquired by the Fund (except special obligations issued exclusively to the Fund) may be sold by the Secretary of the Treasury at the market price, and such special obligations may be redeemed at par plus accrued interest.

"(e) PROCEEDS FROM CERTAIN TRANSACTIONS CREDITED TO FUND.—The interest on, and the proceeds from the sale or redemption of, any obligations held in the Fund shall be credited to and form a part of the Fund.

"(f) OBLIGATIONS FROM THE ACCOUNT.—The Board is authorized to obligate such sums as are available in the Fund (including any amounts not obligated in previous fiscal years) for—

"(1) awarding scholarships, fellowships, and grants in accordance with the provisions of this title; and

"(2) properly allocable administrative costs of the Federal Government for the activities described in this title.

"SEC. 807. ADMINISTRATIVE PROVISIONS.

"(a) IN GENERAL.—In order to carry out this title, the Board may—

"(1) appoint and fix the compensation of such personnel as may be necessary to carry out the provisions of this title, except that in no case may an employee other than the Executive Secretary be compensated at a rate to exceed the maximum rate of basic pay payable for GS-15 of the General Schedule;

"(2) prescribe such regulations as the Board considers necessary governing the manner in which its functions shall be carried out;

"(3) receive money and other property donated, bequeathed, or devised, without condition or restriction other than it be used for the purposes of the Board, and to use, sell, or otherwise dispose of such property for the purpose of carrying out its functions;

"(4) accept and use the services of voluntary and noncompensated personnel;

"(5) enter into contracts or other arrangements, or make grants, to carry out the provisions of this title, and enter into such contracts or other arrangements, or make such grants, with the concurrence of two-thirds of the members of the Board, without performance or other bonds and without regard to section 5 of title 41, United States Code;

"(6) rent office space in the District of Columbia; and

"(7) make other necessary expenditures.

"(b) ANNUAL REPORT.—The Board shall submit to the President and to the Congress an annual report of its operations under this title. Such report shall contain—

"(1) an analysis of the mobility of students to participate in study abroad programs;

"(2) an analysis of the trends within language, international, and area studies, along with a survey of such areas the Board determines are receiving inadequate attention;

"(3) the impact of the Board's activities on such trends; and

"(4) an evaluation of the impediments to improving such trends.

"SEC. 808. EXECUTIVE SECRETARY.

"(a) APPOINTMENT BY BOARD.—There shall be an Executive Secretary of the Board who shall be appointed by the Board. The Executive Secretary shall be the chief executive officer of the Board and shall carry out the functions of the Board subject to the supervision and direction of the Board. The Executive Secretary shall carry out such other functions consistent with the provisions of this title as the Board shall prescribe.

"(b) COMPENSATION.—The Executive Secretary of the Board shall be compensated at the rate of basic pay payable for employees at level III of the Executive Schedule.

"SEC. 809. AUDITS.

"The activities of the Board under this title may be audited by the General Accounting Office under such rules and regulations as may be prescribed by the Comptroller General of the United States. Representatives of the General Accounting Office shall have access to all books, accounts, records, reports, and files and all other papers, things, or property belonging to or in use by the Board pertaining to such activities and necessary to facilitate the audit.

"SEC. 810. DEFINITIONS.

"For the purpose of this title—

"(1) the term 'Fund' means the National Security Education Trust Fund established pursuant to section 806;

"(2) the term 'Board' means the National Security Education Board established pursuant to section 805; and

"(3) the term 'institution of higher education' has the same meaning given to such term by section 1201(a) of the Higher Education Act of 1965.".●

POST-DISPATCH AGAINST SANCTIONS DECISION

● Mr. SIMON. Mr. President, many of us have expressed serious concern about the administration's decision to lift sanctions on South Africa.

We do not, for a moment, question that significant progress has been made; and despite the recent scandals in South Africa, I still believe that President de Klerk is a person of goodwill, who wants to get things resolved in a positive way.

That those of us in the Senate and House who have expressed concern about the administration's hasty decision are not alone, is illustrated by an excellent editorial that appeared in the St. Louis Post-Dispatch.

I ask to insert that editorial in the RECORD at this point.

The editorial follows:

BAD DECISION ON SANCTIONS

Since President Bush opposed economic sanctions against South Africa from the start, it's no surprise that he removed them the first chance he got. He may be removing in the process the very tool that could speed up peaceful change in South Africa.

The president's action is based on questionable information. He said South Africa had met all five U.S. conditions for lifting the five-year-old U.S. embargo, including freeing all political prisoners. The president is taking Pretoria's word that it has emptied its jails and opened its borders to political exiles.

But Amnesty International reports that the government still holds political pris-

oners in its jails. In addition, there are claims that up to 40,000 South African exiles have been barred. If this is true, it appears that Pretoria has failed to meet the U.S. requirement that all South Africans be allowed to return and take part in the political process.

There also are questions as to whether South Africa has effectively dismantled the Racial Classification Act, as required by the U.S. sanctions law. Pretoria's repeal of this act applies only to newborn citizens. Others will still be classified according to race until a new Constitution is drawn up.

Mr. Bush also spoke of what he called a "profound transformation in the situation in South Africa." He overlooks the kind of thing he'd quickly call attention to if South Africa were an Eastern European nation, namely that the government denies the vote to 77 percent of the population.

