United States of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 102d CONGRESS, FIRST SESSION

HOUSE OF REPRESENTATIVES—*Wednesday, May 22, 1991*

The House met at 10 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Raise up leaders, O God, who will see their duty to do justice; lift up people of character, O God, to set a right example and personal honor; empower people of good will, O God, to work together in the common bond of mutual respect, and lead us all in the way of truth and in the way of peace. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. NUSSLE. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. NUSSLE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 284, nays 105, answered "present" 2, not voting 39, as follows:

[Roll No. 104]

YEAS—284

Abercrombie
Ackerman
Alexander
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Archer
Aspin
AuCoin
Bacchus
Barnard
Barton
Bateman
Beilenson
Bennett
Bevill
Bilbray
Bonior
Borski
Boucher
Boxer
Brooks
Broomfield
Browder
Brown
Bruce
Bryant
Bustamante
Byron
Callahan
Campbell (CO)
Cardin
Carper
Carr
Chapman
Clement
Clinger
Coleman (MO)
Coleman (TX)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooper
Costello
Cox (CA)
Cox (IL)
Coyne
Cramer
Cunningham
Darden
Davis
de la Garza
DeFazio
DeLauro
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dooley
Doolittle
Dorgan (ND)
Dornan (CA)
Downey
Dreier
Durbin
Dwyer
Dymally
Early
Eckart
Emerson
Engel
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Foglietta
Ford (TN)
Frost
Gephardt
Geren
Gibbons
Gillmor
Gilman
Glickman
Gonzalez
Gordon
Gradison
Gray
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Harris
Hatcher
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hoagland
Hobson
Hochbrueckner
Horn
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Jefferson
Jenkins
Johnson (CT)
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kasich
Kennedy
Kennelly
Kildee
Kleczka
Klug
Kopetski
Kostmayer
LaFalce
Lancaster
Lantos
LaRocco
Laughlin
Lehman (CA)
Lent
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lloyd
Long
Lowey (NY)
Luken
Manton
Markey
Martinez
Matsui
Mazzoli
McCloskey
McCurdy
McDermott
McEwen
McGrath
McMillen (MD)
McNulty
Mfume
Miller (CA)
Mineta
Mink
Moakley
Mollohan
Montgomery
Moran
Morella
Morrison
Mrazek
Murtha
Myers
Nagle
Natcher
Neal (MA)
Neal (NC)
Nowak
Oakar
Oberstar
Olin
Ortiz
Orton
Owens (NY)
Owens (UT)
Pallone
Panetta
Parker
Patterson
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pickle
Poshard
Price
Rahall
Ray
Reed
Richardson
Rinaldo
Ritter
Roemer
Rose
Rostenkowski
Roth
Rowland
Russo
Sabo
Sangmeister
Sarpalius
Sawyer
Scheuer
Schiff
Schulze
Schumer
Sharp
Shaw
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NJ)
Snowe
Solarz
Spence
Spratt
Staggers
Stallings
Stark
Stenholm
Stokes
Studds
Swift
Synar
Tanner
Tauzin
Taylor (MS)
Thomas (GA)
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Walsh
Waters
Waxman
Weiss
Wheat
Whitten
Williams
Wise
Wolpe
Wyden
Wylie
Yates
Yatron

NAYS—105

Allard
Armey
Baker
Ballenger
Barrett
Bentley
Bereuter
Bilirakis
Bliley
Boehlert
Boehner
Brewster
Bunning
Burton
Camp
Campbell (CA)
Chandler
Clay
Coble
Coughlin
Crane
Dannemeyer
DeLay
Dickinson
Duncan
Edwards (OK)
Fawell
Fields
Franks (CT)
Gallegly
Gallo
Gekas
Gilchrest
Gingrich
Goss
Grandy
Hancock
Hansen
Hastert
Hefley
Henry
Herger
Hunter
Hyde
Inhofe
Ireland
Jacobs
James
Kolbe
Kyl
Lagomarsino
Leach
Lewis (CA)
Lewis (FL)
Machtley
Marlenee
Martin
McCandless
McCollum
McCrery
McDade
McMillan (NC)
Meyers
Michel
Miller (OH)
Molinari
Moorhead
Nussle
Oxley
Packard
Paxon
Porter
Quillen
Ramstad
Regula
Rhodes
Ridge
Roberts
Rohrabacher
Ros-Lehtinen
Roukema
Santorum
Saxton
Schaefer
Schroeder
Sensenbrenner
Shays
Sikorski
Slaughter (VA)
Smith (OR)
Smith (TX)
Solomon
Stearns
Stump
Thomas (CA)
Thomas (WY)
Upton
Walker
Weber
Weldon
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

ANSWERED "PRESENT"—2

Edwards (TX)
Murphy

NOT VOTING—39

Atkins
Berman
Edwards (CA)
Ford (MI)
Frank (MA)
Gaydos
Gejdenson
Goodling
Holloway
Hopkins
Kaptur
Kolter
Lehman (FL)
Lightfoot
Livingston
Lowery (CA)
Mavroules
McHugh
Miller (WA)
Moody
Nichols
Obey
Pursell
Rangel
Ravenel
Riggs
Roe
Rogers
Roybal
Sanders
Savage
Serrano
Sundquist
Swett
Tallon
Taylor (NC)
Vucanovich
Washington
Wilson

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

□ 1024

So the Journal was approved.

The result of the vote was announced as above recorded.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from California [Mr. TORRES] please come forward and lead the House in the Pledge of Allegiance.

Mr. TORRES led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, DC,
May 20, 1991.

Hon. THOMAS S. FOLEY,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: I have the honor to transmit herewith a copy of the unofficial results, received from the Honorable John Hannah, Jr., Secretary of State, State of Texas, certifying that, according to the unofficial returns of the Special Election held on May 18, 1991 the Honorable Sam Johnson was elected to the Office of Representative in Congress, from the Third Congressional District, State of Texas.

With great respect, I am

Sincerely yours,

DONNALD K. ANDERSON,
Clerk, House of Representatives.

OFFICE OF THE
SECRETARY OF STATE,
May 20, 1991.

DONNALD K. ANDERSON,
Clerk, House of Representatives, U.S. Capitol Building, Washington, DC.

DEAR MR. ANDERSON: In response to your telephone inquiry regarding the 3rd Congressional District Special Election, the candidate receiving the majority of votes as of May 18, 1991, is Sam Johnson. As of that date, Mr. Johnson received 23,999 votes and his opponent, Tom Pauken, received 21,643 votes. Mr. Pauken has conceded the election and no election contest has been filed or is expected.

By temporary restraining order dated March 17, 1991, the Honorable James R. Nowlin, United States District Court Judge for the Western District of Texas, Austin Division, extended the date for counting federal post card application ballots until June 1, 1991. Pursuant to this order, ballots received from military and overseas voters must be counted through June 1, 1991. There are 21 ballots outstanding. As the current margin is greater than 21 votes, the election result will not change. Pursuant to that order, Texas may not tender official election results until after June 1, 1991.

If I can provide further information, please contact me.

Sincerely,

JOHN HANNAH, Jr.,
Secretary of State.

SWEARING IN OF THE HONORABLE SAM JOHNSON OF TEXAS AS A MEMBER OF THE HOUSE

Mr. MICHEL. Mr. Speaker, I ask unanimous consent that the gentleman from Texas, Mr. SAM JOHNSON, be permitted to take the oath of office today. His certificate of election has not arrived, but there is no contest, and no question has been raised with regard to his election.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. SAM JOHNSON appeared at the bar of the House and took the oath of office, as follows:

Do you solemnly swear that you will support and defend the Constitution of the United States against all enemies, foreign and domestic; that you will bear true faith and allegiance to the same; that you take this obligation freely, without any mental reservation or purpose of evasion, and that you will well and faithfully discharge the duties of the office on which you are about to enter. So help you God.

The SPEAKER. The gentleman from Texas [Mr. JOHNSON] is now a Member of the U.S. House of Representatives.

INTRODUCTION OF THE HONORABLE SAM JOHNSON OF TEXAS

(Mr. ARCHER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ARCHER. Mr. Speaker, I appreciate being recognized for this rare privilege to introduce officially to the House of Representatives the newest Member from the great State of Texas, Mr. SAM JOHNSON.

It is always an exciting moment of the House to swear in any new Member, but this Member is truly exceptional. Those of us who are Texans would say all Texas Members are exceptional, but the gentleman from Texas, Mr. SAM JOHNSON, has truly earned that designation. Most of us probably know about his distinguished record as a veteran in Vietnam where he was held as a POW and in solitary confinement for over 4 years, which is a record for any American service person.

□ 1030

He came back from that undaunted, patriotic, became a leader in his native city of Dallas, was elected to the legislature and had been there for 7 years. He does great credit not just to this body but to the country. It is my distinct pleasure and privilege to introduce to this House the gentleman from Texas, newly sworn in, our colleague, SAM JOHNSON.

FROM POW IN VIETNAM TO TEXAS HOUSE TO HOUSE OF REPRESENTATIVES: A GREAT DAY

(Mr. JOHNSON of Texas asked and was given permission to address the House for 1 minute.)

Mr. JOHNSON of Texas. I thank the Speaker.

Mr. Speaker, and Members, I want you to know that it is a distinct pleasure for me to be here with all of you and to share this experience. It is one of those once-in-a-lifetime things. I think Gib Lewis, the speaker down in Texas, told me when I came back from Vietnam and had gotten to the Texas House that it was like going from hell, to hell. I suppose we can say it is from hell, to hell, to hell.

I know that when I was a POW, I tried to write you guys, and I never got an answer.

I have a lot of friends with me today, and I will tell you what, it is a great day for me. I want you to know that I intend to work with each and every one of you and share the protection of the freedoms that we so richly preserve in this Nation, our United States of America.

Thank you for having me as a part of your group. I appreciate it. I am happy to be here, and thanks again.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed without amendment a bill and a concurrent resolution of the House of the following titles:

H.R. 2127. An act to amend the Rehabilitation Act of 1973 to extend the programs of such Act, and for other purposes; and

H. Con. Res. 155. Concurrent resolution expressing the profound regret of the Congress regarding the assassination of Rajiv Gandhi of India.

A TRAGIC MESSAGE FROM THE WHITE HOUSE

(Mr. GEPHARDT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEPHARDT. Mr. Speaker, last year a campaign ad ran on television with these words:

You needed that job * * *.

And you were the best qualified * * *.

But they had to give it to a minority because of a racial quota * * *.

The White House and their supporters in Congress proved yesterday they will do anything to play that ad again.

Democrats have written a civil rights bill that outlaws quotas, penalizes employers who use quotas, and gives all workers—regardless of their color—access to court if they are victimized by quotas. The Republican bill offers workers no protections against quotas.

But a bill that outlaws quotas still gets labeled by the White House as a quota bill.

President Bush runs the risk of sending a tragic message from the White House. And that is: He cares more about politics than about protecting the rights of all Americans.

He cares more about 30-second spots than a century of progress toward equal opportunity.

He cares more about keeping his job than helping all Americans keep theirs.

MAKING IN ORDER CONSIDERATION OF CONFERENCE REPORT AND AMENDMENTS IN DISAGREEMENT ON H.R. 2251, DIRE EMERGENCY SUPPLEMENTAL APPROPRIATIONS FROM CONTRIBUTIONS OF FOREIGN GOVERNMENTS AND/OR INTEREST FOR HUMANITARIAN ASSISTANCE TO REFUGEES AND DISPLACED PERSONS IN AND AROUND IRAQ AS A RESULT OF THE RECENT INVASION OF KUWAIT AND FOR PEACEKEEPING ACTIVITIES AND OTHER URGENT NEEDS ACT OF 1991

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that it shall be in order at any time today, or any day thereafter, notwithstanding section 302(f) of the Congressional Budget Act, to consider the conference report and amendments in disagreement, and motions to dispose of amendments in disagreement, on the bill (H.R. 2251) making dire emergency supplemental appropriations from contributions of foreign governments and/or interest for humanitarian assistance to refugees and displaced persons in and around Iraq as a result of the recent invasion of Kuwait and for peacekeeping activities, and for other urgent needs for the fiscal year ending September 30, 1991, and for other purposes, and that the conference report and the Senate amendments be considered as read when called up for consideration.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE A PRIVILEGED REPORT ON BILL MAKING APPROPRIATIONS FOR MILITARY CONSTRUCTION FOR THE DEPARTMENT OF DEFENSE, FISCAL YEAR 1992

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a privileged report on a bill making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1992, and for other purposes.

Mr. McDADE reserved all points of order on the bill.

The SPEAKER pro tempore (Mr. PEASE). Is there objection to the request of the gentleman from Mississippi?

There was no objection.

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE A PRIVILEGED REPORT ON BILL MAKING APPROPRIATIONS FOR ENERGY AND WATER DEVELOPMENT, FISCAL YEAR 1992

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a privileged report on a bill making appropriations for energy and water development for the fiscal year ending September 30, 1992, and for other purposes.

Mr. McDADE reserved all points of order on the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

ARE WE SERIOUS ABOUT MAKING THE TAX SYSTEM FAIR?

(Mr. JAMES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JAMES. Mr. Speaker, there has been a lot of talk in this body about tax fairness. If we are serious about making the tax system fair, then we need to address a terrible inequity that exists for retirees. I am speaking of the unfair and inequitable Social Security earnings test. Not only is this elderly tax discriminatory against our senior citizens, but it also hurts America as well. By applying effective tax rates of over 50 percent on meager salaries earned by the working elderly, the Federal Government effectively holds many retirees in poverty. Is this fair? Of course not.

The solution is to repeal the earnings test and allow retirees to work for an honest dollar. Tonight, after the House has completed business, there will be a special order on this important subject. I urge my colleagues to listen closely. I also want to urge everyone who has not already cosponsored one of the bills to repeal the earnings test to join me in cosponsoring H.R. 967. The retirees of this Nation are waiting.

WHITE HOUSE POLITICS DIVIDING OUR COUNTRY

(Mr. GRAY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GRAY. Mr. Speaker, Willie Horton wasn't enough.

Blowing up the historic negotiations between the Business Round Table and the civil rights groups wasn't enough.

And dismissing yesterday's breakthrough agreement to outlaw quotas, without even bothering to read it, wasn't enough;

Because the President's men do not want to bring our country together;

Because the President's men do not want a consensus that unites us and moves us forward;

Because the President's men have an unquenchable thirst for wedge issues, for political hot buttons—for dividing our country;

Mr. President, it is time to bring the Nation together. It is time to build a consensus and stop playing politics.

Because, Mr. President, enough is enough.

H.R. 1, SLEDGE-HAMMER APPROACH TO CIVIL RIGHTS

(Mr. BUNNING asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BUNNING. Mr. Speaker, H.R. 1, the civil rights quota bill will not and cannot help the American working man or woman and should be rejected.

This bill is not a simple restoration bill. It is a sledge-hammer approach to civils rights. Supporters of the bill say it simply overturns 1989 Supreme Court decisions in order to restore employee's rights. But, it goes way beyond that to jury trials and unlimited punitive and compensatory damages.

This bill is not consistent with existing civils rights laws. It transforms civils rights law into a tort system—a scheme that has been debated and rejected dozens of times in the past 25 years.

This bill is not going to result in increased job opportunities for women and minorities. It encourages defacto hiring quotas and unfair preferences which provide opportunities for some but only by taking jobs away from others. There is noting fair about that.

This bill is not a fair bill. It means quotas. It means unnecessary and costly lawsuits.

I urge my colleagues to reject quotas and to reject a bad piece of legislation. H.R. 1 should be rejected

□ 1040

THE POLITICS OF DIVISION AND FEAR

(Mr. BONIOR asked and was given permission to address the House for 1 minute.)

Mr. BONIOR. Mr. Speaker, the administration has no place to hide now.

The bipartisan civils rights compromise clearly answers an administration that is trying to deny civil rights by claiming quotas.

We have put it into law. Hiring and promotion quotas are outlawed. It cannot be clearer. But the White House is not satisfied.

So it is also clear—and the American people should know this—that there is no language which will satisfy the administration.

They would rather practice the politics of division than bring people together.

They would rather practice the politics of fear than promote fairness and equality for all Americans.

But their game is over.

Quotas are outlawed and they have no place to hide.

UPDATE ON THE SSC

(Mr. BARTON of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARTON of Texas. Mr. Speaker, I rise today to give a brief update on the SSC, one of the most innovative research projects currently under consideration by the Federal Government. This project would unlock the basic secrets of the atom. It is moving ahead of schedule. The magnet contracts have recently been signed with two private companies in the United States. The test results for the magnet are exceeding expectations. We have over 1,200 people working at the laboratory just south of Dallas. We have research project subcontracts under way now in over 30 States. Progress is moving ahead very rapidly.

Mr. Speaker, last week the Subcommittee on Appropriations voted to spend $434 million of the $534 million that the President has requested on the project. Today the full Committee on Appropriations considers this project. I would urge my colleagues on the full Committee on Appropriations to honor the request of the Subcommittee on Appropriations.

IS A BILL OUTLAWING QUOTAS STILL A QUOTA BILL

(Mr. SABO asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. SABO. Mr. Speaker, this account of John Sununu's secret support for quotas has been largely overlooked. Hear this quote from the recent book by Bob Woodward, "The Commanders":

> Later that day, Cheney went to the White House to see Sununu and personnel chief, Chase Untermeyer. Sununu—in public a strong opponent of racial and gender quotas—told Cheney the White House wanted 30 percent of the remaining top 42 jobs in the Defense Department to be filled by women or minorities.

The White House and the Republican Party need to decide whether they want to do something to outlaw quotas, or whether it just wants to play the politics of division and pit Americans against Americans on the basis of race.

The Democrats have written a proposal to outlaw quotas, prohibit them. And the late word out of the White House is: A bill that outlaws quotas is still a quota bill. Lewis Carroll, George Orwell and, most of all, George Wallace could not have said it better.

FREE TRADE WORKS

(Mr. IRELAND asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. IRELAND. Mr. Speaker, America's 19 million small business owners create some 60 percent of the new jobs in the United States. We can stimulate that job creation through trade policies that open foreign markets to U.S. small businesses.

However, Mr. Speaker, the administration cannot negotiate tough, fair agreements with our trading partners if other countries know that Congress plans to fiddle with the final product. A straight up or down vote on these trade agreements is the only way to go.

Mr. Speaker, free trade works. When Mexico joined GATT, Mexican tariffs went from 100 percent to roughly 20 percent. United States exports to Mexico more than doubled, creating 22,000 new United States jobs. Fast track means opportunities for small business.

I say to my colleagues, "Saying that you're all for small business is an easy job. It's how you vote that really counts. Vote to give the administration the authority to negotiate trade agreements that will be good for small business, good for jobs and good for our country."

NO QUOTAS IN CIVIL RIGHTS BILL

(Mr. GLICKMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GLICKMAN. Mr. Speaker, now that the antiquota language has been clearly and unequivocally included in the Civil Rights Act to be considered next week, a vote against that bill is, in my judgment, a vote against civil fairness, civil justice, and civil rights. The language of the bill is important, and I quote:

> Nothing in this bill shall be construed to require, or encourage, or permit an employer to adopt hiring or promotion quotas on the basis of race, color, religion, sex or national origin.