There is little that Congress can do. It could pass another sanctions law, but that seems unlikely. It could, however, challenge Mr. Bush by pointing out that neither he nor South Africa has met all the law's conditions. The law requires the White House to convene an international conference to urge other industrial nations to work together to prevent South Africa from circumventing the sanctions, as it did by turning to Japan, for example, to compensate for the loss of some U.S. investments. Nor did the president urge the European nations to hold off on lifting sanctions when they decided to do so months ago.

Equally shortsighted is the International Olympic Committee's decision to readmit South Africa. Together these moves send Pretoria the signal that it doesn't have to negotiate in good faith with the black majority. It also undermines the ANC leadership of Nelson Mandela, who urged the president not to lift the sanctions and who is under pressure from the group's military wing not to abandon armed struggle.

If President F.W. de Klerk takes a hard line in negotiations with the ANC, as he might well do now that the economic pressure and world ostracism have vanished, Mr. Mandela might also show equal inflexibility. The upshot could be dashed hopes among the black majority, followed by anger and unprecedented bloodshed. That is why it wouldn't have hurt Mr. Bush to delay lifting sanctions until he had clearer signals about the direction in which South Africa was headed.•

ARIZONANS BEING HONORED BY "TAKE PRIDE IN AMERICA"

• Mr. DECONCINI. Mr. President, I rise to acknowledge the exemplary achievements of several Arizonans who were honored this week at the Fifth Annual Take Pride in America National Awards Ceremony here in Washington, D.C. Mr. President, as you know, Take Pride in America is a national public awareness campaign that encourages the wise use of America's land and water resources through a partnership of Government, private organizations, and individual citizens. Accordingly, several organizations from my State were selected to receive awards for their commitment and contribution to the preservation of our valuable natural resources.

The first organization that was honored, the Arizona Public Service Company Volunteers, has now received its third consecutive Take Pride in America National Award. Arizona Public Service [APS] is an electric utility that boasts one of the largest and most active corporate volunteer programs in Arizona. This year APS is being recognized for a two-part effort that involved nearly 350 volunteers who worked to erect protective fencing around the 140-acre Desert Botanical Garden in Papago Park near Phoenix and to build a horse corral at Pioneer, AZ, a living history museum located on 80 acres of public land.

Other Arizona groups that were recognized were the Tonto National Forest Anglers Unit and the Arizona Game and Fish Department, which collaborated on the Saguaro Lake Project, a long-range, comprehensive plan by the U.S. Forest Service to improve fisheries habitat and angling opportunities at this lake. The organizations worked with the Tonto National Forest, Mesa Ranger District to map a strategy, raise necessary funds, and carry out the appropriate assignments. In all, over 1,200 volunteers have worked to install specially-designed equipment that provides the type of hibitat needed for the different species of fish to thrive in Saguaro Lake.

Mr. President, I would also like to draw your attention to the accomplishments of the River Education Specialist Program, which has functioned since 1988 as a cooperative venture between the U.S. Forest Service—Tonto National Forest, Mesa Ranger District—and the Student Conservation Association. The program's mission is to establish a uniformed presence along the Lower Salt River to educate hundreds of thousands of visitors on proper river ethics and water safety. In addition to environmental education, crews have also provided services such as litter collection, emergency first aid, and search and rescue.

Lastly, I would like to commend to my colleagues the efforts of last year's 12th Annual Lower Salt River Cleanup, during which 300 volunteers turned out to collect over 12 tons of debris including furniture, appliances, abandoned vehicles, and other trash. The U.S. Forest Service coordinated this massive effort to clean the 12-mile stretch of scenic river known as the Salt River Recreation Area. More than 800,000 seasonal visitors leave behind hundreds of tons of trash each year. This 1-day cleanup would not be possible without the backing of a network of public and private organizations including radio stations, businesses, local and state officials, and conservation organizations.

Mr. President, our Nation continues to face considerable challenges regarding the conservation and preservation of our natural resources which we hope to pass on to future generations. However, I trust that I speak for this entire body in expressing our pride and appreciation for the efforts of the many individuals and organizations that were honored this week. They have each proven that they do indeed take pride in America. Collectively, their efforts are helping to stem the tide of destructive forces that threaten our Nation's resources, and their accomplishments should be acknowledged and appreciated by Americans everywhere.•

INVESTING IN THE PRODUCTIVITY OF AMERICANS

• Mr. HARKIN. Mr. President, yesterday morning the Labor and Human Resources Committee held a very important hearing. The subject of the hearing was the need for improved access to affordable personal assistance services for Americans with disabilities.

The hearing was especially timely, because today is the first anniversary of the signing of the Americans With Disabilities Act. As the Senate sponsor of the ADA, that was my proudest day in Congress. It was also a landmark step in the journey toward assuring that affordable, consumer-directed personal assistance services are available to Americans that need them.

The ADA is about equal access to the American dream. It's not about handouts. It's about putting people with disabilities on equal footing with everybody else. It's about breaking down barriers and opening doors of opportunity to bring all Americans with disabilities into the mainstream of American life.

But, as the witnesses at yesterday's hearings so forcefully and movingly testified, for some people with disabilities, the full promise of the ADA of equal opportunity and participation in the mainstream will not be realized without changes in programs to assure them needed assistive technology and personal assistance services. The principles embedded in the ADA provide the basis for these changes and more—the establishment of a national disability policy which includes access to affordable, quality personal assistance services.

Mr. President, the witnesses at yesterday's hearing all gave moving statements, from their own personal or family experiences, of the critical importance of personal assistance services in terms of quality of their lives and their productivity. One of the witnesses, Justin Dart, my good friend and Chairman of the President's Committee on Employment of People with Disabilities, made an especially powerful statement.

The essence of Justin Dart's statement went beyond the specific topic of the hearing, it spoke to what our society is all about. He spoke to Americans' fundamental sensitivity to the injustice of discrimination. He also talked about empowering people at the most basic of levels—giving all Ameri-

cans a reasonable chance at achieving the American dream.

His statement harkened back to the call of Franklin Delano Roosevelt for us to come together again as an American family. A family united and dedicated to investing in the common good.

His testimony, which I would ask be included in its entirety at the conclusion of my statement, eloquently makes the case for investing in the productivity of our Nation. We have to put our resources into preventing barriers which can stop people from reaching their full potential. We have to reach down early in life to do that. And that means assuring all women quality affordable prenatal care. It means assuring all infants and children good nutrition, immunization against disease, and other appropriate health care. It means assuring access to Head Start and other early intervention services to all those who need them. It means assuring access to personal assistance services.

It is investments in things like these that will make Americans individually and as a nation strong. And I believe that is most fitting to be rededicating ourselves to making those investments on this the first anniversary of the Americans With Disabilities Act.

The testimony follows:

TESTIMONY OF JUSTIN DART, JR., THURSDAY, JULY 25, 1991

Mr. Chairman, it is a privilege to appear before your committee today. Once again I congratulate you on your historic personal leadership for the passage of the world's first comprehensive civil rights law for people with disabilities by any nation. And I congratulate ADA sponsor Senator TOM HARKIN, hero of all Americans with disabilities, Senator ORRIN HATCH, a statesman of exceptional courage and conscience, Senators DURENBERGER, SIMON, JEFFORDS, and all of your distinguished colleagues.

I speak to you today not as a Presidential appointee, but rather as an individual citizen advocate.

ADA is a landmark in the evolution of human being—the world's first comprehensive civil rights law for people with disabilities by any nation.

It holds the potential for the emancipation and productive independence of every person with a disability on Earth.

I am proud of America. I am proud of President Bush. I am proud of our great Congress, and especially of my colleagues in the disability rights movement.

ADA is an absolutely essential tool to achieve equality. But ADA is not equality.

To the millions of isolated, impoverished Americans with disabilities who are still imprisoned by prejudice and paternalism, ADA is a promise to be kept.

That promise is empowerment. For whatever the words of the law say, the clearly implied promise of ADA is that all Americans with disabilities will be empowered to fulfill their potential as equal, as prosperous and as welcome members of the mainstream.

America is watching. The world is watching. Because we are America, our success, or our failure to keep the promise of ADA will impact the quality of the lives of several generations in every nation.

How can we move from ADA to empowerment in real life?

Of course, there must be vigorous leadership by all branches of Federal, State, and local government to implement rights legislation and programs of service.

The Bush administration will fulfill its absolute responsibility to provide leadership for empowerment. But history has proven conclusively that Government alone cannot give equality. The final responsibility for keeping the promise of ADA is ours as citizen advocates.

Of course, there must be continued and greatly expanded united advocacy by the disability community.

Of course, there must be a dynamic campaign to educate and motivate all Americans to participate in the harmonious implementation of ADA.

But that is not all.

The reality of all nations makes it painfully clear that civil rights laws, affirmative action and raw opportunity alone, do not automatically enable people to achieve lives of quality in an increasingly complex technological society. The substance of equality and of quality of life is empowerment in the economic and social mainstream.

In spite of the dramatic experimental progress of the last two decades, the employment of people with disabilities in America has gone from 41 percent in 1970, to 33 percent in 1988, about 15 percent for psychiatric survivors. And we still have black and Hispanic ghettos 27 years after the Civil Rights Act of 1964. In the midst of history's most dynamic economy, substantial proportions of all races and nationalities in America are still mired in poverty.

We have reached the limits of traditional social and economic systems.

Empowerment is the missing clause in the social contract. The next great task of Mr. Jefferson's historic experiment in democracy is to convert a society which offers magnificent opportunities, into a society which empowers all of its people to take advantage of those opportunities.

We must build on the great foundations that you and our other great pioneers of empowerment have made. We must develop a mature science of empowerment that will enable all Americans to fulfill their inalienable right and their inalienable responsibility to achieve their full potential as fully productive, fully participating members of the mainstream.

Personal assistance services must be a keystone component of an effective science of empowerment.

The question of cost has been raised.

In the context of a society in which disability has become a normal characteristic of the human process, personal assistance services are not a luxury but an essential investment in survival and productivity like health care, highways, railroads, telephones, defense, and agriculture.

Of course, as with any investment in productivity—homesteads in the pioneer west, a computer, an automated assembly line system—there is an initial cost.

But making these investments is not an option. Enabling its members to be productive in terms of quality of life is the fundamental and only rational purpose of human society.

Families, communities, nations that forget this always pay a terrible price.