Mr. Speaker, that language ought to put to rest any fears that quotas will be tolerated. We now have an issue that has historically unified the American people, equal justice for all, yet some in the Republican Party continue to drive a wedge between people of common interest in this country. I believe President Bush would desperately like to sign a civil rights bill, but he is being driven by hard-core partisan advisers who are pressing him to make Democrats squirm on the issue of civil rights for political gains in the 1992 election.

Americans historically have stood for equal and fair justice for all. That is the cornerstone of our constitutional system. Making one political party or one segment of America squirm on civil rights is like making Abraham Lincoln or Martin Luther King squirm on the same issue.

Mr. Speaker, we should be bringing people together in this country of ours, not further dividing one group of Americans against the other.

One of our most time honored national matters—e pluribus unum [out of many, one] is best served by passage of this bill.

THE ISSUE IS JUSTICE

(Mr. STAGGERS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STAGGERS. Mr. Speaker, as a father and a husband I can understand the fear when a father and a husband has to compete for a job, and if the issue is framed as black versus white, or quotas, I can understand the confusion that person must feel.

Mr. Speaker, in the civil rights debate this year the issue is not black versus white or quotas. The issue is simple justice. All of our future depends on our young people. Without justice, young people can have no dreams. This is true no matter what programs or anything that we would pass here in this body.

If the future, Mr. Speaker—if the future is of dreams and aspirations of our young people, then let us not steal that future. Vote "yes" on civil rights restoration.

REALITY AND THE CIVIL RIGHTS ACT

(Mr. DELAY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DELAY. Mr. Speaker, I hope the American people are listening to that side of the aisle trying to defend this quota bill. They said a quota bill is a bipartisan compromise. I thought a compromise was something that everybody came together and was consulted on. This quota bill is being negotiated in back rooms by buying off Members with gimmicks. The majority leader said that this so-called compromise outlaws in the bill, quotas.

My colleagues, let me bring back a little reality, something that the other side of the aisle just cannot seem to

understand. The provision that outlaws quotas carries no penalty to it. Yet they keep in the unlimited damages for race discrimination and cap the damages for sex discrimination, making women second-class citizens.

So, what is the business person going to do when faced with no penalties for implementing quotas and penalties for not implementing quotas? He is going to implement quotas.

Mr. Speaker, this is a quota bill. The Democrats have got to understand this is a quota bill no matter how many gimmicks are put into it.

□ 1050

IN SUPPORT OF THE AUCOIN-MACHTLEY AMENDMENT

(Mrs. LOWEY of New York asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. LOWEY of New York. Mr. Speaker, today this House will have an important opportunity to support the right to choose and, in this instance, to expand access to reproductive health services. The AuCoin-Machtley-Fazio amendment, which we will consider later, reverses an illogical and unfair Department of Defense policy which was put into effect in 1988 without congressional approval. This policy prevents women in the military and female military dependents stationed abroad from obtaining abortion services in overseas military facilities even if they are stationed in a country where abortion is legal.

Women currently comprise 10 percent of the United States Armed Forces. These brave women have all taken an oath to uphold and protect our Constitution. And yet, these same women are denied a constitutional right available to every other woman in the United States for precisely one reason and one reason only: because they are serving in the military.

My colleagues should remember that the AuCoin-Machtley amendment would make no change in the current prohibition on Department of Defense funding of abortions except when the woman's life is endangered. These women would still have to pay for the procedure with their own funds.

To put it simply the AuCoin-Machtley-Fazio amendment will save lives and reduce hardship. This amendment would allow women abroad the same access to abortion services as women at home. I urge my colleagues to do the right thing. Let's support women who are willing to risk their lives in defense of our country by not making them risk their lives to receive a constitutionally protected health service.

CALL FOR A BIPARTISAN CIVIL RIGHTS BILL

(Mr. GUNDERSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GUNDERSON. Mr. Speaker, nobody wants a bipartisan civil rights bill more than I do. That is why everybody ought to be embarrassed by the games that are being played here today. The Democrats do not want a bipartisan civil rights bill. They want to negotiate with themselves to get the 290 votes necessary to override a President's veto and that is all.

Let us be honest about something. Our leadership has approached your leadership asking for bipartisan negotiations in the House of Representatives. I have followed up personally to your majority leader encouraging and reiterating that desire for bipartisan negotiations.

The other side has not made one gesture to have bipartisan negotiations with the House or with the White House. Now, if they have a bill, let us see it. Let us see this bill that is out there that is supposed to be such a great compromise. The best I can tell from this one-page talking point press release is that they are so antibusiness that on the one hand they want to penalize them if they do not have quotas with punitive and compensatory damages, and on the other hand they want to penalize them if they do.

POSTAL RATE INCENTIVES FOR USE OF RECYCLED PAPER

(Mr. DURBIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DURBIN. Mr. Speaker, when most Americans go home this evening to open their mail, they will find sandwiched among the bills and letters mail order catalogs. And if your home is like mine, once every few weeks you have to throw away a mountain of mail order catalogs before they fall off the coffee table and crush the family cat.

Last year 40 percent of our mail was third class in America. Over 7 billion pounds of third class mail processed by the Postal Service, that is more than 63 billion pieces of third class mail.

It is time for our postal rates to at least encourage the use of recycled paper. Third class mailers who use recycled paper should pay a lower rate than those who do not.

I have introduced legislation, cosponsored by the gentleman from Minnesota, Mr. GERRY SIKORSKI, to require the Postal Service to create postal rate incentives for mass mailers who use recycled paper.

H.R. 2415 will not cut down on the number of catalogs we receive at home, but it will reduce the number of trees we cut to print them.

TAKING ISSUE WITH H.R. 1

(Ms. MOLINARI asked and was given permission to address the House for 1 minute.)

Ms. MOLINARI. Mr. Speaker, I have stood in this well on several occasions lately to take issue with H.R. 1, the Democrat's civil rights bill. I have said that no matter how one changes the name of the message or massages the pitch, it is still sending out the same message to business.

Mr. Speaker, obviously some Democratic colleagues have the same concerns. That is why we have delayed debate on this bill and have last-minute changes, still not in writing, being proposed to get this bill through.

I thought earlier this week I may have been forced to say bravo to my Democratic counterparts from what I have read. The Democrats are saying they are proposing two solid, sweeping changes, capping damages and eliminating any possibility of imposed quota interpretations.

A reading of these talking points shows it not to be true. Let us talk about it in theory. A bill that bans discrimination, penalizes harrassment, and bans quotas. What great, noble, practical ideas.

These are such good ideas, the President introduced a bill several months ago to do just that, H.R. 1375, the Republican's civil rights bill. I urge my Democratic colleagues to take a look at H.R. 1375. Perhaps, rather than trying to get the political upper hand, we can deal Americans a fair hand.

WILLY RIBBS BECOMES FIRST AFRICAN-AMERICAN TO COMPETE IN INDY 500 CLASSIC

(Mr. MINETA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MINETA. Mr. Speaker, this Sunday history will be made at the Indianapolis 500.

Willy T. Ribbs, of San Jose, CA, will make that history by being the first African-American to drive in that classic contest of speed and skill.

Mr. Speaker, it is heartening for me to see one of the last barriers in professional sports brought down, and I can think of no finer American to do it than Willy Ribbs.

I have known the Ribbs family for most of my life. Willy's grandfather, Henry, and Willy's father, known to everyone as Bunny, are two of San Jose's finest individuals.

Mr. Speaker, I must confess that I feel a bit guilty about what I am about to say, since I do chair the Surface Transportation Subcommittee here in the House.

But I for one hope that Willy Ribbs puts the pedal to the metal and wins the Indy 500 going away this Sunday. I

suspect all of San Jose would be very proud, and I know I will.

SLAVE LABOR IN CHINA

(Mr. WOLF asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WOLF. Mr. Speaker, as we face the issue of most-favored-nation status for China, I hope my colleagues will consider the question of slave labor. When the gentleman from New Jersey [Mr. SMITH] and I visited China several weeks ago, we visited Beijing Prison No. 1, where 40 demonstrators from Tiananmen Square are now in prison. We received these socks from the prison with pictures of golfers on them and panda bears. These socks are being made by slave labor.

Let there be no question and let me read the enclosed document:

An Asia Watch document indicates that as late as October 1988, the Beijing Municipal Prisons (including Beijing Prison No. 1) have made goods for export. The document by the chief of labor reform for the Beijing Prison System states that "the uninterrupted growth of the (Beijing Municipal) labor reform production is making exciting achievements. For example, the Gold Dual Horse brand nylon socks are not only deeply welcomed by domestic customers but have also been sold to international markets.

These men are in a difficult situation. They do not have any of the human rights that we have in most other parts of this world. As we consider MFN, consider the prodemocracy human rights people that are working in these prisons, making exports to the West.

DISTORTION OF PUBLIC OPINION ON WOMAN'S RIGHT TO ABORTION

(Mr. AUCOIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. AUCOIN. Mr. Speaker, my colleagues may have seen a right-wing letter sent to the offices about the AuCoin-Machtley-Fazio amendment that will be offered this afternoon or this morning to the defense bill. It completely distorts, as most right-wing letters do, current public opinion on a woman's right to choose an abortion.

Regardless of their personal views about abortion, Americans have consistently supported keeping abortion legal and allowing women to make this most personal of all decisions.

According to a Time magazine/CNN poll in April of this year, 71 percent of the American people favor leaving the decision to have an abortion to a woman and her physician.

Members may have also heard a lot of false and misleading statements about the amendment we are going to be offering from Phyllis Schlafly's Eagle Forum and other right-wing groups. In fact, the AuCoin-Machtley-Fazio amendment is a very moderate measure, and there are many lies that are being perpetuated about it.

□ 1100

The amendment only allows military families stationed abroad the same access to safe and legal abortions as their stateside counterparts and American citizens whose freedoms those service people defend.

GIVE PRESIDENT FAST-TRACK AUTHORITY

(Mr. KOLBE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KOLBE. Mr. Speaker, this week, tomorrow, in fact, this House will cast a very momentous vote. The issue whether or not we will grant the President of the United States an extension of fast-track authority to conduct trade negotiations with Canada and Mexico, to create a North American Free Trade Agreement, a trading alliance that will make the United States, Canada, and Mexico the largest trading block in the world.

Just as the vote we cast a few months ago to give the President authority to use force in the Middle East represented the most important vote of this Congress with regard to our political leadership in the world, I am convinced that this vote is similarly important. It is a vote about the economic future of the United States and our leadership in the world economy. It says everything about the direction the United States will go, or that we choose to go. Will we have the courage to compete economically in the world, or will we withdraw into our shell? Do we believe that we can compete with Japan and the European Community, those emerging trading blocs, or will we try to survive in isolation from the rest of the world?

The vote on fast-track extension is not a vote on an agreement, it is a vote to give the President authority to negotiate, and I hope we have the courage to do so.

EXTEND ABORTION RIGHTS TO AMERICAN MILITARY OVERSEAS

(Mr. MORAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MORAN. Mr. Speaker, today I rise in strong support of the AuCoin-Machtley-Fazio amendment. This is not a debate on the legality of abortions or on the appropriateness of Roe versus Wade. Mr. Speaker, this is about fairness, and about equal rights for all American women, no matter where they are, including women who have chosen to defend our country in the armed services, and the spouses and the daughters of servicemen.

Abortions, like it or not, have been legal in the United States since 1972. Since the landmark Roe versus Wade decision, abortions have become safe. No longer must American women subject themselves to unscrupulous doctors or unsafe medical practices. No longer must American women seek dangerous back alley abortions.

But in 1988, the Department of Defense prohibited women serving in the military and women dependents of the military from having abortions at military facilities, even if they paid for the procedure themselves.

As a result, women serving their country overseas do not have the same rights as women in the United States. Mr. Speaker, not only is this unfair, it is extremely dangerous. Because American military hospitals in the Third World, or in the Middle East, in Asia, and in some allied nations, are the only safe medical facilities available. If we do not allow women to have an abortion at these hospitals, then we force these women to seek a dangerous and sometimes fatal alternative.

Mr. Speaker, I urge Members to extend the same rights to women in the military that they would have had had they not chosen to serve their country.

OPPOSE AUCOIN ABORTION AMENDMENT

(Mr. SMITH of New Jersey asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of New Jersey. Mr. Speaker, the amendment to be offered by the gentleman from Oregon [Mr. AUCOIN], later on today, will facilitate the death of unborn children by focusing DOD health facilities to provide abortion on demand. The key issue is whether Congress wants to turn our overseas U.S. military hospitals and health facilities into abortion mills.

I know that the President vehemently opposes this amendment, and will veto the entire bill if this amendment is enacted.

Under the AuCoin language, Mr. Speaker, DOD is forced to provide abortion for any reason whatsoever, and that includes abortion as a means of family planning. Mr. Speaker, this is a circumstance or reason for abortion that has been overwhelmingly rejected by the American public.

A recent Gallup poll, for example, found that 88 percent of Americans were against family planning abortions. This tracks with a Boston Globe poll which found that 89 percent of Americans were against abortion as a means of birth control.

Mr. Speaker, every abortion stops a beating heart—every abortion. Let us keep DOD hospitals havens of life,

where life is respected. Oppose the AuCoin amendment.

OPPOSE ABORTION AMENDMENT

(Mr. DORNAN of California asked and was given permission to address the House for 1 minute.)

Mr. DORNAN of California. Mr. Speaker, finding you sitting in the Chair pro tem, the great LES AUCOIN of Oregon, is fortuitous. It is your amendment on the House floor today that will attempt to allow abortions back into military hospitals. Abortions which I cut off as a freshman, I am proud to say, 13 years ago. It has been the law of the land, with some violations. In 1988, the Department of Defense ended all violations and began to fully enforce the law. I wanted you to know, Mr. Speaker, that I get to control the time on the Republican side. This is going to be one heck of a dog fight.

Mr. Speaker, listen to this item from last week's Newsweek: "Not the Love Boat. Much as been made of the U.S.S. *Acadia*'s 36 female crew members who left the ship because of pregnancy," thereby leaving combat, serving their country, "during its recent 7½-month deployment in the Persian Gulf."

By the way, it is hard to get these figures out of the Pentagon. Colonels get terrified, because they know it is career ending, if they appear to take sides. It is a rough road trying to get facts and figures out on this issue.

But the article says about 1,250 women were medevac'd out of the gulf because of pregnancy, and some of them may decide when they come home, if your amendment passes, to have an abortion in the military hospital.

"Military spokesmen took the defense when questioned about the development" with the *Acadia*. "Unnecessary tactic, it turns out: An average 16.2 percent of women crew members abroad all naval ships become pregnant, more than twice as many as the 8 percent of the *Acadia*'s female crew of 450."

Let us not compound this felony by killing the infants in their wombs in military hospitals.

WAKE UP AND LEARN, AMERICA

(Mr. APPLEGATE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. APPLEGATE. Mr. Speaker, $137 million in the past 5 years, $92 million in the past 5 years, $72 million, $50 million, $40 million, $30 million, $25 million. Does this sound like a reduction of the national debt? No, this is just the salaries and bonuses of America's top CEO's.

Mr. Speaker, it is no wonder America's trading partners think we are so stupid, because we pay these kinds of salaries and bonuses. The American consumers and taxpayers finance bad management. Then when these people get fired, they are rewarded with a golden parachute of hundreds of thousands of dollars, or millions of dollars.

How can America be able to compete with world trade, with corporate leeches sucking the lifeblood out of American business? There are the same people that now want to subsidize Mexico and China and take away business from these companies. When in the hell is America going to wake up and learn.

VOTE NO ON FAST TRACK

(Mr. HUNTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUNTER. Mr. Speaker, in a few days we are going to be voting on the fast-track bill with respect to a free trade agreement between the United States and Mexico. Let me just say to my conservative Republican friends, the conservative Republican position should not be in favor of fast track, and it should not be in favor of the so-called free-trade agreement with Mexico.

Mr. Speaker, when Mexico has political freedom, has internal free trade, has the right for businessmen to buy or sell, to hire or not hire, to build a plant or not build a plant, without having to know somebody powerful, they will have prosperity in Mexico, without economic benefits having to be pushed across the border by the United States.

Mexican workers are highly productive. Workers who are employed by the General Motors plants in Mexico City are achieving 80 percent of the productivity of workers in Detroit. When you couple that with wages that are around one-tenth of the wages paid by American manufacturers, one has to conclude that there will be a shift in production. Some people say that it is good for the consumer. Well, consumers are Americans with jobs and paychecks. Vote no on fast track.

□ 1110

KUWAIT MUST GRANT DUE PROCESS TO ALL DEFENDANTS

(Mr. MAZZOLI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MAZZOLI. Mr. Speaker, earlier this week in the well I said that the national animal of Kuwait is not the camel but the kangaroo, as in kangaroo court, because it is that kind of justice which is being meted out by the Government of Kuwait to mostly Palestinian guest workers whom they accuse of being collaborators with the enemy during the Iraqi occupation of Kuwait.

Mr. Speaker, ironies abound here, because the same government which is trying these poor people as collaborators, in keeping with its tradition of a hedonistic, pleasure-seeking, indulgent nation, sat the war out in air-conditioned hotel rooms in Egypt and around swimming pools in Saudi Arabia while these guest workers remained behind with the dangers and deprivations that that brought.

I am pleased that, following my statement, the President and the State Department urged Kuwait to conduct fair trials. We should do more than just urge them. We should cut off all aid to Kuwait until such time as they grant due process to these defendants and all defendants who ever come into their courts.

SUPPORT DORGAN RESOLUTION OF DISAPPROVAL OF FAST TRACK

(Mr. PEASE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PEASE. Mr. Speaker, tomorrow the House will vote on whether to extend the President's fast-track authority for negotiating a free-trade agreement with Mexico.

I urge my colleagues to vote yes on the Dorgan resolution of disapproval and thus to vote against fast track. I urge all Members to ask themselves as they think about how to vote: "What will happen under a Mexico free-trade agreement to the middle-class, middle-income, working Americans of their district who have already seen a 9-percent decline in their wages in the last 10 years?"

Some people say that a free-trade agreement with Mexico is about tariffs. It is not really. It is about eliminating barriers to investment by the United States and American companies in Mexico, and when those barriers are gone, American companies all across America will be tempted to pick up stakes and move to Mexico to take advantage of 70-cent-an-hour labor.

Tomorrow, before Members vote, ask yourself: "What vote will be in the best interests of middle-income Americans in your district?"

NEGOTIATE FAIR TRADE FOR AMERICAN PRODUCERS

(Mr. DORGAN of North Dakota asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORGAN of North Dakota. Mr. Speaker, an author once wrote that the United States has never lost a war and never won a conference. I think of that when I think of our trade negotiations in this world.

We somehow seem to involve ourselves in trade negotiations and always come out on the short end of the stick.