President Bush has estimated that excluding two thirds of Americans with disabilities from the mainstream costs us $200 billion per year.

It has been demonstrated again and again that effective personal assistance services cost far less than traditional medical services, institutionalization or social welfare.

Effective personal care services often results in greatly increased productivity and quality of life for both recipient and provider.

Malcolm Brody, a decorated Vietnam veteran with a severe head injury, is productively employed by Lex Frieden, whose productivity does not have to be justified to anyone in this room.

Another wheel chair user, Peg Nosek, was a member from 1980–1984 of the experimental home based program which Mrs. Dart and I have operated for 22 years. When Peg joined us she was frustrated with the problems of personal assistance services, in debt and dependent on public and private welfare. With refined approaches to personal assistance she attained a masters degree, a PHD, part time professional employment, and left us with a positive bank balance. She now holds prestigious professional employment and owns her own home. She pays substantial taxes and no longer uses welfare benefits.

I became a wheel chair user when I was 18 years old. Personal assistance services have enabled me to have a life the fullness of which has far exceeded the wildest dreams of my imagination as an able bodied youth. I am fortunate that I could afford adequate assistance services. Most of my colleagues cannot.

America must give first priority attention to the establishment of comprehensive public and private personal assistance services that will be available to all who need them.

There must be research to develop the present wright brothers approaches to personal care assistance.

There must be education of people with disabilities, potential personal assistance service providers, and the general public in regard to their responsibilities and opportunities.

We must designate substantial public and private funding to initiate adequate programs now.

In closing, Mr. Chairman, I appeal for a truly comprehensive national personal care assistance program. Simply putting a politically expedient bandaid on an inadequate policy would increase the national deficit—morally and economically—and could condemn several generations of people with disabilities to incarceration in paternalistic institutions, and the rat infested back rooms of ghettos.

The distinguished Harvard educator Jerome Bruner has correctly stated that, "we do well to recall that most revolutions have been lost precisely because they did not go far enough."

The distinguished philosopher Pierre Teilhard de Chardin said, "Surely our great grandsons will not be wrong if they think of us as barbarians." He was on the right track, but a raging optimist. Because we, his great grandchildren still seem to think it is civilized to invest enormous sums of money in luxury cars, yachts and vacation houses, while depriving millions of people with disabilities the personal services they need to achieve the minimum levels of an existence we would call human.

Let us unite in action to keep the promise of ADA.•

WILLIAM FAY'S IMPORTANT ARTICLE

• Mr. KASTEN. Mr. President, the forces of product liability reform are

truly on the rise. Yesterday, reform-minded members of the House of Representatives introduced H.R. 3030, a measure very similar to our own S. 1400—a much-needed remedy for our out-of-control tort liability system.

Also, in the Washington Times of July 24, there appeared a cogent, well-argued piece by William D. Fay of the Product Liability Coordinating Committee. Mr. Fay is an excellent advocate, and we are grateful for his efforts. I ask that his article appear in the RECORD, and I recommend it to my colleagues.

The article follows:

INVISIBLE LAWYERS TAX

(By William Fay)

The next time you walk into a hardware store, examine the ladders for sale very carefully. They probably look remarkably similar to the ladders manufactured 20 years ago. Yet, even adjusted for inflation, a ladder today costs $20 more than it did a generation ago. Why? Because of the Lawyers Tax.

The Lawyers Tax, a phrase coined by Vice President Dan Quayle, is the price we pay for our out-of-control tort system. Rather than having a predictable, stable nationwide system establishing liability rules for faulty products, and a certain mechanism for rewarding the injured or aggrieved, we have a hodgepodge, as widely variant from state to state as the payoff in any week's state lottery.

While our international competitors contend with national liability laws or, as in the case of the European Community, adopt uniform standards within their trading bloc, we have 51 different sets. Juries in some states have rewarded people who have fallen off ladderes and injured themselves—even though the injured plaintiff had, prior to his fall, consumed enough alcohol to have been convicted for DWI. Even if you don't live in a state with such a foolish law, you still pay extra. You still pay the Lawyers Tax.

Our current patchwork of liability laws harms American competitiveness, punishes consumers and stifles innovation. One has only to look at the products that have not been made, the items that have been taken off the shelf, and the destruction of certain vulnerable industries to understand the damage our current liability system does to our national competitiveness and innovation.

For example, G.D. Searl & Co. discontinued manufacturing intrauterine devices, not because they were unsuccessful or unprofitable but because the company was having to pay upward of $1.5 million per year to defend itself—successfully in all cases—from liability suits. Because of liability fears, the Merchants Corp. of America decided not to manufacture what would have been the nation's highest-quality infant car seat. Mountaineering innovator Yvon Chouinard sold his company because of a spate of lawsuits blaming his equipment, rather than human error, for the risks of mountaineering.

In industry after industry, America's competitiveness is at risk because liability exposure forces innovators to discontinue product lines or face millions of dollars in legal expenses. As America struggles in an increasingly competitive international trade environment, we face an era of diminished entrepreneurial horizons. All because companies find that, under our current patchwork of different laws in different states, it simply is not worth the risk to bring new products to market.