The gentleman from Arizona was in the well a while ago saying, "Well, we need to support the free-trade initiatives, because this country can compete anywhere in the world and we should not shrink from that challenge." Yes, we can compete. I do not doubt that. We can compete anywhere in the world where we can get our goods in their markets, but you cannot compete in a market that is closed. You cannot compete against prison labor. You cannot compete against 11-year-old sweatshop labor. You cannot compete against plants that dump raw sewage in streams and dump pollution in the air.

That might be free trade and negotiate an end to the barriers between those kinds of countries, but it is not fair trade, and it will fundamentally injure this country to continue to insist on this change called "free trade" when it is not fair to American producers.

When we get something that is fair to American producers in trade negotiations, then we will compete, and we will do quite well, but until that time, we ought to vote against fast track and insist that our trade negotiators be starting to negotiate fair-trade arrangements all across this world.

MORE LESSONS TO BE LEARNED FROM GULF WAR

(Mr. KASICH asked and was given permission to address the House for 1 minute.)

Mr. KASICH. Mr. Speaker, as we begin to wrap up the defense bill today, we have heard a lot of speakers talk about the lessons learned from the war in the gulf, but there are some lessons that I do not think we have learned and some things that we ought to consider as we move beyond the defense bill into international politics.

No. 1, I think we ought to prosecute Saddam Hussein for war crimes. We ought to energize the world body to not only be able to prosecute people like Saddam Hussein but then to be able to move against other bad guys like Saddam so we do not have to put our troops out in the field.

The President ought to call an international conference on the sale of conventional weapons, the spiraling escalation of weapons being sold at the same accelerated pace that we had before the war.

And, third, we ought to have an international conference to discuss ways in which to stop the proliferation of weapons of mass destruction, not just chemical weapons, but nuclear weapons as well. The problems of North Korea illustrate the challenges that face us.

So, Mr. Speaker, while we spend our time learning the military lessons, we ought to also spend time studying the geopolitical lessons and, unfortunately, I do not think we have all learned them. I think we had better apply ourselves to learning them to prevent war in the future.

TRIBUTE TO THE FRANKLIN DELANO ROOSEVELT THERAPEUTIC PROGRAM

(Mr. RAY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RAY. Mr. Speaker, on the top of Pine Mountain, near Warm Springs, GA, is the F.D. Roosevelt Wilderness Therapeutic Program. This is a residential treatment center for young males and females, ages 8 to 15 years. The camp encompasses about 600 acres and is a joint project of the State of Georgia's Departments of Human and Natural Resources.

The camp was established for males in 1983 and the program for females was added in 1989. Behavior problemed youngsters are referred to the program by their parents, along with a community sponsor.

The thrust and purpose of treatment is to bring about behavioral change and improved personal functioning through living with a supportive group of peers and a caring, responsible adult in the wilderness.

I had the pleasure of visiting the camp recently and met with an Iroquis group, ages 14 to 16. I met with Keri, Tamra, Tricia, Nancy, Chrissie, Robin, Victoria, and April, along with counselors Binta and Deborah.

They are but a few of the several hundred young persons who have participated in the combination of classroom learning and its application to outdoor living. The length of treatment varies, but it usually lasts 18 months. Mental health problems are solved here, and I am pleased to call attention to the good work being done at the F.D. Roosevelt Wilderness Outdoor Therapeutic Program.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEARS 1992 AND 1993

The SPEAKER pro tempore (Mr. AUCOIN). Pursuant to House Resolution 156 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 2100.

□ 1117

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 2100) to authorize appropriations for fiscal years 1992 and 1993 for military functions of the Department of Defense and to prescribe military personnel levels for fiscal years 1992 and 1993, and for other purposes, with Mr. DURBIN (Chairman pro tempore) in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. When the Committee of the Whole rose on Tuesday, May 21, 1991, the amendment offered by the gentleman from New York [Mr. MRAZEK] had been disposed of and all the amendments printed in part 1 of House Report 102-68 had been disposed of.

The Chair has been notified that amendments No. 1 through 5, 9 through 11, 13 through 15, 17 through 23, and 28 through 30 will be considered en bloc.

It is now in order to consider amendment No. 6 as printed in part 2 of House Report 102-68.

AMENDMENT OFFERED BY MR. HUNTER

Mr. HUNTER. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. HUNTER: At the end of section 213 (page 31, after line 10), insert the following new subsection:

(h) REQUESTED CAPABILITY.—Any system developed pursuant to this section—

(1) shall have a capability of defending against all ballistic missiles currently being deployed and developed by Iraq, China, Libya, Iran, Argentina, Brazil, North Korea, Pakistan, and Syria, including the CSS-2 missile, the SCUD missile (and all modified versions of that missile), the Condor II missile, the SS-300 missile, the SS-1000 missile, the Prithvi missile, the Agni missile, the Shahin 2 missile, the Al-Hussein missile, the Al-Abbas missile, the Tammuz 1 missile, the Hatf I and II missiles, and the SS-21 missile;

(2) shall have a capability at least equal to that of the SA-12 system, with projected upgrades, of the Soviet Union;

(3) shall be designed so that the warhead destruction mechanism and design is configured to ensure high probability of intercept and destruction of chemical and biological agents, nuclear warheads, and conventional warheads; and

(4) shall be capable of destroying multiple threats of the CSS-2 class (presently being produced and sold by the People's Republic of China), with interceptor destruction occurring at a distance sufficient and with finality to ensure that salvage fusing will not result in significant damage to the defended area.

The CHAIRMAN pro tempore. Pursuant to the rule, the gentleman from California [Mr. HUNTER] will be recognized for 5 minutes, and a Member opposed will be recognized for 5 minutes.

Which Member will be speaking in opposition to the amendment?

Mr. MCCURDY. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN pro tempore. The gentleman from Oklahoma [Mr. MCCURDY] will be recognized for 5 minutes.

The Chair recognizes the gentleman from California [Mr. HUNTER].

Mr. HUNTER. Mr. Chairman and my colleagues, this amendment gives some direction to a very important area of national defense that was highlighted by the war in the gulf, and that is the defense against missiles and particularly against theater ballistic missiles which, in fact, is what the Scuds were which we saw so dramatically being taken down by Patriot missile systems.

The committee recognizes at this point how important ATBM is; that is, a defense against theater ballistic missiles. We have a fairly large portion of money now dedicated to ATBM; that is, $857.5 million.

We recognize also that there are many, many nations now proliferating those missiles including Iraq, which has what I would call not at this point a limited inventory; China, which is building the CSS-2 and selling it around the world; Libya, Iran, Argentina, Brazil, North Korea, Pakistan, and Syria.

The amendment that I have offered is one that goes to the ATBM section, and very simply it sets a standard. It is not micromanagement. It is a policy statement by the House of Representatives saying to DOD, "We want you to build a system—as you spend these millions of dollars that we have dedicated to the ATBM—we want you to build a system that will handle the missiles being generated in these Third World inventories and proliferated to military forces around the world."

□ 1120

If we do not do that, we will be denying the men in our Armed Forces the capability of defending themselves adequately against theater ballistic missiles.

Mr. Chairman, I reserve the balance of my time.

Mr. McCURDY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, we had this debate in the Committee on Armed Services on the amendment offered by the gentleman from California [Mr. HUNTER].

I would say at the outset that he has improved his amendment from the standpoint that he has reduced some of the micromanagement that existed in the earlier version. In the earlier version he indicated a particular system that had to meet particular mach numbers that had to have a certain range and other characteristics, which resembled, as my colleague from South Carolina [Mr. SPRATT] said, looked closer like an RFP, request for proposal, as opposed to a general policy statement of the Committee on Armed Services vis-a-vis the technology and the capabilities we desire in defeating the threat of theater ballistic missiles.

As I said, the gentleman's amendment has been improved. However, it is clear under this amendment that he would require all systems developed in the joint theater missile defense program to meet certain technical criteria, and be able to defend against all ballistic missiles currently being deployed and developed by a certain country.

Therefore, he outlines the number of countries; and what, in effect, it would do is prohibit the Patriot improvements. The improved Patriots would not meet the technical standards set by this amendment. He includes some missile capability, those developed by China, the CSS-2, which appears to be in the 3,000-kilometer range, and also some question about the CSS-3. In fact, those may be crossing into the ICBM arena as well.

So the request at $170.5 million for Patriot improvements could not be spent. Much of the success in the gulf, quite frankly, was due to the success of that particular system. This amendment also requires all systems developed by the joint office or the joint program to "have a capability defending against all ballistic missiles currently being deployed and developed by Iraq and China and several other countries."

As I said, China has deployed ICBM's, and because none of the systems being developed in the joint program will have a significant ABM capability, this amendment would block all spending on the TMB capability. This amendment would block all spending on the TMB systems, Patriot, ERINT, Arrow, and THAAD. Those Members who support theater missile defense have argued consistently that SDIO should be dedicating a large percentage of the funds for this area as opposed to being concentrating on a space-based system.

Now that we have seen the success of the Patriot in the gulf, people are now rushing to try to get on the bandwagon. Unfortunately, the gentleman's amendment undercuts much of the progress we have made.

Finally, I think the principal argument against the amendment is what we are doing on the floor of the House is micromanaging, by setting requirements and standards which the military ought to be developing. They ought to assess the threat, bring it back to the Congress, and have Members debate that as opposed to Members, literally, line by line, requiring certain capabilities at this point. It does not make sense.

I urge a "no" vote.

Mr. Chairman, I yield to my distinguished colleague, the gentleman from Washington [Mr. DICKS].

Mr. DICKS. Mr. Chairman, I think I understand the gentleman correctly to suggest that if we had had the Hunter amendment in place, we could not have deployed the Patriot missile because it did not meet the requirements, because it would not be able to knock out the CSS-2, the Chinese missile; is that correct?

Mr. McCURDY. It is true that the Patriot missile does not meet the capabilities outlined, is not able to defeat the threat that is emerging in the future.

Mr. DICKS. We could not have developed the Patriot?

Mr. McCURDY. Not if we had written the standard sometime ago, that is true. Congress should not be writing standards. We are not engineers. We are not the scientists. We are not the experts who say this has to fly at this speed and be able to defeat this threat.

We ought to tell the military, "You come to us, outline what the threat is, and tell us how you will respond to that," as opposed to being "line-itemed" and telling them what to develop.

Mr. DICKS. If the gentleman will continue to yield, I concur that we need to improve the Patriot, but to do it this way is a mistake. I urge my colleagues to vote against the Hunter amendment.

Mr. McCURDY. There are a number of systems which have tremendous capability, whether ERINT or Arrow, which I support. I believe this amendment works aginst it. I urge a "no" vote on the Hunter amendment.

The CHAIRMAN pro tempore (Mr. COX of Illinois). The gentleman from California [Mr. HUNTER] has 3 minutes remaining.

Mr. HUNTER. Mr. Chairman, let me respond to my friend, the gentleman from Oklahoma, and my friend, the gentleman from Washington.

My friend from Oklahoma is absolutely wrong, that we already have in law the standard that the ATBM system that we are developing, including the program with the Arrow be as capable as the SA-12 system, fielded by the Soviet Union. According to the Patriot program office, they have the capability of matching up with SA-12. Arrow, by definition, is supposed to be able to do that.

To my friend from Washington, let me tell my friend that it was members of the Committee on Armed Services, all Republican members, but nevertheless members of the Committee on Armed Services who urged Israel to give up the Levine fighter and build an Arrow missile, and simultaneously urged General Abramson to cooperate at the head of SDI.

Another point the gentleman should know, from what I understand in talking personally with the Arrow program manager, he thinks the idea of what we have done, which is remove Arrow from SDI and put it under the Army systems and under Army guidance, is not well-received by Israel and not going to work to the benefit of that program.

The charges of micromanaging can flow back and forth. Let me just say one last thing to my friend. We are not

ombudsmen, we are charged to defend the United States and to give effectiveness to our Armed Forces. The gentleman thinks we should put on an RFP to industry to ask them if maybe they think it is a good idea to defend America, I suggest I have a different standard than he has. There are no velocities in here. There are no ranges. We simply say, "Look at all the Third World countries that are proliferating missiles around the world. Whatever you build, we want them to be able to meet the systems that presently are being sold by China, Libya, and others around the world."

Mr. Chairman, I yield to the gentleman from Oklahoma.

Mr. McCURDY. The comment I make is under the gentleman's amendment. With his requirements, we would not be able to expend the funds on Patriot, ERINT, Arrow or THAAD today. In fact, he has put a hold on the development. That is what we object to.

Mr. HUNTER. Mr. Chairman, let me reclaim my time. Under the analysis, at least this Member has done in talking about the classified aspects of the program that the gentleman has talked about, those systems can, in fact, meet these standards, and it is a matter of leadership at DOD, but they can do it without a problem.

(On request of Mr. DICKS and by unanimous consent, Mr. HUNTER was allowed to proceed for 1 additional minute.)

Mr. HUNTER. I am happy to yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, what I am concerned about here is what we should say is, go out and develop the best system possible to meet these threats, but not make a condition precedent, that it meet each individual one, because I am worried that if we do that, there is a possibility that we cannot go out and deploy a system that might be 95 percent effective, but not 100 percent. That is what I think is a worrisome feature of the Hunter amendment here.

The gentleman says it has to be able to defend against every single one. What if it could defend against all but one.

□ 1130

The CHAIRMAN pro tempore (Mr. COX of Illinois). The time of the gentleman from California has expired.

(By unanimous consent, Mr. HUNTER was allowed to proceed for 1 additional minute.)

Mr. HUNTER. Mr. Chairman, let me answer my friend. The operative words here are "capability of defending." I do not think anybody has suggested that if you put in "capability defending" with respect to a weapons system it means that you have to stop every bullet, defend against every explosion, exclude every piece of shrapnel.

So the answer to my friend is this——

Mr. DICKS. Mr. Chairman, if the gentleman will yield, the gentleman says against all ballistic missiles currently being deployed and developed, the gentleman says all.

Mr. HUNTER. Precisely, but it does not say that every single bullet has to be stopped with a shield and that is the only way you can define "capability of defending." I think "capability of defending" has a general application much different from that; but let me just tell my friend this. We have Third World countries proliferating these missiles. If we are not going to direct our ATM office to be able to defend against those threats that are real, that are out there, those systems being sold, then we are not spending this billion dollars, almost a billion dollars, that we are going to authorize and appropriate this year.

Of course, they should be able to knock those things down, and they can do it.

Mr. McCURDY. Mr. Chairman, if the gentleman will yield, let us just add more money, let us take money out of the regular SDI and put it into this.

Mr. DICKS. This is useful.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from California [Mr. HUNTER].

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

Mr. HUNTER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The CHAIRMAN pro tempore. Pursuant to the provisions of section 4 of House Resolution 156, and the Chair's prior announcement, the vote on the amendment offered by the gentleman from California [Mr. HUNTER] will be postponed until after completion of consideration of all of part 2 amendments which are not to be considered en bloc.

It is now in order to consider Amendment No. 7 printed in part 2 of House Report 102-68.

AMENDMENT OFFERED BY MR. FRANK OF MASSACHUSETTS

Mr. FRANK of Massachusetts. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. FRANK of Massachusetts:

At the end of title II (page 46, after line 22), insert the following new section:

SEC. 237. TERMINATION OF SMALL ICBM PROGRAM.

(a) PROGRAM TERMINATION.—The Secretary of Defense shall terminate the Small ICBM program (known as the Midgetman missile program).

(b) FUNDING.—Funds appropriated or otherwise made available to or for the use of the Department of Defense pursuant to this Act or any Act enacted after the date of the enactment of this Act may not be obligated or expended to enter into a contract for research, development, test, or evaluation, or for procurement (including long-lead items), in connection with the Small ICBM program.

(c) FISCAL YEAR 1992.—The amount specified in section 201 for research, development, test, and evaluation for the Air Force is hereby reduced by $548,838,000.

Mr. FRANK of Massachusetts. Mr. Chairman, I ask unanimous consent, and this has been cleared with both leaderships, in consideration of offering only this amendment and not the second one, that the 10 minutes and 10 minutes be consolidated to 20 minutes on this amendment, and I will not offer the second amendment. I believe both sides have agreed to that.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The CHAIRMAN pro tempore. Pursuant to the rule, the gentleman from Massachusetts [Mr. FRANK] will be recognized for 10 minutes, and a Member opposed will be recognized for 10 minutes.

The Chair recognizes the gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK of Massachusetts. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this is an amendment to save $548 million. If this amendment passes, the deficit of the United States will be reduced by $548 million. Now, deficit reduction has got more support in principle and less in practice than any virtue I can think of.

What this says is that we do not need the Midgetman missile. People have argued for the Midgetman missile, but as everyone who is paying attention knows, it is very, very likely that we are going to sign a treaty with the Soviet Union to get rid of it.

Now, we have been told for years that we needed it as a bargaining chip. We are now bargaining with the Soviet Union which is about ready to sign this. It has been held up by some disputes over the conventional forces treaty, but what we are being asked to do now is to pay $548 million, a significant sum, to preserve a bargaining chip which we no longer need because the bargaining which necessitated this is essentially set.

No one believes that there will be—well, I should be careful, Mr. Chairman, in this Chamber never say no one; but no one I would care to credit thinks we are going to deploy this system.

So the question is, should we spend $548 million for a system we are not going to deploy, because people say it is a bargaining chip.

Now, Mr. Chairman, I have a riddle. What is the difference between a bargaining chip and buffalo chip? The answer is that the buffalo chip is extinct and the bargaining chip costs us a lot more money.

We have a chance here to save $548 million, and on the other side you can

do research on the Midgetman. No one thinks we need it. No one thinks it is going to go into effect.

Mr. Chairman, I am a great supporter of submarines. I voted for the nuclear submarine program. We have Minuteman missiles. We have the B-1 bomber with a cruise missile. I am all for the triad, but I did not maybe get good geometry. I always thought a triad had three things in it. We are getting a five-sided triad. They want to have a Minuteman, a Midgetman, and an MX. That is three sides. I take it back. They have a six-sided triad. Then they got a nuclear submarine and then they got two airplanes, the B-2 and the B-1.

Now, if we are lucky, the B-2 will be gone, so we will not have to worry about that one anymore; but let us add the Midgetman to the pile.

Does anyone think in the current state of the world we should spend—and by the way, this $548 million only makes sense if you are prepared to spend tens and tens of billions of dollars to deploy it. This will be a very expensive system.

Now, I have to say this, Mr. Chairman. I was absent 1 day, and you know, when you miss school 1 day, sometimes you fall behind. This became the Democratic weapon when I was missing 1 day. The Republican weapon was MX and the Democratic weapon was the Midgetman. In other contexts, we are for trains and they are for trucks, but here we were for the trucks and they were for the trains.

Enough is enough, Mr. Chairman. No one thinks it has a military rationale. This weapon has outlived any possible hope of its deployment, any significant strategic mission. The only thing it has still got is a price tag of $548 million.