Because of the explosion of liability claims, the small craft industry, which employed 17,000 people in 1979, employed as few as 1,000 people just 10 years later. (In the case of small aircraft, the Lawyers Tax is a whopping $75,000 per plane!) This market has now all but been ceded to foreign competitors, an all too typical result.

According to one study, American industry spends more on lawyers to defend against liability claims than it spends to buy new machine tools to improve productivity. Total U.S. liability costs are 15 times those of Japan. U.S. liability insurance rates are 20 times those of Europe.

Our current system even has the perverse effect of reducing, not encouraging, innovation in safety. For in some states, introducing new and safer products is deemed an admission to a jury that your old product was unsafe, and you knew it. Thus, sky-high damages can be awarded.

It is for these reasons—the damage done to our national competitiveness, the inhibition of innovative technologies, and the perverse effect of diminishing improvements in safety—that a bipartisan coalition has come together in Congress to reform our nation's liability laws. The Product Liability Fairness Act (S 640) was recently introduced in the Senate by Sens. Bob Kasten, John D. Rockefeller IV, and John Danforth, and now has 35 cosponsors. In the House, Reps. Roy Rowland, Hamilton Fish, Dan Glickman and Norman Lent this week will introduce a companion measure cosponsored by dozens of members from both parties and every region of the country.

This federal legislation represents a far better strategy for liability reform than would legislative campaigns in dozens of individual state capitols. In fact, the National Governors Association, a group normally reluctant to cede state turf to the federal government, has endorsed passage of a uniform federal product liability law.

The chances of national liability reform being enacted have been dramatically improved by the commitment made by Sen. Ernest Hollings to hold hearings on the bill when the Senate Energy and Commerce Committee returns in September from the summer recess.

These product liability reform measures encourage settlement to grant quick relief to injured parties; eliminate lawsuits involving overage capital goods; and protect the rights of injured people to file lawsuits up to two years after the injury and its cause were discovered or should have been discovered. At the same time, they establish tough standards for awarding punitive damages, make it possible to consider punitive damages apart from other issues; and disallow suits in which drug or alcohol-induced behavior was the primary cause of the mishap.

The bill nonetheless will face strong opposition from those who most benefit from the status quo: the Association of Trial Lawyers of America. Although ATLA is relatively unheralded, it is to Washington lobbying as the '71 Miami Dolphins were to football: undefeated. The fight over product liability reform will be an important legislative battle, with nothing less than American competitiveness—and the end of the Lawyers Tax—on the line.•

THE RESOLUTION TRUST CORPORATION'S OVERSIGHT STRUCTURE

• Mr. KERREY. Mr. President, for the past 2 years I have been making a case for changing the oversight structure of the Resolution Trust Corporation. I do so again this afternoon.

The change I have proposed is simple and is based on very simple, fundamental principles. I believe taxpayer money can be saved and accountability improved if we combine the two boards that have authority over the Resolution Trust Corporation [RTC]. The dual board structure currently in place slows decisions, restricts policy choices and increases the political tension surrounding the RTC's work.

The savings and loan crisis and the Bush administration's response to it are so complicated and the numbers so large that it is difficult to evaluate the various proposals to improve things. In an environment of political suspicion it is not surprising that some have suggested doing nothing.

I believe it would be a mistake for us to do nothing more than appropriate more money, Mr. President. It would be a mistake because we can save the taxpayers some money by making structural changes. As important, we need to provide citizens with greater public access to the decisions being made by the oversight board itself.

When we debate the appropriations for the RTC, I will address ways in which taxpayers could save money with a more simplified oversight process. This afternoon I would like to address the absence of public accountability.

The principle of full disclosure and accountable government provided a powerful argument against the closed state structure in Eastern Europe and the Soviet Union. We know that sunshine is the best antidote for abusive practices by political representatives. When we fight for the public's right to know, we are engaged in a crucial struggle to maintain the most important distinction between self-rule and tyranny.

Mr. President, the RTC Oversight Board falls far short of the high standards most of us have set for accountability. The law requires the Board to have at least four meetings per year, which I believe is simply not often enough. When they do meet as they did yesterday, the public has little opportunity to question or present ideas.

Mr. President, I ask that a story about yesterday's meeting by David Beeder of the Omaha World Herald be included in the RECORD at the conclusion of my remarks. Reading this story should cause all of us to be concerned about the conduct of this public oversight board.

In a Senate Banking Committee meeting on June 26, 1991, the chairman of the RTC Oversight Board, Treasury Secretary Brady, said: "I am trying to explain so everybody understands that we're not a bunch of people that just wander in and have a meeting." His statement was in defense of the diligent oversight of the board.

However, yesterday's meeting portrays a much different scene. The board was meeting to review the Government's cost of repaying depositors in failed savings and loan associations. The meeting lasted several hours; however, the public was allowed to sit in for only 1 hour.

Treasury Secretary Brady was not there. He sent Mr. John E. Robson, Deputy Secretary of the Treasury, who called the meeting to order. Secretary Kemp was also not there; in his place was Mr. John Weicher, Assistant Secretary of Policy Development and Research at the Department of Housing and Urban Development. Mr. Alan Greenspan did not send a subordinate; he appeared in person.