I offer this $548 million to the membership. It may be in the entire budget process the only chance you will get to vote for a straight 100 percent deficit reduction to no negative cost, and we have not even started to go into production. No one is going to lose their jobs yet. This is $548 million on research for something which will never go beyond the research stage. Let us kill it now.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN pro tempore. Is there a Member in opposition to the amendment?

Mr. DICKINSON. Mr. Chairman, I move to strike the last word.

The CHAIRMAN pro tempore. First of all, is the gentleman in opposition?

Mr. DICKINSON. I do not know, Mr. Chairman.

The CHAIRMAN pro tempore. The gentleman has the authority to strike the last word.

Mr. DICKINSON. That is what I am asking, Mr. Chairman. I move to strike the last word.

The CHAIRMAN pro tempore. The gentleman from Alabama (Mr. DICKINSON) is recognized for 5 minutes.

Mr. DICKINSON. Mr. Chairman, I have listened to the gentleman as rapidly as I could and as closely as I could. I think the gentleman might be right.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore. Does a Member rise in opposition to the amendment?

Mr. RAY. Mr. Chairman, I rise in opposition to the amendment on behalf of the committee.

The CHAIRMAN pro tempore. The gentleman from Georgia [Mr. RAY] is recognized for 10 minutes.

Mr. RAY. Mr. Chairman, the Frank amendment is contrary to last year's agreement for a number of reasons. Section 231 of the fiscal year 1991 authorization bill included this Sense of Congress language which passed twice last year in the House, once in the House bill and again in the conference report.

At a minimum, the United States should continue to develop the ICBM systems for deployment in silos to meet future U.S. ICBM modernizations, its requirements, and arms control objectives, while preserving a realistic option for our subsequent mobile basing and it should require future strategic arms control development also. This approach still makes good sense.

The other reason, the small ICBM is the future of ICBM modernization programs.

The MX missile procurement was terminated by the administration in fiscal year 1992.

Rail garrison is being put on the shelf at congressional direction after completion of R&D and one test shot from a train.

The Missileman II starts retirement in fiscal year 1992.

Minuteman III missiles have been upgraded, but cannot last forever, and whether Midgetman is deployed in silos or on hardened mobile launchers, HLS's are preferable.

It is the only part of the ICBM in development. The small ICBM supports further arms control also. A survivable ICBM will be increasingly important if and when we wrap up START and enter deeper reductions on any follow-on START II negotiations.

The single warhead Midgetman fits perfectly with the deMIRVing we have agreed on with the Soviets to pursue in START II.

START I will allow each side to have up to 1,100 warheads on mobile ICBM's. Midgetman would account for 500 at the most.

There are other reasons. The small ICBM is a prudent hedge. The Soviets have deployed two kinds of mobile ICBM's. R&D on small ICBM's is halfway there.

Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. DAVIS].

□ 1140

Mr. DAVIS. Mr. Chairman, we will divide up our 5 minutes on our side against the amendment.

Mr. Chairman, I yield 3 minutes to the gentleman from Ohio [Mr. KASICH].

The CHAIRMAN pro tempore. Without objection, the gentleman from Ohio [Mr. KASICH] is recognized for 3 minutes.

There was no objection.

Mr. KASICH. Mr. Chairman, I would like to say I kind of enjoyed this debate because some of my Republican colleagues who are so apoplectic about my position on the B-2 cannot make up their minds as to whether they are for this missile or not.

So I guess it is appropriate in a changing world for people to be able to define their priorities in different ways. Let me say I rise against the Frank amendment basically because I have always been a supporter of the Scowcroft Commission. I would like to see the MX on rail because one of the real lessons we learned from the war is mobility gives you greater stability. But the MX is not what we are discussing here. We are discussing the Midgetman.

What the Midgetman represents is the United States moving away from missiles that carry many warheads into a regimen where you have a single-warhead missile that is mobile.

Now, if we are going to maintain a land-based part of the triad, a missile force that is land based, then I want to have the one that is most stable. I think that an MX missile that fits in a silo where it does not move, with 10 warheads attached to it, becomes a very inviting target for Soviet military planners.

Where I would ultimately like to see the land-based side of the triad go is mobile single-warhead systems that can move around, that do not offer very, very desirable aim points to hit.

Now, I have to tell all of you, I know we are all rethinking this whole concept of nuclear deterrence vis-a-vis the Soviets. I think we are all a little bit concerned that we are not going to spend money we do not need to spend. But I think it is necessary that a triad that has worked, that nuclear deterrence does work and that we ought to get those systems that are going to give us the greatest amount of stability but not going overboard whole hog in trying to revitalize every leg of the strategic triad, which is one of the reasons why I fight the B-2.

But I believe ultimately the small missile with a single warhead, mobile, gives us the greatest stability.

Mr. DOWNEY. Mr. Chairman, will the gentleman yield?

Mr. KASICH. I yield to the gentleman from New York.

Mr. DOWNEY. I thank the gentleman for yielding.

Mr. Chairman, I deeply respect and admire the gentleman's opinion on these issues because I think he has shown remarkable courage on his side of the aisle for being realistic.

What concerns me, if I might, is the—and I have been a supporter of the Midgetman Program—is that the world has changed, as the gentleman pointed out. No one would argue for a moment the idea of the need for a triad. There is a synergy that a diad would not have there. I think the idea that we need to have a new missile when the existing missiles are quite capable for the next 10, 15 years, is really the issue we now have to address.

Mr. KASICH. I say to the gentleman, since we are going to keep this missile in R&D and we are not going into production on it, it remains something that is negotiable with the Soviets, and I hope we negotiate the elimination of it. But, ultimately, our goal ought to be to have mobility and single warheads, not things like MX's with 10 warheads which move us away from it, which is why I continue to support the R&D, and I hope the gentleman from New York will continue to support it as well.

The CHAIRMAN pro tempore (Mr. COX of Illinois). The Chair would like to clarify the situation here: The gentleman from Massachusetts [Mr. FRANK] has 6 minutes remaining, the gentleman from Georgia [Mr. RAY] has 2½ minutes remaining, the gentleman from Michigan [Mr. DAVIS] has 2 minutes remaining.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield 2 minutes to my friend, the gentleman from California [Mr. DELLUMS].

Mr. DELLUMS. I thank the gentleman for yielding.

First may I say to my distinguished colleague from Ohio [Mr. KASICH] it is with some reluctance that I rise to challenge my colleague's arguments. Today on the op-ed page of the Washington Post the gentleman and I have an op-ed piece in opposition to the B-2 bomber.

But on this particular issue, let me respond to his argument. The assumption of his argument is that each leg of our nuclear triad must be independently survivable. What the Scowcroft Commission did was to explore the myth that each leg of our triad needed to be independently survivable, as if a Soviet planner would sit there and sometime in the 1990's say, "Ah hah, the land-based missiles are vulnerable, let's attack because we have other weapons capability that would allow us to inflict such incredible, unacceptable damage that they could not survive as a civilized society in modern times."

That concept is called synergism. So it is not each leg of our nuclear triad that must be independently survivable. Survivability is in the aggregate of our nuclear weapons capabilities. And that is the response to my colleague's argument.

Mr. KASICH. Mr. Chairman, will the gentleman yield?

Mr. DELLUMS. I yield to my friend.

Mr. KASICH. I thank the gentleman for yielding.

Mr. Chairman, I just want to say that my goal is to have a land-based missile force that is going to be as stable as possible, and that is why I support the Midgetman, which moves us away from the multiheaded—multiwarheaded—missiles, and that is where I am in that area. That is just to make the point clear.

Mr. DELLUMS. I appreciate the gentleman's argument. I am simply saying that the major thrust of his argument is that each of our legs of the triad must be independently survivable, and that myth was exploded when the Scowcroft Commission wrote its report.

The CHAIRMAN pro tempore. The Chair is assuming that the gentleman from Nevada [Mr. BILBRAY] has assumed the time of the gentleman from Georgia [Mr. RAY]. Is the Chair correct?

Mr. BILBRAY. That is correct.

Mr. Chairman, I yield 1½ minutes to the gentleman from Washington [Mr. DICKS].

Mr. DICKS. I thank the gentleman for yielding.

Mr. Chairman, I rise in opposition to the Frank amendment. Basically, we have already made some drastic decisions about strategic forces. We have stopped the Trident Program at 18. I do not think there is anybody here who thinks we are going to go ahead and deploy the rail garrison MX Program. I would oppose that. It seems to me, as a prudent hedge to try to maintain some potential survivability in our land-based leg, which is clearly all vulnerable; every missile we have today is in a fixed silo which is vulnerable. The one hedge for survivability is the small single warhead ICBM, Midgetman.

I think we need to maintain that. I have been talking to the chairman here. Chairman ASPIN agrees that we need that. We are going to do this technology, do the R&D, and put it on the shelf.

If we then at some future point have a breakthrough where there is some vulnerability to the submarine leg of the triad, we may well want to come back to Midgetman. But to kill it now I think would be a mistake. I would urge the committee to stay with the chairman, stay with the committee, and continue the R&D on this program.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield 30 seconds to the gentleman from Washington [Mr. DICKS].

Mr. Chairman, will the gentleman yield?

Mr. DICKS. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. I thank the gentleman for yielding.

Mr. Chairman, the gentleman said he is for this because we are not going to deploy the rail garrison. Will he then, as a member of the Defense Appropriations Committee——

Mr. DICKS. We need one survivable land-based missile.

Mr. FRANK of Massachusetts. Yes. But in this bill we have $260 million for the rail garrison that he says is going to go nowhere. Why do we have that? If the gentleman does not think so, what do we have here $260 million to show that we are nice guys?

Mr. DICKS. The gentleman offered the wrong amendment.

The CHAIRMAN pro tempore (Mr. RUSSO). The Chair will state that the gentleman from Massachusetts [Mr. FRANK] has 4 minutes remaining, the gentleman from Michigan [Mr. DAVIS] has 2 minutes remaining, and the gentleman from Nevada [Mr. BILBRAY] has 1 minute remaining.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield 1½ minutes to the gentleman from New York [Mr. SCHEUER].

Mr. SCHEUER. I thank my colleague for yielding. Mr. Speaker, I rise in support of the amendments offered by Congressman FRANK.

Before we spend $549 million for more nuclear missiles, and $250 million to place them on rails we must ask ourselves, what for? Who are we defending against?

Are we defending against the Soviets? The cold war is over and the Warsaw Pact has vanished in the morning mist. Meanwhile, the Soviet economy is in a free-fall depression. In fact, President Gorbachev has just asked us for $1.5 billion in food aid. I hardly perceive these developments merit the construction of more ICBM's.

We are already armed to the teeth. An adequate deterrent force is in place. And if we are worried about other members of the nuclear club, then I fail to see how augmenting our already massive collection of nuclear weapons will add to that deterrent force.

Are we worried about accidental or unauthorized nuclear launches? We are, but it seems to me increasing the number of nuclear missiles and placing them on wheels increases, not decreases these risks.

Yet, like the Federal deficit, our nuclear arsenal continues to balloon against all reason.

Our real threat to national security comes from within. It starts with the three out of four children who desperately need Head Start and do not receive it. And continues on through the

education system to the 9 million of this Nation's non-college-bound youth who lack any marketable skills.

I urge my colleagues to recognize the end of the cold war and save almost a billion much-needed dollars by passing the amendments offered by Congressman FRANK.

Mr. DAVIS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I was going to ask the gentleman from Massachusetts [Mr. FRANK] if he would acquiesce to a friendly amendment and earmark the moneys saved, the $548 million—earmark that money for continuation of the B-2 bomber?

□ 1150

Mr. FRANK of Massachusetts. Mr. Chairman, will be gentleman yield?

Mr. DAVIS. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. Unfortunately, Mr. Chairman, my respect for semantics prevents me from being agreeable. The gentleman said, "The money saved." If we spent it on a B-2 bomber, it would be wasted, not saved. So I cannot accept that.

Mr. DAVIS. Mr. Chairman, we have already spent $3.5 billion on the small mobile system, and what we are talking about is $548 million to continue the development of the ICBM Small Missile Program. As we all know, the Soviets already have rail garrison, SS-24's. They have road mobile SS-25's. They are continuing their strategic ICBM modernization program in earnest.

Continued development of mobile ICBM, it seems to me, is a very prudent way and a course to follow as arms negotiations are continuing to go on. The small ICBM development entails very little risk. We have already no radical new missile technology. It preserves the technology base and production capabilities for ICBM's, provides the most efficient and flexible ICBM target coverage and mobile basing, provides flexibility in meeting the threat, whatever that might be.

So, even though a lot of people may not be excited, things have changed with the Soviet Union. It seems to me that the prudent thing to do now would be to continue. We have already spent, as I said, $3.5 billion to continue to spend the $548 million to complete at least the research and development on this program.

Mr. Chairman, I recommend that we defeat the Barney Frank amendment.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore (Mr. RUSSO). The gentleman from Massachusetts [Mr. FRANK] has 2½ minutes remaining, and the gentleman from Nevada [Mr. BILBRAY], who has the right to close, has 1 minute remaining.

Mr. FRANK of Massachusetts. Mr. Chairman, he has got a hard sell, so I do not begrudge him the chance to go last.

Mr. Chairman, I yield myself my remaining time.

The CHAIRMAN pro tempore. The gentleman from Massachusetts [Mr. FRANK] is recognized for 2½ minutes.

Mr. FRANK of Massachusetts. Mr. Chairman, I would like to yield this country $550 million. I would like to say to the American people, "Here is $550 million you don't have to spend."

Why should we spend it? Well, some of my friends say, "Oh, you should have killed the MX," but they are going to vote to put it in there. They will have a chance later to kill that.

Others say, "Well, we have to keep it around because we have to have the flexibility." No one has argued that this has a military mission. No one believes it is going to be deployed.

In fact, Mr. Chairman, the Midgetman was invented. Let us do a little political history. The Democrats did not have a weapon. So, we did not want to go for the MX because that was expensive and destabilizing, and it was, so we came up with the Midgetman so we could have a Democratic weapon. In the context that made sense, and that weapon has already served. It won a couple victories in the political war against the Republicans.

Let us bury it in peace because it did a lot better as a political weapon against the Republicans than as a strategic weapon against a decaying Russian empire. No one believes that we are going to ever use it. We have the nuclear submarines with MIRV missiles, we have the B-1 bomber cruise missiles, we have the Midgetman and the silo.

In addition, my friend from California, a great expert on this, said, "Try. It doesn't have to be independently survivable."

Well, it does if we think we are going to go fight three separate wars at one time against three separate enemies, that we are going to fight Russia, China, and whoever. One would be with the planes, and one would be with the trains, and one would be with the submarines. But against Russia are they really going to tell us that all of the nuclear submarines—they do not know where they are, thank God, and cannot find them, and the B-1 bomber with cruise missiles, and the Midgetman; that is not enough? We got to spend $550 million, not to ever put a weapon into place, but to do some research so we will know more about the weapon that we never used?

Let us not be so intellectually curious in this case because that is what we are talking about: $550 million of intellectual curiosity to no purpose, and I will say this: "Please, if you vote against me, that's OK. I don't take it that personal. But don't talk to me about deficits, don't talk about the poor elderly you want to help. Don't talk about the environment. If you can waste $550 million, you can't mean it."

Mr. DICKINSON. Mr. Chairman, will the gentleman yield?

Mr. FRANK of Massachusetts. I yield to the gentleman from Alabama.

Mr. DICKINSON. Mr. Chairman, I say to the gentleman from Massachusetts, "You've convinced me."

Mr. FRANK of Massachusetts. Mr. Chairman, I thank the gentleman from Alabama.

The CHAIRMAN pro tempore. The gentleman from Nevada [Mr. BILBRAY] has 1 minute remaining to close debate.

Mr. BILBRAY. Mr. Chairman, it is hard to talk after that, but let me tell my colleagues about what the committee has looked into.

As my colleagues know, we have cut the B-2 bomber out, one leg of the triad. Yes, we have the B-1. We cut the B-2. But the B-1, we have 97 of them. Turn of the century, the aging B-52's will be phased out gradually at that time. We had the rail MX in R&D. It is correct, but many of us feel in the committee, after listening to testimony, that the MX will be traded away as part of the arms negotiations, and maybe all the MX's will be destroyed in return for the destruction of the SS-18 by the Soviets. If we go into the 21st century and we have 97 long-range bombers, we have no new ICBM's, and we are only building 1 submarine per year, we are in deep trouble, and that is why the committee believes firmly that we must continue with the R&D on this missile system. It is important to our national security.

Mr. Chairman, I say to my colleagues, "Whether you're a Democrat or a Republican, you've got to support the committee on this security of our country."

Mr. LAGOMARSINO. Mr. Chairman, I rise in strong opposition to the amendments offered by Mr. FRANK of Massachusetts that would terminate the MX rail garrison program and the Midgetman small ICBM programs, respectively. These shortsighted amendments would have an adverse impact on our national security and the credibility of our nuclear deterrence force.

The Armed Services Committee responsibly decided to continue funding further research and development of both programs. The Peacekeeper, which some still call the MX, is our front-line, modern ICBM capable of carrying 10 nuclear warheads. It provides a significant amount of strength to the ICBM leg of our triad. At present, this missile is based in hardened silos—silos which can be very easily targeted and destroyed by Soviet missiles. The Peacekeeper, like the older, smaller, less accurate, and more vulnerable Minuteman force, is a very tempting target. The MX—Peacekeeper—rail garrison program would increase the survivability of the Peacekeeper and make first-strike targeting by the Soviets or anyone else far more difficult due to this new basing mobility. Complicating the attack plans of our adversaries and increasing the chances that

any attack may not achieve a satisfactory level of success increases nuclear stability and provides further incentive to engage in real strategic nuclear arms reduction negotiations.

The Armed Services Committee also responsibly decided to continue funding development of the new small ICBM, aptly called the Midgetman. This single warhead, second-strike ICBM is a critical program for the future. It is designed with strategic nuclear arms reductions—like those proposed in START—in mind. The small ICBM is designed to provide a mobile, highly survivable deterrent for the United States in an era of limited nuclear missiles. If we proceed with the deep cuts in nuclear missiles envisaged by START, we can no longer count on quantity of missiles and warheads to ensure a successful deterrent. The small ICBM would provide the quality and survivability our limited land based missile force would need. For those wanting deep reductions in nuclear missiles, the small ICBM is an important ingredient for any such agreement.

Both the rail-garrison MX and the small ICBM programs undergo intense testing and development at Vandenberg Air Force Base located in my district. In addition to providing critical security benefits to the United States and the free world, these programs are also beneficial to the local economy of northern Santa Barbara County. The Vandenberg AFB area was hard hit by the decision not to launch the space shuttle from the west coast. Other space programs, like the advanced launch system, are still off in the future. Vigorous testing of the Peacekeeper and small ICBM would help offset that loss. This added bonus further strengthens my support for these programs.

While we debate these programs, as we have over and over again for the past years—each time reconfirming our support for them—the Soviets are deploying their MX rail garrison and small ICBM. Rail-mobile SS-24, a fifth-generation missile of comparable size and warhead carrying capability to the MX, is being deployed. The smaller SS-25, which like the Midgetman is a single warhead, road mobile system, joined operational Soviet units in 1985. I urge my colleagues to remember that we cannot look at our programs as if they are in a vacuum. We must factor in our decisions what the Soviets have done and are doing.

I am very encouraged by the extremely positive democratic revolutions in Eastern Europe and the dissolution of the Warsaw Pact. I am also cautiously optimistic that real political and economic reforms can occur in the Soviet Union, though I am troubled by recent crackdowns in the Soviet Union and the recentralization of power in the military and the KGB. During his resignation speech, former Soviet Foreign Minister Eduard Sheverdnadze warned about the return of a hardline dictatorship in the U.S.S.R. It is a warning we should not ignore. While Gorbachev has been very successful in wooing the West with promises of peristroika and reform, the same Mikhail Gorbachev has continued to modernize and strengthen Soviet strategic nuclear forces. To me, actions speak louder than words. While we hope the words come true, we should not ignore the actions as these Frank amendments do. Despite all the euphoria in the West, we're not out of the woods yet. We cannot take chances with our national security.

We've had this debate many, many times before in one form or another. It's the debate over unilateral disarmament. And, let us not be fooled, these Frank amendments are unilaterally disarming our strategic modernization program.

Unilateral disarmament does not work. We proved it in the 1970's through failures like SALT and we proved it in the 1980's through the success of the Reagan-Bush program of peace through strength. Just look at the successful INF Treaty, which eliminated two entire classes of nuclear weapons, and the conventional forces in Europe agreement which will drastically cut military forces in the European theater. We reached these agreements not through unilateral disarmament, but through tough negotiations backed up by credible, effective military modernization programs. The agreements are guaranteed through tough verification regimes.

I strongly believe that the Soviets, who are developing and deploying their own MX rail garrison and small, mobile ICBM's will be more cooperative in reaching an equitable and verifiable strategic arms reduction agreement if they recognize we are working to counter their recent advances. Our experience with the INF Treaty underscores that. Enactment of the Frank amendments remove that incentive and weaken both our national defenses and our negotiating position. What do we end up with? No American modernization, hundreds of new, mobile Soviet missiles we have no way to counter especially with the majority's opposition to the SDI, no new missile reduction agreement, and no way to really verify any agreement we may reach. That's foolish and dangerous.

For both national security and future nuclear arms reduction reasons it is very important for the United States to continue with the MX rail garrison and small ICBM programs. To terminate either or both would severely undercut our negotiators in Geneva, making equal, reasonable strategic arms control agreements much more difficult to achieve. I believe the majority—from both sides of the aisle—on the Armed Services Committee recognize these facts and have wisely provided funds for continued development of both programs. The short-term political gains from terminating either of these programs do not even come close to offsetting the long-term national security losses. I urge my colleagues to join me in supporting the committee's position and opposing these amendments.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Massachusetts [Mr. FRANK].

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

Mr. BILBRAY. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN pro tempore. Pursuant to the provisions of section 4 of House Resolution 156 and the Chair's prior announcement, the vote on the amendment offered by the gentleman from Massachusetts [Mr. FRANK] will be postponed until after the completion of consideration of all the part 2 amendments which are not to be considered en bloc.

It is now in order to consider amendment No. 12 printed in part 2 of House Report 102-68.

AMENDMENT OFFERED BY MS. LONG

Ms. LONG. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Ms. LONG: Page 86, line 18, strike out "FEMALE".

Page 87, line 1, strike out "Female members" and insert in lieu thereof "Members".

Page 87, line 3, strike out "female".

Page 87, line 5, strike out "mother of" and insert in lieu thereof "sole care provider for, or one member of a dual-military couple with,".

Page 87, line 7, strike out "her".

Page 87, line 7, insert after the period the following: "The preceding sentence does not apply at the same time to both members of a dual-military couple.".

Page 87, line 8, strike out "female".

Page 87, line 9, strike out "mother of" and insert in lieu thereof "sole care provider for, or one member of a dual-military couple with,".

Page 87, line 11, strike out "her".

Page 87, line 13, insert after the period the following: "The preceding sentence does not apply at the same time to both members of a dual-military couple.".

Page 87, in the matter after line 16, strike out "Female members" and insert in lieu thereof "Members".

The CHAIRMAN pro tempore. Pursuant to the rule, the gentlewoman from Indiana [Ms. LONG] will be recognized for 5 minutes and a Member opposed will be recognized for 5 minutes.

Is the gentlewoman from Maryland [Mrs. BYRON] opposed to the amendment?

Mrs. BYRON. I am, Mr. Chairman.

The CHAIRMAN pro tempore. The Chair recognizes the gentlewoman from Indiana [Ms. LONG] for 5 minutes in support of her amendment.

Ms. LONG. Mr. Chairman, after I have briefly discussed this issue, I will enter into a colloquy with the gentlewoman from Maryland, the chair of the Armed Services Subcommittee on Military Personnel and Compensation.

I commend my colleague from Maryland for her continuing leadership in providing for the welfare of our military members and their families. Once again, the gentlewoman from Maryland has produced a personnel package that will enhance the recruiting and retention of a quality force.

Members became increasingly aware of the inconsistencies regarding military family policies among the various services during the recent military action in the gulf. As a result, a number of Members cosponsored legislation to address military family issues. Mrs. BYRON has incorporated a provision in

H.R. 2100 to limit military duty requirements resulting in the separation of female members from their infant children. My concern is that the gender is so specifically identified in its language that male service members could be prevented from fulfilling family responsibilities under certain circumstances.

Certainly the majority of persons who would choose to care for an infant would be females. However, there are situations where a male parent would be the sole provider for an infant, or where it would be more beneficial for the male in a dual military couple to care for an infant. In my opinion, military families should not be precluded from this option.

I understand that language passed by the House in the Desert Storm supplemental would have done, in part, what the language in my amendment would do. I also understand that the Department of Defense and members of the other body expressed concern about the provision, and the addition of my amendment will likely make the provision increasingly controversial. I do not wish to complicate the legislative process on this matter if the issue can be clarified at this point. Therefore, I would like to enter into a colloquy with Mrs. BYRON, and then we can move foreward on this important bill.

Mr. Chairman, I would like to ask the gentlewoman from Maryland if she concurs with me that there are unique circumstances where a male service member with a newborn infant should not be deployed, particularly in those cases where the male service member has sole custody of the child. Does she believe that the Department of Defense should adhere to a policy that would protect a male member from separation from a newborn in such unique circumstances?

Mrs. BYRON. Mr. Chairman, will the gentlewoman yield?

Ms. LONG. I yield to the gentlewoman from Maryland.

Mrs. BYRON. Mr. Chairman, I thank my colleague for her kind words, and I appreciate the fact that she has worked with the subcommittee on this matter. I can assure the gentlewoman that I am fully supportive of her view that male service members should not be separated from children under the age of 6 months when there are unique and compelling family circumstances, such as sole custody. Such a provision is not included in the bill because I am confident that the services would defer an assignment or deployment for such a member based on hardship criteria already documented in service regulations. You can be sure that I will continue to emphasize to the Department of Defense the need for the services to recognize the special needs of male service members with children under the age of 6 months.

Ms. LONG. Mr. Chairman, I appreciate the response of the gentlewoman and I ask unanimous consent to withdraw my amendment.

□ 1200

The CHAIRMAN pro tempore (Mr. COX of Illinois). Is there objection to the request of the gentlewoman from Indiana?

There was no objection.

The CHAIRMAN pro tempore. The amendment is withdrawn.

It is now in order to consider amendment No. 24 printed in part 2 of House Report 102-68.

AMENDMENT OFFERED BY MR. OWENS OF UTAH

Mr. OWENS of Utah. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. OWENS of Utah: At the end of title X (page 180, after line 8), insert the following new section:

SEC. . SENSE OF CONGRESS CONCERNING UNDERGROUND NUCLEAR TESTS.

(a) FINDINGS.—The Congress makes the following findings:

(1) The Threshold Test Ban Treaty, which entered into force in December 1990, contains a commitment in Article I that the United States and Soviet Union should ". . . continue their negotiations with a view toward achieving a solution to the problem of the cessation of all underground nuclear weapon tests;".

(2) The Fiscal Year 1991 National Defense Authorization Act expressed the sense of the Congress that ". . . the United States shares a special responsibility with the Soviet Union to continue the bilateral Nuclear Testing Talks to achieve further limitations on nuclear testing, including the achievement of a verifiable comprehensive test ban".

(3) In 1988, States parties to the Limited Test Ban Treaty formally proposed an amendment that would broaden its prohibition on testing in the atmosphere, in outer space, and under water to include underground testing.

(4) The early prohibition of underground nuclear explosions would constrain the development and deployment of new generations of nuclear arms, reduce reliance upon nuclear arsenals, reinvigorate efforts to prevent nuclear proliferation, and end further radioactive contamination of the environment.

(5) The reliability of nuclear weapons of the United States as deterrents to nuclear war can be assured by means other than nuclear explosive testing.

(6) Recent advances in verification techniques and recent agreements and understandings between the United States and the Soviet Union regarding in-country monitoring and on-site inspection have helped open the way to effective verification of a comprehensive test ban.

(7) The Soviet Union has pledged to join the United States in completely and permanently banning nuclear testing.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the President should fundamentally reassess the necessity of underground nuclear explosions and support a comprehensive test ban amendment to the Limited Test Ban Treaty.

The CHAIRMAN pro tempore. Pursuant to the rule, the gentleman from Utah [Mr. OWENS] will be recognized for 5 minutes, and a Member opposed will be recognized for 5 minutes.

Mr. KYL. Mr. Chairman, I am opposed to the amendment.

The CHAIRMAN pro tempore. The gentleman from Arizona [Mr. KYL] will be recognized for 5 minutes.

The Chair recognizes the gentleman from Utah [Mr. OWENS].

Mr. OWENS of Utah. Mr. Chairman, I ask unanimous consent that the pending amendment may be considered in the modified form that I have placed at the desk.

The CHAIRMAN pro tempore. Without objection, the amendment will be considered as modified.

There was no objection.

The text of the amendment, as modified, is as follows:

Amendment offered by Mr. OWENS of Utah, as modified: At the end of title XXXI (page 283, after line 22), insert the following new section:

SEC. . SENSE OF CONGRESS CONCERNING ACHIEVEMENT OF A COMPREHENSIVE TEST BAN.

(a) FINDINGS.—The Congress makes the following findings:

(1) The Threshold Test Ban Treaty, which entered into force in December 1990, contains a commitment in Article I that the United States and Soviet Union should ". . . continue their negotiations with a view toward achieving a solution to the problem of the cessation of all underground nuclear weapon tests".

(2) The Congress, in section 3142 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510, 104 Stat. 1839), expressed the sense of Congress that ". . . the United States shares a special responsibility with the Soviet Union to continue the bilateral Nuclear Testing Talks to achieve further limitations on nuclear testing, including the achievement of a verifiable comprehensive test ban".

(3) In 1988, several of the nations that are parties to the Limited Test Ban Treaty of 1963 formally proposed an amendment that would broaden the prohibition in that treaty against testing in the atmosphere, in outer space, and under water to include underground testing.

(4) In a January 7, 1991, statement at the Limited Test Ban Treaty amendment conference, the Soviet Union pledged to join the United States in completely and permanently banning nuclear testing.

(5) Recent advances in verification techniques and recent agreements and understandings between the United States and the Soviet Union regarding in-country monitoring and on-site inspection have helped open the way to effective verification of a comprehensive test ban.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) the President should fundamentally reassess the necessity of underground nuclear explosions and immediately pursue negotiations in good faith toward the early achievement of a verifiable comprehensive test ban; and

(2) during the period before a comprehensive test ban enters into force, nuclear weapons testing carried out by the Secretary of Energy should emphasize assuring that the

United States is in a position to maintain the reliability, safety, and continued deterrent effect of its stockpile of existing nuclear weapons designs in preparation for such a ban.

Mr. OWENS of Utah. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the Armed Services Committee and I have worked with the minority over the last few days to iron out a few disagreements over the language in this amendment. We have reached an agreement which adequately addresses the minority's concerns, I think, without compromising the message which this amendment is intended to convey. I ask unanimous consent that these modifications be included in the amendment under consideration.

This amendment makes two points. First, it expresses the sense of the Congress that the President should fundamentally reassess the necessity of underground nuclear explosions and immediately pursue negotiations in good faith toward the early achievement of a comprehensive test ban. It seeks a review of the administration's opposition to a comprehensive test ban, and is intended to urge the United States to vigorously pursue an end to underground nuclear explosions at the nuclear testing talks, the conference on disarmament, and the limited test ban treaty amendment conference when it reconvenes in the future.

Second, this amendment expresses the sense of the Congress that during the period before a comprehensive test ban enters into force. The United States should focus its efforts on improving the safety and reliability of our existing stockpile of nuclear weapons. We should not be developing a new generation of nuclear weapons, such as Earth penetrating warheads or nuclear directed energy weapons. We should not be testing to improve that last one one-hundredth of efficiency, instead, we should be working to improve the safety of our nuclear arsenal, with a view toward achieving a comprehensive test ban in the very near future.

The Spratt report found significant problems in the safety of the nuclear stockpile, and these are a major concern. This amendment does not mean that the United States cannot address these problems. To the contrary, it means focusing on safety and immediately discontinuing all tests which are not directly related to safety test ban readiness. It means conducting tests only when there is no other alternative.

A comprehensive nuclear test ban is an idea which has been endorsed repeatedly by this House, most recently in last year's defense authorization, which expressed the sense of the Congress that "* * * the United States shares a special responsibility with the Soviet Union to continue the bilateral nuclear testing talks to achieve further limitations on nuclear testing, including the achievement of a verifiable comprehensive test ban." The amendment I wish to offer reiterates this point again this year, at a time when the public is more aware than ever of the costs of continued testing both to the environment and to our efforts to strengthen the international nonproliferation regime.

Mr. Chairman, no single measure will be more effective in controlling the rampant spread of nuclear weapons than a comprehensive test ban [CTB], an objective acknowledged in the Limited Test Ban Treaty of 1963, the Nuclear Nonproliferation Treaty of 1968, and the Threshold Test Ban Treaty of 1974. As you may be aware, in January the parties to the Limited Test Ban Treaty convened an amendment conference in New York to consider a comprehensive test ban.

Of the three nations with veto power over the proposed CTB amendment, only the Soviet Union pledged to support a comprehensive test ban. Regrettably, Great Britain and the United States maintain that nuclear testing must continue as long as national security depends on nuclear deterrence.

This view stubbornly ignores an improved ability to simulate nuclear effects, advances in verification technology, and greatly expanded Soviet openness. Moreover, recent improvements in stockpile reliability and security warrant a new assessment of the costs and benefits of a comprehensive test ban to nuclear deterrence and national security. They also warrant the planned phaseout over this decade of many older nuclear warheads which were designed before recent advances in safety and security occurred.

Continued opposition to a CTB jeopardizes the future of the Nuclear Nonproliferation Treaty [NPT], which must be extended in 1995. As was evidenced at the NPT review conference, and more recently at the limited test ban treat amendment conference, a majority of the States parties are becoming increasingly disgruntled with the U.S. position. Without clear progress toward a CTB by 1995, the nonproliferation treaty may be extended for only a short period, and may ultimately lapse. Such an outcome would destroy the very foundation of the regime to prevent the proliferation of nuclear weapons.

A CTB amendment offers an opportunity to expand and fortify the international nonproliferation regime. Because a comprehensive test ban amendment would apply to all parties to the Limited Test Ban Treaty, passage would include threshold States not currently bound by the nonproliferation treaty in a uniform, nondiscriminatory agreement. More importantly, it offers a chance for the United States to assume a proper leadership role in efforts to contain the spread of nuclear weapons. To ignore this in favor of developing a third generation of exotic nuclear weapons is to ignore real opportunities for the national and global interest.

PARLIAMENTARY INQUIRY

Mr. KYL. Mr. Chairman, I have a parliamentary inquiry.

Might I inquire first, since this amendment is in opposition to the committee bill, whether I have the right to close?

The CHAIRMAN pro tempore. Yes, the gentleman does have the right to close.

Mr. KYL. Mr. Chairman, I yield myself 3 minutes.

First of all, why do we have nuclear testing? Reason No. 1, we do so to ensure the reliability of our nuclear deterrent, and I do not think anyone would deny that our nuclear deterrent must remain reliable.

Second, we conduct nuclear tests in order to improve the safety, the security, the survivability as well as the effectiveness of those weapons. And, as a matter of fact, testing has allowed the introduction of modern safety and security features on our weapons, features that would not have been possible without such testing. It has permitted a reduction by nearly one-third in the total numbers of weapons in the stockpile since 1960, as well as a reduction in the total megatonnage in that stockpile to approximately one-quarter of its 1960 value.

Testing has enabled us to come to many fewer weapons and much less megatonnage. Without the testing, we would still have the old, large, dirty weapons that existed in the 1960's. In that sense, testing is very valuable and must continue.

Third, we conduct tests to ensure that we understand the effects of the nuclear environment on military weapons. In other words, totally apart from nuclear weapons themselves, what happens if there is radiation exposed to our communications equipment or our sensing equipment and other things like satellites? We need to know those things.

Finally, we test because we want to advance our understanding of nuclear weapons design in order to avoid technological surprise by anyone else.

Those are four vital national security goals, and the Departments of Defense and Energy both have indicated that they cannot be met without nuclear testing. We have actually drastically reduced the number of tests, in fact, to the lowest point in the last 30 years, even to the point that there is significant concern about testing, particularly with respect to safety.

My colleague, the gentleman from Utah [Mr. OWENS] referred to the Spratt panel report, of which I am the ranking Republican and the Drell committee, which reported to us on the issue of safety.

Testimony by members of that panel specifically was to the effect that we are going to need more, not less testing, irrespective of any kind of test ban treaty, in order to ensure that our weapons are safe. We are going to need more, not less underground testing.

Finally, I would note that we should probably encourage the Soviets to test because we are not very sure about the safety or security of their weapons. And in order for them to come up to snuff with respect to safety and security, they are going to have to do some testing. I think they ought to do some underground testing.

With respect to the issue of modernization, they have just concluded all their modernization. We have not done ours yet. It is very clear that time on a test ban is important.

Finally, with respect to the second point of this amendment, we already have an existing law, adopted 3 years ago by the Congress, that requires the Defense and Energy Departments to be prepared in the event of a test ban treaty. It is unclear to me whether this language as a sense of Congress is designed to supplement that or be overriding or contradictory or to fit in with it. It is not clear to me why we need two different statements.

I would think we would either want to repeal the existing law or not have the second paragraph of this statement, which in some respects is unclear with respect to the existing law.

Mr. Chairman, with that I reserve the balance of my time.

Mr. OWENS of Utah. Mr. Chairman, I yield 1 minute to my distinguished colleague, the gentlewoman from Colorado, who has been a long time champion of a comprehensive test ban treaty.

□ 1210

Mrs. SCHROEDER. Mr. Chairman, I want to thank the gentleman from Utah [Mr. OWENS] for carrying this very important amendment. I think the gentleman, as always, is thinking in a forward manner.