According to the World Herald reporter, Mr. Beeder, the public meeting looked like this:

After calling the meeting to order at 3 p.m., Mr. Robson heard presentations by Mr. Peter Monroe, the board president, and three other RTC officials. There were few questions from board members. None were invited from the audience. At 4 p.m. the public meeting was concluded by Mr. Robson. Board members remained in the building where the meeting was held for nearly two hours after the public meeting was adjourned.

Mr. President, this is unacceptable. It is intolerable. No wonder the public is frustrated and angry. They are being denied their right to know first by a board that is unwilling to hold more public meetings and second by the attitude of the Secretary of the Treasury. He told the Senate Banking Committee on June 26 that he might agree to a few more public meetings but didn't really like them because people have a way of trying to hold you to your public statements.

We need to change this. I hope my colleagues will look closely at the way this board is conducting themselves and will conclude as I have that the public deserves much better.

The article follows:

TRUST BOARD MEETS IN PRIVATE AGAIN

(By David C. Beeder)

WASHINGTON.—A federal board that has been criticized by Sen. Bob Kerrey, D-Neb., for working mainly behind closed doors held a one-hour public meeting Thursday, then apparently went into a two-hour private meeting.

The Oversight Board of the Resolution Trust Corp. was called to order by John E. Robson, deputy secretary of the Treasury, shortly after 3 p.m. to review the government's cost of repaying depositors in failed savings and loan associations.

Peter H. Monroe, board president, said that as the board prepares to mark its second anniversary, it has distributed $144 billion to 15 million federally insured depositors in 45 states.

He said failed institutions with $327 billion in assets had been seized by the government, and $167 billion of the assets had been liquidated.

"This is the largest liquidation in the history of the world," Monroe said.

Robson concluded the public meeting shortly before 4 p.m. after presentations by Monroe and three other officials of the Resolution Trust Corp.

There were few questions from board members. None were invited from the audience.

Board members remained in the building where the meeting was held for nearly two hours after the public meeting was adjourned.

Alan Greenspan, a board member who is chairman of the Federal Reserve Board, left in a waiting limousine at 5:55 p.m. with several aides.

Board member Robert C. Larson, who is vice chairman of the Taubman Co. and the Taubman Realty Group, left in a limousine at 6:08.

Substitute board member John Weicher, assistant secretary of policy development and research at the Department of Housing and Urban Development, appeared to be searching for a cab when he left the building shortly after Larson.

Last month, Kerrey made a speech in the Senate in which he reported the board had met 22 times in 23 months. Four meetings were open, and three meetings were partially open.

In a Senate Banking Committee hearing June 26, Kerrey questioned Brady about the board's infreqent public meetings.

"We've had exactly the same number that are required by the legislation," Treasury Secretary Nicholas F. Brady said.

"I am trying to explain so everybody understands that we're not a bunch of people that just wander in and have a meeting," Brady said.

Brady told Kerrey the quality and urgency that is being applied to this particular problem cannot be measured by the number of meetings.

Kerrey said he did not consider it adequate to hold only the number of public meetings required by law.

"I think the requirements of the statute for public meetings are insufficient to provide the level of accountability that the public in fact not only demands, but I think is entitled to have," Kerrey told Brady.●

THE MEDICAID PROGRAM

● Mr. CHAFEE. Mr. President, over the past few years, Congress has enacted legislation which we hope would ensure that millions of low-income seniors would receive critically needed relief from the cost of their Medicare premiums, copayments and deductibles. Under current law, States must, through the Medicaid Program, pay the Medicare premiums, copayments, and deductibles for qualified Medicare beneficiaries [QMB's] living in families with incomes below 100 percent of the Federal poverty level. By 1995, they must pay the premiums for those whose income is between 100 percent and 120 percent of the Federal poverty level.

Unfortunately, according to a report issued by Families USA, of the estimated 4 million beneficiaries who are likely to be eligible for this program, less than half have applied for the benefits. Yet, although State Medicaid programs should be paying the $29.90 monthly premium an estimated 2.3 million low-income elderly who are eligible for QMB assistance continue to have the cost of the premium deducted from their Social Security checks each month. More tragically, there are individuals eligible for this program who cannot afford to have the part B premium deducted from their checks and thus do not enroll in Medicare part B. These individuals have no coverage for often critically needed physician services.

Why aren't these seniors taking advantage of the program? It's quite simple, the Federal and State governments have not done enough to ensure that eligible individuals are even aware the program exists.

Today, I join my colleague from Michigan, Senator RIEGLE in introducing legislation which will help ensure that individuals who are eligible for QMB benefits take advantage of them. First, the legislation requires the Secretary of Health and Human Services to notify all new Medicare beneficiaries of the QMB program when they apply for participation in the Medicare Program. In addition, the Secretary will be required to notify annually, those individuals whose incomes meet the QMB eligibility criteria.

The bill also makes significant changes in current law to make it easier for those who are eligible to apply for benefits. Under this legislation, Social Security offices would be required to accept applications for QMB benefits. In addition, grants totaling $30 million would be made available to States and State agencies, as well as community-based organizations such as senior centers and private organizations to be used for public awareness activities, and counseling.

These and other provisions in the legislation should significantly increase our ability to reach these low-income seniors and make them aware of QMB benefits to which they are entitled. Hopefully, through this legislation, Federal and State governments can live up to the commitments we have made to ensure that those who cannot afford Medicare beneficiary cost-sharing requirements are not denied access to critically needed health care services.