Mr. Chairman, one of the most horrendous things we did in this century was introduce nuclear weapons. I think that the comprehensive test ban treaty, if there were any way we could get it before the century closed, would be a wonderful, wonderful improvement on the way things are.

Mr. Chairman, there are so many important aspects that have already been hit on in the prior debate. It is a little crazy to go over them, but let us also talk about the fact that there are so many countries thinking about becoming nuclear powers and saying they will not, if we really could get those that have nuclear weapons to agree to a comprehensive test ban. So I think this is one of the very, very important arms control issues that we really need to keep pressure on.

Mr. Chairman, the whole thing is not over yet. I think this is a very important thing to move forward on.

Mr. Chairman, I really thank the gentleman from Utah [Mr. OWENS] for adding this to the bill, to remind us of it all.

PARLIAMENTARY INQUIRY

Mr. KYL. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN pro tempore (Mr. COX of Illinois). The gentleman will state it.

Mr. KYL. Mr. Chairman, the gentleman from Utah [Mr. OWENS] had, I believe, asked unanimous consent to substitute language. Is it my understanding that that language was substituted?

The CHAIRMAN pro tempore. The gentleman is correct. The amendment has been so modified.

Mr. KYL. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, on that point, while the language is certainly better, in my view, from that originally proposed, of course, I still object to it on the grounds that I discussed earlier. Let me reiterate them, as they have not been responded to here.

Mr. Chairman, we need weapons testing for a variety of reasons. Some of those reasons pertain whether or not we have a comprehensive test ban treaty. We specifically discussed the issue of safety, for example. The Drell panel which studied this issue of safety extensively, recommended that the United States may have to have some additional testing in order to have better security and better safety of our own weapons.

We also have extensive concern about the safety and security of Soviet weapons.

Mr. Chairman, you cannot revise these complicated devices without testing. Therefore, it would be folly for us to actually preclude undergound nuclear testing. We already have a regime under which it is limited. We are clearly cutting the number of tests that we have. But we certainly should not preclude nuclear testing, either for safety or for security's sake.

Mr. Chairman, going to the second point of the amendment, that we should be prepared for an eventual comprehensive test ban treaty, 3 years ago we passed a law that already provides for that, so there is no reason to have the sense of Congress that goes into this to any greater extent.

Moreover, the language that has been accepted here is confusing, because it says we should emphasize assuring that the United States is in a position to retain the reliability, safety, and continued deterrent effect of its stockpile and existing nuclear weapons designs. Then it adds the curious phrase, "in preparation for such a ban."

Mr. Chairman, it is unclear whether we do those things apart from a ban or not. I would suggest that even the gentleman from Utah [Mr. OWENS] would agree that it is important that we be able to continue to assure the reliability, and the security, and safety of our weapons, whether or not we have a comprehensive test ban.

Mr. Chairman, because of the lack of clarity of the amendment, the preexisting law, which could be deemed to be in conflict with this, and the fact that even the Drell Commission has indicated the desirability of continued testing, it is very clear we should defeat the amendment of the gentleman from Utah [Mr. OWENS].

Mr. GREEN of New York. Mr. Chairman, the experience in Iraq has highlighted the need to strengthen further the nuclear nonproliferation regime. One clear step we can take is to enact further restrictions on underground nuclear explosions so as to constrain the development and deployment of a new generation of nuclear arms. Today Congress must send a strong signal to President Bush that the United States must reverse its adamant opposition to a comprehensive test ban [CTB].

It has been 32 years since President Dwight Eisenhower initiated negotiations for a CTB. Yet today, the administration is unwilling even to negotiate on a CTB. This position weakens global nonproliferation efforts in several important ways.

Politically, nuclear testing undermines the Nuclear Non-Proliferation Treaty [NPT], which remains the central element of international efforts to prevent the spread of nuclear weapons. Because a substantial number of nonnuclear weapons states have linked their support for nonproliferation to a complete test ban, continued testing encourages the nuclear efforts of nonnuclear weapons states.

The global community is approaching a milestone in nonproliferation efforts. While the NPT comes up for review every 5 years, article X of the treaty states that in 1995, 25 years after the entry into force of the treaty, "a conference shall be convened to decide whether the treaty shall continue in force indefinitely," as determined by a majority of the parties to the treaty. At the 1990 NPT review conference, which I attended, the unwillingness of the United States to tie progress toward a CTB with extension of the NPT in 1995 prevented the review conference from reaching consensus on a final document reaffirming the NPT.

This situation puts the NPT in some jeopardy. Progress toward a CTB has long been regarded by the nonnuclear weapons states to be an absolute minimum condition for superpower compliance with article VI of the NPT, which encourages weapons states to agree to negotiate good faith reductions of nuclear arsenals. If the Soviets and we will not comply with article VI, we cannot expect the nonnuclear powers to comply with the other parts of the NPT which require those nonnuclear states not to become nuclear states. The longer the superpowers stall on a CTB, the greater the prospects are that some nonnuclear weapons states will resist efforts to extend the NPT in 1995.

In addition, the willingness of the nonsuperpower nuclear weapons nations such

as France, the United Kingdom, and the People's Republic of China to cooperate with the United States and the Soviet Union in a more restrictive nuclear test ban is essential to the long-term success of global efforts to limit nuclear warhead development. Those three nations, however, have resisted further restrictions on nuclear testing, believing that the two superpowers must lead the way by first achieving significant cuts in their nuclear and conventional forces before expecting other nuclear weapons states to accept further testing restrictions.

Technically, a CTB encourages nonproliferation because while a technically advanced nation with access to fissionable material can manufacture simple bombs without testing, more advanced fission and thermonuclear weapons require testing.

In short, I believe that the benefits of a CTB, which include restricting other nations' testing programs, strengthening the global nonproliferation regime, and ceasing radioactive underground contamination, greatly outweigh the concern that clandestine testing may occur below the monitoring threshold.

So today I ask my colleagues, is there any greater security challenge facing the 1990's than nuclear nonproliferation? Congress has long pushed the administration on the urgent issue of a CTB, and we must continue that course. I strongly urge my colleagues to support the Owens amendment, so that the Soviets and we can resume talks to achieve a verifiable CTB.

The CHAIRMAN pro tempore. The question is on the amendment, as modified, offered by the gentleman from Utah [Mr. OWENS].

The amendment, as modified, was agreed to.

The CHAIRMAN pro tempore. It is now in order to consider amendment No. 25 printed in part 2 of House Report 106-68.

AMENDMENT OFFERED BY MR. SOLOMON

Mr. SOLOMON. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. SOLOMON: At the end of title X (page 180, after line 8), insert the following new section:

SEC. 1033. CONTROLLED SUBSTANCES TESTING PROGRAM FOR EMPLOYEES OF THE DEPARTMENT OF DEFENSE.

(a) ESTABLISHMENT OF PROGRAM.—The Secretary of Defense shall establish and implement a random controlled substances testing program for employees of the Department of Defense.

(b) DEFINITIONS.—For the purposes of this section—

(1) the term "controlled substance" has the meaning given such term by section 102 of the Controlled Substances Act; and

(2) the term "employee of the Department of Defense" includes any member of the Department of Defense.

The CHAIRMAN pro tempore. Pursuant to the rule, the gentleman from New York [Mr. SOLOMON] will be recognized for 5 minutes, and a Member opposed will be recognized for 5 minutes.

Mr. MAVROULES. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN pro tempore. The gentleman from Massachusetts [Mr. MAVROULES] will be recognized for 5 minutes.

The Chair recognizes the gentleman from New York [Mr. SOLOMON].

Mr. SOLOMON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, last week, for the first time we got to hear the reasons why some of our colleagues are opposed to the random drug testing of Federal employees. Never mind that I have been offering this amendment for the past 2 years and they are just now speaking up. But I would like to take a moment to address their concerns.

To begin with, they claim that random drug testing is enormously expensive, something like $77,000 for each positive test result.

This exaggerated number reflects the fact that most individuals in security or safety sensitive positions have the sense to stay off illegal drugs because they know they are likely to be tested. The truth of the matter is it only costs $10 to conduct a drug test. This means that if only 1 in 5—or 200,000—civilian DOD employees were randomly tested, it would cost $2 million but probably not even that. In contrast, the budget for the U.S. Drug Interdiction Program for fiscal year 1991 is over $998 million.

Another claim is that this legislation is unconstitutional. Mr. Chairman, I have studied this from day one.

The truth here is that the Supreme Court has not ruled on the constitutionality of random drug testing of government employees and that is why I am offering the amendment. I want them to do so. And where the courts have upheld testing safety sensitive and security positions, the Supreme Court has supported the decision.

Another outrageous claim is that my random drug testing amendment has circumvented the normal committee process.

That is not so. My bill has been pending before the Committee on Post Office and Civil Service and the Committee on Armed Services for 2 years.

Mr. Chairman, their claims are misleading and inaccurate—and before Members go establishing themselves as being against drug testing as a means to reduce illegal drug use in the United States, they should be aware of all the facts.

My amendment today, requires random drug testing for all the civilian employees of the DOD.

We have to eliminate the market for illegal drugs by eliminating the demand. And this can be done through casual drug user accountability.

Mr. Speaker, the days of regarding casual drug users as victims are over.

If we condition Federal privileges to remaining drug free, we can begin to send the message to illegal drug users that they are a major part of the terrible drug problem facing our Nation and will be held accountable for their actions.

In the last Congress, I introduced legislation to condition the privilege of driving with the responsibility of remaining drug free. This measure was passed by this House and became law. My amendment today continues to condition Federal benefits to the responsibility of remaining drug free by requiring the random drug testing of all civilian employees of the Department of Defense.

This amendment has already been attached to the CIA and NASA authorization bills and I will continue to offer it to every authorization bill in the 102d Congress.

If we are going to get serious about user accountability, what better place to start than right here? As the Nation's largest employer, the Federal Government has a compelling interest in establishing reasonable conditions of employment. Remaining drug free is completely reasonable for all Federal agencies and particularly for the DOD due to the nature of their business. We can't afford to have the personnel of this or any agency using drugs. There is far too much at stake.

Mr. Chairman, our Armed Forces have used this idea with remarkable results ever since Ronald Reagan established it in 1984. As you know, back in 1982, 27 percent of our military personnel were using drugs by their own admission. Then the military instituted a policy of random drug testing and, by 1988, drug use had dropped to 4.5 percent. That's an 82 percent reduction.

If the military could reduce illegal drug use by 82 percent, and if the State and local governments could reduce illegal drug use by 82 percent, then why can't the Federal civilian work force reduce illegal drug use by 82 percent?

And the private sector could reduce illegal drug use by 82 percent, the next thing we would see is no more market for illegal drugs.

GAO has stated that testing some and not all Federal employees has led to discrepancies in the drug testing program. For us to test the military, and, think of this, not to test the civilian employees of DOD, is grossly unfair.

□ 1220

Are we going to discriminate against our own forces, especially knowing how well this program has worked for them and after all we have done in the Persian Gulf? I think not.

I want Members to support this amendment on behalf of our Armed Forces.

Mr. MAVROULES. Mr. Chairman, I yield 30 seconds to the gentleman from Missouri [Mr. CLAY], chairman of the Committee on Post Office and Civil Service.

Mr. CLAY. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from New York [Mr. SOLOMON]. Last week, by a vote of 145 to 265, the House defeated a similar amendment. The arguments against this amendment are the same ones that this body heard last week. To save time, let me offer five reasons, any one of which is sufficient, why this amendment deserves to be defeated.

First, it is now well established by the courts that the Government may test any employees in sensitive positions and any employee whose job performance may affect safety or health. The Department of Defense, as with all other agencies, has sufficient authority to implement appropriate drug testing programs as needed. This amendment is unnecessary.

Second, adoption of this amendment will require the Department of Defense to revise its drug testing program in a manner the courts have previously held to be unconstitutional. This amendment is not only unnecessary, it jeopardizes the existing Federal drug testing program. The Department of Defense opposes the amendment for this reason.

Third, this amendment would result in an enormous waste of tax dollars. It presently costs the Federal Government $77,000 for each positive drug test it conducts. If the Congress adopts these amendments, it will add half a billion dollars to the budget. All of this to conduct an unjustifiable testing program in which 99.5 percent of those tested will pass. Though I believe they have substantially underestimated, the Department of Defense estimates that drug testing admendments being proposed by the gentleman from New York will add $10 million to its drug program costs. The Defense Department opposes the amendment being offered by the gentleman from New York on this ground as well.

Fourth, the amendment has not been subjected to the committee process, a process from which this amendment would have benefited tremendously. The gentleman from New York would impose testing on all Federal employees but has neglected to provide any language to safeguard the validity of those tests. He would, without benefit of consideration by the committee of jurisdiction, impose an enormously costly, inefficient program on every agency of the Federal Government. He would impose this program despite the fact that it will jeopardize all existing Federal drug testing programs. And he would force this body to consider his amendment again and again, without benefit of committee consideration, despite the fact that this amendment has already been soundly rejected by this body. Members should not be required to repeatedly vote on this amendment on every authorization bill when the author of the amendment has deliberately sought to circumvent committee procedures.

Fifth, the gentleman from New York believes that all current and prospective Federal employees should be subject to drug tests. He stated last week that he felt all employees, whether public or private, should be subjected to random drug tests. Presumably, in his ideal world, every man and woman in the country and most children beyond the age of infancy should be subjected to random drug testing. Certainly this would discourage drug abuse, but at what cost? I believe that our constituents will support all reasonable, necessary steps to win the war on drugs. They will not, however, willingly surrender privacy rights where there is no reasonable basis for believing the individual ever used drugs and where there is no basis with regard to sensitivity of position, public health or safety for the test. In the name of fighting drugs, the gentleman from New York would administer a lethal overdose to the Constitution of the United States. Beyond being unnecessary, counterproductive, and inordinately wasteful, I believe that the program the gentleman is espousing is also dangerous and insulting. I urge that the amendment be defeated.

Mr. MAVROULES. Mr. Chairman, I yield myself such time as I may consume. Mr. Chairman, although I have great respect for the gentleman from New York, I must rise in opposition to his amendment. His amendment today is the same as was offered on the State Department authorization last week—except that this one applies to the Department of Defense. The House resoundingly defeated the amendment on the State Department bill 265 to 145. All of the arguments made then against the substance of Mr. SOLOMON'S amendment are still relevant today.

Mr. SOLOMON'S amendment, as offered, does not differentiate between civilian and military employees of the Department of Defense.

All military employees have been subject to random testing since the 1970's. As regards civilians, the Department of Defense has a robust random drug testing program already in place. The Secretary of Defense has established specific testing designated positions for civilians within the Department.

These are positions that have been determined to deal with public health and safety, protection of life and property, law enforcement, and national security issues, and were established with congressional interest in mind. Such positions would include nuclear weapons handlers, police and personnel who handle firearms, and people who handle highly classified material among others.

There are currently 150,000 civilian positions subject to random testing now. In other words, more than 10 percent of the civilian work force, the 10 percent that matters, is already subject to drug testing.

I remind the gentleman from New York that the Supreme Court has said, the Government must demonstrate a compelling Government interest that sufficiently outweighs the individuals' privacy rights under the fourth amendment, before urinalysis tests can be conducted and upheld by the courts. Thus far, the courts have only recognized certain numbers of categories of duties, that justify such warrantless drug testing. The Department testing program conforms to these judicial decisions.

Adoption of this amendment would be costly. It would place a great strain on current facilities that process drug tests. It could divert resources from testing critical personnel to testing noncritical employees. Cost is not my greatest concern, but we must weigh that against doubtful benefits from expanding this program.

And, finally, before I yield, this matter falls clearly within the jurisdiction of the Post Office and Civil Service Committee. They have done a lot of work in this area; and based on my discussions with the chairman of that committee, I believe this amendment should be defeated.

Mr. Chairman, I yield such time as he may consume to the gentleman from Minnesota [Mr. SIKORSKI].

Mr. SIKORSKI. Mr. Chairman, I rise in opposition to the Solomon amendments.

Mr. Chairman, I oppose the amendments of my good friend, the distinguished gentleman from New York, for six reasons.

First, this is not a drug test; it is an intelligence test. It is all about testing. The test, however, is not related to any war on drugs, but the intelligence and common sense of this body and this Congress.

We should not vote for any foolish and expensive proposal requiring Federal employees to urinate in a plastic cup any time, anywhere, and at any cost, just because someone waves the war on drugs slogan.

Second, the Department of Defense opposes the Solomon amendments. It is a slap at good people—including the hundreds of thousands of civilian personnel who supported Operations Desert Shield and Desert Storm—they froze Iraqi assets, set up the logistics, operated the Patriot missiles, and helped with every fancy weapons system. It will cost DOD an additional $10 million per year to randomly drug test all civilian employees and an additional $1 million to test all DOD applicants.

Third, all military personnel have been under random drug testing since the 1970's. DOD currently tests civilian employees and applicants whose jobs affect America's national security, health, and safety.

Fourth, the Committee on Post Office and Civil Service clearly holds jurisdiction under the rules of the House, and they have not sup-

ported this proposal for good reason. Moreover, this body just last week overwhelmingly rejected a similar amendment to the State Department authorization bill by a vote of 265 to 145.

Fifth, as drug czar William Bennett said: Random drug testing is a distraction. It is also very expensive. The Subcommittee on Civil Service, which I chair, recently finished a survey of 38 Federal agencies that test for drugs. We discovered that for every Federal employee who tests positive for drugs, American taxpayers pay almost $77,000 for each positive test.

Sixth, it will cost the Federal Government more than $139 million to randomly test only 15 percent of the Federal employee population, resulting in a cost to American taxpayers of $100,000 to identify one employee testing postive for illegal drugs. Just imagine, Mr. Chairman, the cost if 100 percent of Federal employees were tested.

Mr. Chairman, my final point is that our Federal civil servants are some of the most hard-working, dependable, family oriented and drug-free employees in America. Surveys show that they are older and more conservative than any other work force, private or public, in America. They stood by our troops in the desert, they stand by us at home, and passage of this amendment is an expensive slap in the face of every one of those dedicated civil servants.

Mr. Chairman, the Federal deficit has never been higher, Federal dollars have never been scarcer, and the scourge of drugs has never been more dangerous. To win the battle against drugs, we must target every dollar for maximum impact and efficiency. Obviously a massive, expensive drug-testing program—requiring the oldest and most conservative work force in America to randomly urinate in a bunch of plastic cups—is not the answer.

For all of these reasons, I strongly oppose the amendment, and ask Members to vote no on Solomon. And no again.

Mr. MAVROULES. Mr. Chairman, I yield my last 1½ minutes to the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. Mr. Chairman, I rise in opposition to one of the two amendments. Let me say with respect to the second amendment as it relates to applicants, I believe that is current law under the executive order. It is not law but the executive order currently requires applicants to be tested, and I agree with that. I will not oppose it and do not have a problem with it.

I would say, as the gentleman probably knows, 1.3 percent of applicants have tested positive of those tested.

However, with respect to existing employees, first, the proposal I believe is unconstitutional and second, it is more costly I think in terms of dollars than the gentleman suggests. But as I indicated in the last debate, cost is not the issue here. The cost of undermining the Constitution is very great indeed.

Do we have a problem with the existing executive order? We do not. We do not.

The gentleman is properly proud of what we have done in the Armed Forces. From 27 percent down to 4.5 percent is very positive progress indeed. I would suggest that Armed Forces personnel fall into the category of the currently identified DOD employees that are in security positions or sensitive positions. The executive order covers this.

I will tell the gentleman, notwithstanding OMB's failure to authorize them to say so, the Department of Defense does not believe, does not believe this is necessary.

Why not? Because, I would tell the gentleman, if he will not object, that 89,300 have been tested in the existing random testing process, and less than a third of a percent, .33 percent have been tested positive.

There is no problem which we are addressing. I would urge Members, as we did last time, to overwhelmingly reject this amendment.

The CHAIRMAN pro tempore (Mr. COX of Illinois). All time has expired.

The question is on the amendment offered by the gentleman from New York [Mr. SOLOMON].

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. SOLOMON. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The CHAIRMAN pro tempore. Pursuant to the provisions of section 4 of House Resolution 156 and the Chair's prior announcement, the vote on the amendment offered by the gentleman from New York [Mr. SOLOMON] will be postponed until after completion of consideration of all part 2 amendments which are not to be considered en bloc.

AMENDMENT OFFERED BY MR. SOLOMON

Mr. SOLOMON. Mr. Chairman, I offer amendment No. 26.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. SOLOMON: At the end of title X (page 180, after line 8), insert the following new section:

SEC. 1033. DRUG TESTING REQUIRED AS A CONDITION OF NEW EMPLOYMENT WITH THE DEPARTMENT OF DEFENSE.

(a) PREEMPLOYMENT TESTING.—No person may be hired by the Department of Defense unless that person undergoes preemployment drug testing in accordance with this section.

(b) REGULATIONS.—The Secretary of Defense shall issue regulations to carry out subsection (a). Such regulations shall be issued no later than 90 days after the enactment of this Act.

(c) DEFINITIONS.—As used in this section, the term "pre-employment drug testing" means testing before employment for the illegal use of controlled substance (as such term is defined in section 102(6) of the Controlled Substances Act (21 U.S.C. 802(6)).

(d) EFFECTIVE DATE.—This section applies with respect to the hiring of employees by the Department of Defense after the date on which regulations are first issued under subsection (b).

The CHAIRMAN pro tempore. Pursuant to the rule, the gentleman from New York [Mr. SOLOMON] will be recognized for 5 minutes, and the gentleman from Massachusetts [Mr. MAVROULES] will be recognized for 5 minutes in opposition.

The Chair recognizes the gentleman from New York [Mr. SOLOMON].

Mr. SOLOMON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, let me just say that the difference between this amendment and the other is that this only applies to applications, people who are seeking employment in the civilian sector of the Department of Defense. It is a part of the executive order today. We offered the amendment because we want to be consistent.

I have in the past offered these same amendments to all branches of government. We are trying to do that, No. 1, to be fair to all Federal employees. There is very little drug use among Federal employees, and I will be the first to stand up and fight for them in that respect. Certainly I do not expect to try to prejudice Federal employees. As a matter of fact, on this side of the aisle I happen to be one of the major sponsors to repeal the Hatch Act because I think that is grossly unfair to Federal employees. And in spite of the public unions coming out very strongly against my amendment, which I sort of resent a little bit the way they are going about it, I will not withdraw my support for the repeal of the Hatch Act. I am going to stick with my beliefs.

But I would just say this to Members on both sides of the aisle who have come under pressure from the public employees' unions, that 10 percent, perhaps, of the members of the Federal employees' unions oppose random drug testing. At least in my district, by my own personal poll, 10 percent of them oppose random drug testing.

□ 1230

The other 90 percent favor it. They do not want their fellow workers using drugs on the job or anyplace else.

So I would just say to the public employee union hierarchy, maybe you had better start listening to your membership, your rank and file back home as I am doing, because in a New York poll, 80 percent of your people are in favor of random drug testing for all employees, Government employees, in all sectors. According to a Gallup Poll taken just recently, 65 percent of the American people are in favor of not just random drug testing of Federal employees but testing every single one of them.

I do not want to go that far. That is fiscally impossible. It would not be fiscally responsible.

Mr. Chairman, I hope the committee is going to accept my amendment. They really should if we want to get rid of drugs.

Mr. Chairman, when the House accepted my amendment the other week requiring applicant drug testing for NASA employees, I called attention to the fact that the courts have already upheld drug testing applicants for employment with Federal agencies. While applicant testing is constitutional, many agencies have partial or no applicant testing programs. There is no reason why we shouldn't be drug testing all applicants to the Federal Government, as it is a reasonable condition of employment and has been upheld by the courts.

Much of the legislation that I have introduced has taken the approach that we can no longer view casual drug users as innocent victims of the drug crisis facing our Nation. They play a very large role in the illegal drug trade and must be held accountable for their actions. If we condition Federal privileges to remaining drug free we can begin to send the message to illegal drug users that they are responsible for their actions and that we are going to hold them accountable.

Last Congress, I introduced legislation to condition the privilege of driving with the responsibility of remaining drug free.

This measure was included in the fiscal year 1991 DOT appropriations bill which became Public Law 101–516. My amendment today continues to condition Federal benefits to the responsibility of remaining drug free by requiring that all applicants to the DOD must be drug tested as a condition of being hired for their position.

Some Members may question the cost of such a program, but when we look at the overall picture, how can you say that a million dollars is too much to spend to help stop the loss of lives we are seeing every day? Casual drug users are the reason why drug dealers continue to deal illegal drugs and face the possibility of death.

If even one person says I will not get started using drugs because I want to be able to work for the Federal Government, the Nation's largest employer, then we are making a difference. If we can save even one life, then we are making a difference.

We must continue to show that we are serious about dealing with the illegal drug problem in the United States. The courts have upheld this proposal and I would like to urge your support so that we can begin a campaign of user accountability. Then we can prove we are committed to ending this violent and tragic plague.

Mr. Chairman, I reserve the balance of my time.

Mr. MAVROULES. Mr. Chairman, reluctantly I must rise in opposition to Mr. SOLOMON's amendment that would require preemployment drug testing before any individual could work in the Department of Defense.

All of the arguments just made in opposition to Department-wide random drug testing apply to this amendment also. The Department already has preemployment drug testing for persons being hired for "testing designated positions" in the Department. As you heard previously, these are the positions designated by the Secretary of Defense as related to public health and safety, law enforcement issues, or relating to U.S. national security.

I believe this amendment to be unnecessary for all the reasons I have previously enumerated and encourage my colleagues to vote "no" on this amendment.

Mr. Chairman, I yield 1 minute to the gentleman from Minnesota [Mr. SIKORSKI].

Mr. SIKORSKI. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I, too, rise in opposition to the amendment proposed by our good friend and distinguished colleague, the gentleman from New York, and let me just point out three things.

The Department of Defense opposes this amendment and the other amendment. It is too costly.

Second, all military personnel have been under random drug testing since the 1970's—both civilian employees and applicants whose jobs affect America's national security, health, and safety.

The DOD has authority to do this under the Executive order. They do not use it because random drug tests are, as William Bennett said, a distraction, and it is very expensive.

Let me just conclude by commenting that my friend from New York says the GAO concluded that agency drug testing plans were unfair because all employees and all applicants were not included. The GAO concluded no such thing. The GAO concluded that the administration of the current testing plans was unfair because they were inconsistent and some were paying a little, some were paying a lot. To then pile onto this crazyquilt of poor administration of drug testing a further obligation flies in the face of the GAO report, and is not consistent with it.

Mr. SOLOMON. Mr. Chairman, before yielding to the gentleman from California, I would just say that the White House, in conversation with me this morning, has put out no opinion on this bill at all.

In speaking with the congressional liaison of the Pentagon, they have not either. I know there is a memorandum from the bowels of the Pentagon over there from somebody whom nobody ever heard of, so, so much for the memorandum.

Mr. Chairman, I yield the balance of my time to my good friend, the gentleman from California [Mr. CUNNINGHAM], who might have some expertise in this matter to share with us.

Mr. MAVROULES. Mr. Chairman, I yield 30 seconds to the gentleman from California [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I would just like to go through and give some of my background in the experience we have had with drug testing.

I was commanding officer of a squadron, and the Navy that I joined some 25 years ago was different in the fact that we had drug usage. It was rampant. In the services the morale was pretty low.

We decided to have random drug testing in the U.S. services, and the quality, I think, of Desert Storm and the quality of the troopers that you have in there today are far superior.

If one would go into a squadron today, I am sure they would tell you that, "No, we do not want drug testing." But what is done, every time we had a random drug test, as the commanding officer, I took the same test with them. I always told them, "I would not do anything that I would not ask of you either."

In the end result, people work in the workplace knowing that they are working with drug-free participants, and the morale, the quality of people that you have is better. And, I understand, we had them try and urinate in other people's bottles. We had them go on deployment and try and do those things. But there are ways that they try and beat it, but we can counter all of those things.

Mr. HOYER. Mr. Chairman, will the gentleman yield?

Mr. CUNNINGHAM. I am happy to yield to the gentleman from Maryland.

Mr. HOYER. Mr. Chairman, I appreciate the gentleman's comments.

First of all, the gentleman maintains, of course, that some years ago, using his term, drug usage was rampant. It was, in fact, somewhere in the neighborhood of about 27 percent or more perhaps at the time as you expressed it.

Mr. CUNNINGHAM. Yes.

Mr. HOYER. This is when they first started testing. Before that it may have been higher, as the gentlemen suggests. It is now down, and the gentleman says essentially drug free. Am I correct?

Mr. CUNNINGHAM. No; no. Last year, I threw out about seven people in a year out of the squadron that tried to beat the system.

Mr. HOYER. It is currently about 4.5 percent, which is that environment of which the gentleman spoke relatively drug free. My problem with this proposal is that currently by testing, DOD has found an incidence rate of the 90,000 people they have tested, not an inconsequential number, one-third of 1 percent, which is I suppose, one-thirtieth of what currently exists in the informed personnel.

My suggestion, therefore, is it is hardly evident. We do not need to extend beyond that which we are already doing pursuant to the President's Executive order.

Mr. CUNNINGHAM. Mr. Chairman, I agree with the gentleman, but on the one hand, there is a lower incidence rate, but if you do not continue the testing, if you start relaxing those re-

quirements, then you are going to go back to the status quo.

In the service, in this squadron when I left it, we had members established that set forth their own drug programs within the squadron. They took such pride in it, and I think the Federal employees can do the same thing across the board. When you have pride in the workplace, because you are in a drug-free environment, that is even more, and that came out of the drug testing that we had to start with.

Mr. MAVROULES. Mr. Chairman, I yield the remainder of my time to the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. Mr. Chairman, first of all, I misspoke, and I want to clarify that. I indicated under the Executive order that the gentleman's proposal was what the Executive order was in this case in terms of applicants. I am informed that that is not correct, because this is mandatory and, of course, the Executive order is a "may." That is a very significant difference, and apparently is the basis for the Defense Department's, not OMB's, and not the administration's position. The Defense Department's position, which I understand has not been in any way recently by Secretary Cheney saying, "No, this guy, this unknown person in the bowels of the Pentagon, does not speak for us," notwithstanding the representation of the gentleman from New York.

In any event, the DOD is, in effect, saying, "Yes, we can do this, and we want to have, continue to have, the authority to do it. We do not want to be mandated to do it."

Why? Because contrary to the belief of the gentleman from New York, they believe it will cost very substantial sums and not be justified by the return. The figure that we use in our Dear Colleague to test all Federal employees was $239 million. I do not have off the top of my head what the Department of Defense would be.

□ 1240

I frankly disagree very substantially with the gentleman's proposition.

Mr. SOLOMON. Mr. Chairman, will the gentleman yield?

Mr. HOYER. I yield to the gentleman from New York.

Mr. SOLOMON. The Department of Defense told me it would cost less than $1 million. They verified it cost $10 per test.

Mr. HOYER. In any event, DOD opposes this, notwithstanding that being mandatory, not having the "may" in the Executive order. If the President wants to change his Executive order, he can do that.

Whatever the position of the White House is, they have not done this. I presume they are still in charge. I presume the Commander in Chief is concerned about his Department of Defense. I presume that if the Commander in Chief believed this ought to be done, he would do it. Nothing constrains him from doing it, as my good friend from New York knows.

I suggest we reject this amendment and leave the Commander in Chief in charge.

Mr. SOLOMON. If the gentleman will continue to yield, the gentleman presumes that Mr. Cheney is in charge. How did the gentleman vote on the Cheney-Schwarzkopf-Powell budget yesterday? We took it away from them.

Mr. HOYER. I voted against it, and I am sure if Mr. Cheney, Mr. Schwarzkopf, and Mr. Powell had the opportunity to put a budget together after the war, it would be different than before the war, because like all Members, they learned something.

I would hope that is the case. I would hope that this amendment would be defeated.

Mr. KANJORSKI. Mr. Chairman, I rise in opposition to the Solomon amendment. The Solomon amendment is redundant, costly, and unnecessary.

The Federal Government already drug tests its employees. In 1986, the President issued an Executive order calling for each executive branch agency to establish random drug testing for its employees in sensitive positions. According to the Office of National Drug Control Policy, 122 of the 135 Federal agencies subject to drug testing already have fully approved drug-free workplace plans. Of the agencies with plans in place, 43 are conducting drug testing and represent 70 percent of the Federal work force. Only 13 agencies, mostly very small boards and commissions, do not yet have certified plans.

Guidelines for the President's drug testing program include six different types of drug testing programs: First, random and comprehensive testing of employees in sensitive positions; second, applicant testing; third, reasonable suspicion testing; fourth, voluntary testing; fifth, special condition testing; sixth, followup testing; and seventh, hardship exemptions.

In fact, the Department of Defense currently has a drug testing program for new employees as a condition of employment and it drug tests its current employees. The Department initially authorized random drug testing of civilian employees in 1985. The Department has budgeted $101 million for counterdrug reduction efforts in fiscal year 1992. Of this amount, approximately $80 million is for drug testing of military and civilian personnel. This amount would need to be increased by approximately $10 million if all civilians were subject to the Solomon amendment.

If the Solomon amendment is agreed to, the Department of Defense will have to absorb additional costs for drug testing under conditions when funds are scarce. This could cause the agency to eliminate other valuable programs in order to provide additional testing.

The Government has spent $11.7 million testing 29,000 employees with less than 1 percent of the employees testing positive. Under the Solomon amendment, it will cost the Government $186 million a year to randomly test all employees. It will cost an additional $338 million per year to test all applicants for Federal jobs. There comes a time when we must ask ourselves if this money could be used for better purposes against the war on drugs.

Last, the issue of random drug testing should be addressed by the Post Office and Civil Service Committee, who has jurisdiction over Federal employees, and not on the floor of the House. This committee has studied this issue for years and is performing continuing oversight on agency drug testing programs. Last week, the House extensively debated this amendment and rejected it by a vote of 265 to 145.

The Supreme Court has identified circumstances which drug testing should exist and is justifiable. This amendment would reignite litigation that has already been decided.

The Solomon amendment ignores the current drug testing programs and will cost the American taxpayers millions of dollars in testing alone, not to say how much it will cost to address the various court cases that will most certainly take place if this amendment is passed. The Solomon amendment instead diverts significant resources from important law-enforcement tasks that promise real progress in the war on drugs.

I urge my colleagues to vote against the Solomon amendment.

Mr. HAYES of Illinois. Mr. Chairman, I wish to reiterate my opposition to the Solomon amendments, which would impose on the Department of Defense another random drug testing system. I use the word "another" because Government agencies already have the authority and are implementing drug testing programs in accordance with Executive Order 12564, in a constitutional manner. The Department of Defense has a very successful and cost-effective program tailored to meet that agency's needs.

The Solomon amendments are unconstitutional because they require all employees to be subject to random drug testing and require applicants, without regard to positions or duties at stake, to submit to urine testing as a condition of employment. Enactment of this legislation would result in costly and repetitive relitigation of issues which have been resolved by the courts in the past 5 years.

Last week, when I discussed a similar amendment, I suggested that the millions of dollars which would be wasted by the Solomon proposal could be better spent on interdiction, enforcement, and education. I repeat that objection today. I wonder why so many of my colleagues are quick to throw exorbitant amounts of money at this legislation, but become pennypinchers when asked to support reasonable funding for education and jobs.

Don't vote for these amendments. Don't waste taxpayers money. Save your "aye" vote for programs which will get to the root cause of the problem.

The CHAIRMAN pro tempore (Mr. COX of Illinois). The question is on the amendment offered by the gentleman from New York [Mr. SOLOMON].

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. SOLOMON. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The CHAIRMAN pro tempore. Pursuant to the provisions of section 4 of House Resolution 156 and the Chair's prior announcement, the vote on the amendment offered by the gentleman from New York [Mr. SOLOMON] will be postponed until after completion of consideration of all part 2 amendments which are not to be considered en bloc.

It is now in order to consider amendment No. 27 printed in part 2 of House Report 102-68.

AMENDMENT OFFERED BY MR. AU COIN

Mr. AUCOIN. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. AUCOIN: At the end of title X (page 180, after line 8), insert the following new section:

SEC. . REPRODUCTIVE HEALTH SERVICES IN MEDICAL FACILITIES OF THE UNIFORMED SERVICES OUTSIDE THE UNITED STATES.

(a) IN GENERAL.—(1) Chapter 55 of title 10, United States Code, is amended by inserting after section 1074b the following new section:

"§ 1074c. Reproductive health services in medical facilities of the uniformed services outside the United States

"(a) PROVISION OF SERVICES.—A member of the uniformed services who is on duty at a station outside the United States (and any dependent of the member who is accompanying the member) is entitled to the provision of any reproductive health service in a medical facility of the uniformed services outside the United States serving that duty station in the same manner as any other type of medical care.

"(b) PAYMENT FOR SERVICES.—(1) In the case of any reproductive health service for which appropriated funds may not be used, the administering Secretary shall require the member of the uniformed service (or dependent of the member) receiving the service to pay the full cost (including indirect costs) of providing the service.

"(2) If payment is made under paragraph (1), appropriated funds shall not be considered to have been used to provide a reproductive health service under subsection (a). The amount of such payment shall be credited to the accounts of the facility at which the service was provided.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1074b the following new item:

"1074c. Reproductive health services in medical facilities of the uniformed services outside the United States.".

The CHAIRMAN pro tempore. Pursuant to the rule, the gentleman from Oregon [Mr. AUCOIN] will be recognized for 5 minutes, and a Member in opposition will be recognized for 5 minutes.

Mr. DORNAN of California. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN pro tempore. The gentleman from California [Mr. DORNAN] will be recognized for 5 minutes in opposition to the amendment.