I urge my colleagues to join with us in cosponsoring this legislation. Thank you, Mr. President.●

ANNIVERSARY OF THE AMERICANS WITH DISABILITY ACT

● Mr. DURENBERGER. Mr. President, as we stand here today, America is 1 year closer to the goal of full equality for 43 million people whose citizenship has been limited by disability.

One year ago today President Bush signed his name to the Americans With Disabilities Act, one of the civil rights landmarks of our time. It culminated an extraordinary cooperative effort

among citizens, educators, legal experts, and legislators of both parties.

We can only imagine, Mr. President, what will be said on this floor on this day 25 years from now. Few of us will still be here, if any of us are. But I expect that on that occasion, in 2015, our successors will look back on the accomplishments of the ADA and say that America did itself an enormous favor just by doing the right thing.

They will celebrate an America which is able to see the ability behind the disability. They will point out how America's competitiveness benefitted greatly from the human resources which ADA brought into the marketplace. And they will point to the enduring truth of our democracy that there is always great power in bringing character and opportunity together.

We have much more to do, Mr. President. ADA establishes the rights of Americans with disabilities. We need to take the steps necessary to help people take full advantage of those rights.

Here in the Senate we have established a working group on disability policy. It is our job to look at each bill that comes through the Senate, to ensure that it does not subtly discriminate against the disabled and to look for ways we can facilitate their full integration into our society. The recently passed highway bill is such an example. Passage of ADA helped direct the Environment and Public Works Committee to make several important changes to that bill.

We must also fully examine Medicare and Medicaid policies housing legislation, education bills and transportation legislation. There are unfortunately countless subtle ways in which federal law discriminates against the disabled which must be weeded out. There are new services, like those of personal care attendants which must be worked into our health programs.

Mr. President, this is a great day. I am hopeful we can continue to work during the next year so that on July 25, 1992 we will find ourselves even closer to goal of being one America, in which all citizens enjoy equal rights and opportunities.●

RAILROAD LABOR AND MANAGEMENT

● Mr. KERREY. I rise today to express my disappointment in the actions of the Special Board established by Congress on April 18 to resolve the remaining contested issues in the contract dispute between railroad labor and management.

Knowing well that Congress could not effectively or appropriately dictate the details of the ultimate agreement between the railroad companies and labor, I voted for the establishment of the Special Board as the most responsible process possible for further negotiations. The national interest and legitimate concerns of railroad workers required a fresh examination of the disputed issues. This fresh examination did not occur. Instead, the Special Board chose not to give workers a second chance, narrowly interpreting Congress' action and deferring to the controversial recommendations of PEB 219 on all counts. The Special Board betrayed the faith Congress placed in it upon establishing it to review the recommendations of PEB 219.

As a consequence, on July 19, before the Board's report was a day old, Union Pacific made a devastating announcement—that it was forcing 1,600 Union Pacific families into mandatory retirement.

Prior to the formation of the Special Board, Congress had told the 12,000 Nebraska railroad workers to end their strike and return to work. I trusted that Congress' action, by establishing a Special Board, offered the workers another chance. This did not happen. Today, these workers face impending layoffs and changing work rules without even the simple satisfaction of knowing that their concerns were heard.

I feel betrayed and do not like the feeling that I betrayed Nebraska railroad workers by placing my faith in the Special Board. The Special Board's call on the parties to this dispute to "put behind the all or nothing attitudes which have guided their bargaining and return to the more harmonious relationships of the past" is simply not facilitated by its actions.

I wanted equitable consideration of the issues. I wanted the fair settlement of railroad labor and management disputes.

I expect you did too. We got nothing.

Clearly, our interests are not the same as labor's or management's. Our duty to the American people—all the people—is to provide the environment for a stable, viable system of national transportation. We cannot pander to either of the requisites of productivity—labor or management—and deliver such stability. Neither can we husband the seeds of discord and expect to reap productivity.

My vote for fair settlement was betrayed. My vote for resolution was returned without respect.

There is an American dream. It is a productive nation linked by stable transportation. It is also homes for hardworking people and educations for their children and working conditions that breed pride and a return of fairness on contributions to productivity and profitability.

I submit that the American people have been shortchanged by the Special Board established by Congress to review the recommendations of PEB 219.●

ORDERS FOR MONDAY, JULY 29, 1991

Mr. MITCHELL. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 11:30 a.m. on Monday, July 29, 1991; that following the time for the two leaders, there be a period for morning business, with Senators permitted to speak therein for up to 5 minutes each; and that the period for morning business not extend beyond 12 noon.

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

The Senator from Kansas is recognized.

Mr. DOLE. I thank the Chair.

(The remarks of Mr. DOLE pertaining to the introduction of Senate Joint Resolution 184 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

RECESS UNTIL MONDAY, JULY 29, 1991, AT 11:30 A.M.

Mr. MITCHELL. Mr. President, if the distinguished Republican leader has no further business, and no other Senator is seeking recognition, I ask unanimous consent the Senate stand in recess as under the previous order until 11:30 a.m. on Monday, July 29, 1991.

There being no objection, the Senate, at 5:15 p.m., recessed until Monday, July 29, 1991, at 11:30 a.m.

NOMINATIONS

Executive nominations received by the Senate July 26, 1991:

THE JUDICIARY

JAY C. WALDMAN, OF PENNSYLVANIA, TO BE U.S. CIRCUIT JUDGE FOR THE THIRD CIRCUIT VICE A NEW POSITION CREATED BY PUBLIC LAW 101-650, APPROVED DECEMBER 1, 1990.

THOMAS E. SHOLTS, OF FLORIDA, TO BE U.S. DISTRICT JUDGE FOR THE SOUTHERN DISTRICT OF FLORIDA VICE WILLIAM M. HOEVELER, RETIRED.

MONTI L. BELOT, OF KANSAS, TO BE U.S. DISTRICT JUDGE FOR THE DISTRICT OF KANSAS VICE A NEW POSITION CREATED BY PUBLIC LAW 101-650, APPROVED DECEMBER 1, 1990.

MARY LITTLE PARELL, OF NEW JERSEY, TO BE U.S. DISTRICT JUDGE FOR THE DISTRICT OF NEW JERSEY, VICE A NEW POSITION CREATED BY PUBLIC LAW 101-650, APPROVED DECEMBER 1, 1990.

SANDRA S. BECKWITH, OF OHIO, TO BE U.S. DISTRICT JUDGE FOR THE SOUTHERN DISTRICT OF OHIO VICE A NEW POSITION CREATED BY PUBLIC LAW 101-605, APPROVED DECEMBER 1, 1990.

DAVID C. BRAMLETTE, OF MISSISSIPPI, TO BE U.S. DISTRICT JUDGE FOR THE SOUTHERN DISTRICT OF MISSISSIPPI VICE A NEW POSITION CREATED BY PUBLIC LAW 101-650, APPROVED DECEMBER 1, 1990.

RONALD M. WHYTE, OF CALIFORNIA, TO BE U.S. DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF CALIFORNIA VICE A NEW POSITION CREATED BY PUBLIC LAW 101-650, APPROVED DECEMBER 1, 1990.

DEPARTMENT OF JUSTICE

ROBERT Q. WHITWELL, OF MISSISSIPPI, TO BE U.S. STATES ATTORNEY FOR THE NORTHERN DISTRICT OF MISSISSIPPI FOR THE TERM OF 4 YEARS. (REAPPOINTMENT).

RICHARD CULLEN, OF VIRGINIA, TO BE U.S. ATTORNEY FOR THE EASTERN DISTRICT OF VIRGINIA FOR THE TERM OF 4 YEARS VICE HENRY E. HUDSON, RESIGNED.

WILLIAM D. HYSLOP, OF WASHINGTON, TO BE U.S. ATTORNEY FOR THE EASTERN DISTRICT OF WASHINGTON FOR THE TERM OF 4 YEARS VICE JOHN E. LAMP, RESIGNED.

KEVIN C. POTTER, OF WISCONSIN, TO BE U.S. ATTORNEY FOR THE WESTERN DISTRICT OF WISCONSIN FOR THE TERM OF 4 YEARS VICE PATRICK J. FIEDLER, RESIGNED.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 26, 1991:

DEPARTMENT OF THE TREASURY

OLIN L. WETHINGTON, OF VIRGINIA, TO BE A DEPUTY UNDER SECRETARY OF THE TREASURY.

THE ABOVE NOMINATION WAS APPROVED SUBJECT TO THE NOMINEE'S COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

IN THE ARMY

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT AS THE JUDGE ADVOCATE GENERAL, U.S. ARMY, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 3037:

To be the judge advocate general

MAJ. GEN. JOHN L. FUGH [redacted] U.S. ARMY.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A):

To be lieutenant general

MAJ. GEN. RONALD H. GRIFFITH [redacted] U.S. ARMY.

THE FOLLOWING-NAMED OFFICER TO BE PLACED ON THE RETIRED LIST IN THE GRADE INDICATED UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 1370:

To be lieutenant general

LT. GEN. DONALD W. JONES [redacted] U.S. ARMY.

THE FOLLOWING-NAMED OFFICER TO BE PLACED ON THE RETIRED LIST IN THE GRADE INDICATED UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 1370:

To be lieutenant general

LT. GEN. LEONARD P. WISHART III [redacted] U.S. ARMY.

THE FOLLOWING-NAMED OFFICER TO BE PLACED ON THE RETIRED LIST IN THE GRADE INDICATED UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 1370:

To be lieutenant general

LT. GEN. HARRY E. SOYSTER [redacted] U.S. ARMY.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT AS CHIEF OF ARMY RESERVE, U.S. ARMY, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 3038:

To be chief of Army Reserve, U.S. Army

MAJ. GEN. ROGER W. SANDLER [redacted] U.S. ARMY RESERVE.

IN THE MARINE CORPS

THE FOLLOWING-NAMED OFFICER, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 601, FOR ASSIGNMENT TO A POSITION OF IMPORTANCE AND RESPONSIBILITY AS FOLLOWS:

To be lieutenant general

MAJ. GEN. ROBERT B. JOHNSTON [redacted] USMC.

THE FOLLOWING-NAMED OFFICER, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 601, FOR ASSIGNMENT TO A POSITION OF IMPORTANCE AND RESPONSIBILITY AS FOLLOWS:

To be lieutenant general

MAJ. GEN. MATTHEW T. COOPER [redacted] USMC.