Mr. AUCOIN. Mr. Chairman, I yield 1 minute to the gentlewoman from California [Mrs. BOXER], a leader on this issue.

Mrs. BOXER. Mr. Chairman, there is broad agreement that women performed magnificently in the military. So magnificently, that the Commitee on Armed Services followed the gentlewoman from Colorado, Mrs. SCHROEDER's lead and voted to remove the restrictions from women in combat.

We trust military women to defend our country. We trust them to be officers in the military. The committee voted to lift restrictions on their assignments.

Surely, surely we should trust them to make a private personal decision of choice. If they are in a country that has outlawed abortion, they were sent there to serve America. They were not sent there to be on vacation. If they find themselves in a horrible situation, they make a difficult and legal choice, their country should be there for them when they have made that tough decision.

Do not forget, Mr. Chairman, they will be using their own resources to exercise their legal right to choose. Let Members treat the women in the military with dignity and fairness. Let Members support the gentleman from Oregon, Mr. AUCOIN's amendment. Vote aye for women in the military.

Mr. DORNAN of California. Mr. Chairman, I yield myself 1 minute to respond quickly to the gentlewoman. I am also a member of the Committee on Armed Services, and I was there for that vote, and voted in the affirmative. It was a highly structured qualified vote not to open up all combat to women, but to open flying slots to college graduate officer women, and at the discretion of the military to decide when they would fly, where, and against what country.

Mr. Chairman, I yield 1 minute to the gentleman from New Jersey [Mr. SMITH].

Mr. SMITH of New Jersey. Mr. Chairman, the amendment offered by the gentleman from Oregon [Mr. AUCOIN] is, in a word, antichild. It forces our defense health facilities to provide abortion on demand.

If enacted into law, this amendment will facilitate the death of children, because every abortion stops a beating heart. The key issue is whether or not Congress wants to turn our U.S. military hospitals into abortion mills.

I know that the President strongly opposes this amendment and will veto the entire bill if it is attached. If the AuCoin amendent prevails, I say to my friends, the Members of Congress who are voting for it will be directly responsible for providing the suction machines, the chemical poisons, the surgical instruments, the ways and means designed to dismember, poison, and kill unborn children for any reason whatsoever.

It will be Members, voting in favor of AuCoin, who provide the mandate for the abortionists to do their killing in military hospitals.

Let there be no mistake about it, the AuCoin language forces DOD hospitals and hospital care facilities to provide abortion for any reason, and that includes abortion as a means of family planning. This is a circumstance or reason for abortion that Americans overwhelmingly reject.

A recent Gallop Poll, for example, found that 88 percent of Americans were against family planning abortions. This poll result—which may be news to some Members—tracks with a Boston Globe poll released on March 31, 1989, which found that 89 percent of Americans want to outlaw abortion as a means of birth control.

I urge Members to vote "no" on the AuCoin amendment.

Mr. AUCOIN. Mr. Chairman, I yield 1¼ minute to the gentleman from Rhode Island [Mr. MACHTLEY].

Mr. MACHTLEY. Mr. Chairman, some of my colleagues, as had just been heard, will try and frame this as an argument between pro-life and pro-choice. It is not that argument.

This amendment is not about abortion on demand. This amendment is not about creating DOD abortion clinics. This amendment is about providing quality, reasonable, equal access to health care for the military women.

In the matter of protecting the health and well-being of our active duty women and dependents, this Congress has a fundamental obligation to ensure that we provide equal access.

We have just congratulated our senior members of the military in Operation Desert Storm. Are we going to treat them differently? Are we going to take away from them constitutional rights which their Stateside contemporaries now enjoy?

When a woman raises her hand to be part of our armed services, she does not, I will submit, give up constitutional rights. Because most of the Members of this Chamber are males, let me leave this one hypothetical: When your daughter calls from Turkey and is in the military and says that she

has an overactive thyroid, and her physician has advised her to terminate her pregnancy or face serious health consequences, do not force her into the back alleys of Turkey or the Philippines or another foreign country. Let her have decent military facilities in our foreign countries.

Mr. DORNAN of California. Mr. Chairman, I yield myself 15 seconds to say with all due respect to the gentleman's closing remarks, 1,250 women, which is as close a figure as I can get from the Inspector General's Office, were air-evacuated out of the Desert Storm area back to the United States. No person is rummaging around any back alleys anywhere in the world.

Mr. Chairman, I yield 1 minute to the gentlewoman from Nevada [Mrs. VUCANOVICH].

Mrs. VUCANOVICH. Mr. Chairman, I rise in strong opposition to the AuCoin amendment which would reverse current policy regarding abortion in overseas military hospitals. This amendment would require U.S. Government facilities to provide abortions for any reason at any time. I do not believe that U.S. taxpayers should be forced to facilitate such a policy of abortion on demand, especially in light of recent Gallup poll findings. According to a Gallup poll released in February of this year, a majority of Americans believe that, in the majority of cases, abortion is wrong and ought to be illegal. At the same time, there is reason to believe that many Americans mistakenly assume that the Nation's abortion laws generally reflect their convictions. If this amendment passes, it will not be a reflection of the general will of the American people. According to Gallop, 74 percent of Americans disapprove of abortion either consistently or often. Only 26 percent of Americans seldom disapprove of the practice. Moreover, 77 percent of Americans believe that abortion, at a minimum, takes a human life. This amendment—while going against the will of the majority of Americans—would not only advocate a policy of abortion on demand, but would also require military hospitals to spend scarce tax dollars to provide facilities and personnel for elective abortions. Proponents of this bill may present hypothetical hard cases, in which they feel abortion is absolutely necessary. It is important to note, however, that the language of the AuCoin amendment does not limit the abortion provision to so-called hardcase situations. Rather, it would mandate a sweeping policy of abortion on demand in U.S. military hospitals. Members should be aware that the current policy already permits the performance of abortions in military facilities when the mother's life is endangered. I urge my colleagues to vote "no" on this amendment.

Mr. AUCOIN. Mr. Chairman, I yield 1 minute to my colleague, the gentleman from California [Mr. FAZIO].

Mr. FAZIO. Mr. Chairman, I thank the gentleman for yielding this time to me.

Since mid-1988, the Department of Defense has unilaterally prohibited military personnel and their dependents from privately paying for abortions in overseas DOD facilities even if there are no clinically safe private facilities available in the country in which they are stationed. This policy, which was not debated prior to its implementation by DOD, places in grave danger the life, health and welfare of millions of American women who are dependent on the military health care system, which was expressly established for the purposes of meeting all the health care needs of DOD personnel overseas.

Today, more than ever, with thousands of military women and reservists still in the Persian Gulf, where access to the full range of safe reproductive health is unavailable, it is essential that we change this policy. These women, stationed in the Persian Gulf and elsewhere throughout the world, are American citizens who have devoted their lives and careers to upholding the freedoms we all hold so dearly.

Yet in these cases, we force these women, who for very personal reasons may choose to terminate a pregnancy, to choose between unsafe, illegal abortions or traveling at great cost to a medical center in another country. This insensitive policy makes an already agonizing decision even more painful.

While this amendment provides access to medical care, it does not in any way require the Federal Government to pay for abortions and in no way affects the so-called Hyde amendment, which prohibits the use of DOD funds to pay for abortions except where the life of the mother would be endangered. It merely is a matter of fairness for those who serve our country overseas and rely on the Federal Government for their health care. It gives our military personnel overseas the same rights that the rest of us have as long as they are willing to pay for it.

Mr. Chairman, this is not abortion on demand. It simply allows Roe versus Wade to apply for all Americans, regardless whether or not they are serving their country. It is in no way a violation of the conscience clause. Our personnel in these hospitals are not required to perform them if it is against the grain for them personally.

Mr. DORNAN of California. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Illinois [Mr. HYDE].

Mr. HYDE. Mr. Chairman, how ludicrous to debate the issue of abortion, a matter of life and death, in 10 minutes, but that is what we have to do.

Yesterday, I am proud to say, the Foreign Affairs Committee protected whales, dolphins and porpoises. We passed House Concurrent Resolution 105 to state our concern about protecting those animals.

Today we come in here and say turn our military hospitals into abortion mills.

Vote for women? I would remind the gentlewoman that over half the unborn are women. Why do we not think of the little baby that is being exterminated? Why is it always the mother? Think of the baby.

Now, this is a radical amendment. There are no limitations; sex determination, late-term abortions, there is not the slightest hint of restraint, and yes, the person seeking the abortion will pay for it, but they are going to use taxpayer facilities.

You are making abortionists out of military doctors, and the conscience clause will not be effectual if this ever becomes law, and I pray it will not.

PARLIAMENTARY INQUIRY

Mr. AUCOIN. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN pro tempore (Mr. COX of Illinois). The gentleman will state it.

Mr. AUCOIN. Mr. Chairman, the committee has no position on this amendment; therefore, I believe I have the right to close, is that correct?

The CHAIRMAN pro tempore. The gentleman is correct.

Mr. AUCOIN. Mr. Chairman, I then reserve my time.

Mr. DORNAN of California. Mr. Chairman, I yield 30 seconds more to the gentleman from Illinois [Mr. HYDE] to finish his thought.

Mr. HYDE. Mr. Chairman, I think the saddest thing about this is the dissolution of the conscience clause, because once this becomes law, if it indeed ever becomes law, it will be the law that a military person or a dependent will be entitled to an abortion, and it would just take a simple lawsuit to enforce that law by requiring available medical personnel in the military to perform this abortion.

Why not a conscience clause in the bill?

Mr. AUCOIN. Mr. Chairman, if the gentleman will yield, the gentleman knows that is not right.

Mr. HYDE. I know it is right. I would not make a statement that I think is wrong.

Mr. AUCOIN. The gentleman is wrong.

Mr. HYDE. The gentleman from Oregon is wrong. The court will rule against any conscience clause that exists by regulation because the law will supersede a regulation, the gentleman knows that.

Mr. DORNAN of California. Mr. Chairman, I yield myself the remaining 45 seconds.

Mr. Chairman, we had a very passionate debate here on gun control in this country on the Brady bill. The distinguished gentleman from Oregon was passing around this button. I voted for the Brady bill, so I had a right to wear it. It says "Seven days can save a life."

Well, a 7-day trip back to the United States, medivac'd out of some foreign area around the world, may give a young potential mother, as it says in the Bible, "with child" time to think about whether or not she wants to kill that child.

I told all my colleagues on both sides of the aisle that every debate on life I am going to hold up this little medical anatomical figure that they use to teach men and women studying medicine what life is all about in the womb. It is a little 12-week old fetus. You cannot tell the gender yet, but the heart has been beating since the 18th to the 20th day.

Every abortion in or out of a military hospital kills a human being and stops a beating heart.

Mr. Chairman, I include the following material from Cardinal O'Connor, the former archbishop for the military, and Archbishop Ryan, the current military archbishop:

Mr. Chairman, a few closing brief thoughts on why I oppose the AuCoin amendment. The AuCoin amendment states that a woman is entitled to obtain an abortion at the medical facility for her duty station in the same manner as any other type of medical care.

No restrictions upon this absolute entitlement are included in the AuCoin amendment.

What restrictions on this explicit "entitlement" are missing?

Parental consent for minors' abortions.

Second and third trimester abortion limitation.

Prohibitions of gender-selection abortions.

Viability testing of unborn children.

Spousal consent policy.

Those who do not affirm this abortion-on-demand policy should not simply trust that a new statute might be buffered by reasonable regulations. Current regulations treat abortion in a different manner from other medical services by stating that abortion is a procedure which can be subject to some restrictions. This is inconsistent with AuCoin's creation of a Department obligation to provide abortion in the same manner as any other type of medical service.

If enacted, the AuCoin amendment will be the only federal law governing abortions on overseas military bases. Members should not support the AuCoin amendment in the mistaken belief that some other law places limitations on the absolute abortion entitlement which it creates. Roe versus Wade and other Supreme Court decisions allow Congress to place certain limitations on abortion in Federal jurisdictions, but no Supreme Court decision requires any such limitations.

Vote "no" on the AuCoin amendment.

REMARKS OF CARDINAL JOHN O'CONNOR, ARCHBISHOP OF NEW YORK, CHAIRMAN, NCCB COMMITTEE FOR PRO-LIFE ACTIVITIES

Re Proposed amendment to H.R. 2100 requiring military hospitals to perform elective abortions

"Having had over 27 years' experience as a Navy chaplain, I am appalled that Congress might require military hospitals to provide facilities and personnel for elective abortions. This proposal was also offered last fall, at a time when U.S. military hospitals faced the most severe test of their medical readiness since the Vietnam war. Congress rightly decided then that these hospitals should not be diverted from their healing goal to become extensions of the American abortion industry.

"There is no reason for a different decision now. On the contrary: The physicians and nurses of the armed forces performed their task of saving lives and caring for the wounded with admirable skill. Until today no one has suggested they could have done their job better by doing more abortions. In fact, according to a recent report by the National Abortion Federation, fewer and fewer hospitals within the United States are performing elective abortions, in part because there is a professional stigma attached to this procedure. Why should our military hospitals now move in the opposite direction? If anything they should be especially careful not to export abortion to host countries whose traditions and legal policies respect unborn human life. Making our military hospitals into "abortion havens" could undermine respect for our society in these host nations.

"As a former chaplain, and as a drafter of the U.S. bishops' 1983 pastoral letter on war and peace, I am acutely aware of the most solemn principle of "just war" theory: Under no circumstances must our armed forces ever direct their attacks against the lives of innocent noncombatants. If the AuCoin amendment became law, we would treat the unborn children of our own military personnel in ways we should not treat the families of our worst enemies. I fervently hope Congress will reject this amendment."

REMARKS OF ARCHBISHOP JOSEPH T. RYAN, ARCHBISHOP FOR THE MILITARY SERVICES

Re Proposed AuCoin Amendment to H.R. 2100 requiring military hospitals to perform elective abortions

"On May 17, 1991 I wrote to members of Congress requesting their assistance in defeating the AuCoin Amendment to the DOD Authorization Bill (H.R. 2100), because it would require military hospitals to perform elective abortions.

"Since then Reps. AuCoin, Machtley, and Fazio have written to their colleagues, challenging my concerns respecting the impact of this amendment on conscience protection for military personnel. They wrote: "Very simply, this is absolutely untrue," and cited military regulations.

"I am well aware of these regulations, and I am equally aware of the experience of several Catholic physicians in the military. Our Vicar General, Bishop Joseph T. Dimino, wrote to the Pentagon on March 4, 1991 in part as follows: ". . . I write to bring to your attention the fact that we have been receiving reports of harassment from several Catholic physicians now serving at military installations. The basis for the harassment and, in some cases, intimidation and discrimination would appear to be the conflict between the demands and expectations of some supervisory medical personnel and the dictates of the consciences of certain subordinate medical practitioners. This conflict is apparently centered around the refusal of particular physicians to prescribe contraceptives and to participate in abortions. We have been informed of physicians in the military who are being insulted and threatened with career difficulties because of their unwillingness to support activities opposed to their moral and religious standards and values. Since this situation is considered quite serious, we intend to do all possible to promote its alleviation."

It is my considered judgment that the passage of the AuCoin Amendment will greatly expand these problems, and I again request the members of Congress to defeat this amendment.

Mr. AUCOIN. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, I cannot believe the hysteria that has been ginned up against this simple and fair amendment.

Let us get this straight. This is not abortion on demand. It is not Government funding of abortion, and the right wing has been lying this amendment. It does not mandate abortion for any purposes at any point in the pregnancy.

Under the law, under the Constitution, nobody gets an abortion in the third trimester unless the life or health of the mother is at risk or if the fetus cannot survive outside the womb because it is so deformed.

Another thing, despite the hysteria that has been expressed on the floor today, this, is not about abortions for sex selection.

Sex selection? What kind of an impression do you have of our men and women in uniform? Do you really believe that the values of our brave service men and women are so loose as to abort a healthy fetus simply for sex selection? Give me a break. Give them a break.

This amendment applies only to service people abroad in places like the Philippines and Saudi Arabia where you cannot find safe and legal abortions off base. Do not tell us that there is no problem here. Talk to physicians, as I have, like LTC Jeffrey Jensen at the Subic Bay Hospital in the Philippines. He will tell you hair-raising stories, sickening stories about women he has treated in his hospital because of botched back alley abortions, resulting from the regulations that DOD has imposed on American servicewomen and their dependents.

We are talking about real people, military families who put their lives on the line in defense of our freedom here in this country. They are not asking for anything special. They simply want to be able to use what they earn, to exercise their choice as their country men and women do whom they defend.

Mr. Chairman, support the AuCoin-Machtley amendment.

PREFERENTIAL MOTION OFFERED BY MR. SMITH OF NEW JERSEY

Mr. SMITH of New Jersey. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. SMITH of New Jersey moves that the committee now rise and report the bill the House with the recommendation that the enacting clause be striken out.

The CHAIRMAN pro tempore. The gentleman from New Jersey [Mr. SMITH] is recognized for 5 minutes.

Mr. SMITH of New Jersey. Mr. Chairman, I yield to my friend, the gentleman from Illinois [Mr. HYDE].

□ 1300

Mr. HYDE. I thank the gentleman for yielding to me.

Mr. Chairman, I am sorry we take this extraordinary step, but I think, in view of the remarks the gentleman from Oregon made, that some clarification is in order as to what the law is.

Now, his amendment says an abortion must be provided the same as any other medical service. Now, that is the language the gentleman has chosen.

Now, under the law today, Roe versus Wade, January 22, 1973, and the companion case Doe versus Bolton, the Court decided that during the first trimester the State has no interest in this decision, it is between a woman and her doctor; not the husband, the woman and her doctor.

The second trimester, the State has an interest only insofar as maternal health is concerned, not fetal health.

Now we are up to the third trimester. I hope I have the attention of the gentleman from Oregon. In the third trimester we are now up to 7 months, the Court said, "Oh, yes, the State has an interest, it can even prohibit abortions if the life of the mother is at stake or her health." Then in a companion case, Doe versus Bolton, they define health as the "absence of distress."

So under the most liberal definition of "health," anxiety, distress, abortion on demand is available during the entire 9 months.

Therefore, under the gentleman's amendment, late-term abortions would be permitted up to and including the 9th month. Sex-selection abortions, which do occur, would be permitted. It is without restraint, totally without restraint.

Now, the Roe versus Wade case is so bad as constitutional law that—who was the head of Common Cause?—Archibald Cox, no friend of ours on this issue, said that the Roe versus Wade case is not constitutional law, it is a set of hospital guidelines.

So the gentleman premises his amendment on the law, the constitutional law which, by the way, the Court is backing away from continually, realizing what an abomination it is, but the law permits abortion any time during the 9 months and, therefore, the gentleman's amendment would permit abortions up to the ninth month.

If that is what the gentleman wants to do, I think we ought to know it, instead of the gentleman misstating the law because when you are dealing with life and death it is a good thing to know the law.

Mr. SMITH of New Jersey. Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN pro tempore (Mr. COX of Illinois). The Chair would advise that the gentleman from New Jersey [Mr. SMITH] may not reserve the balance of his time; he either needs to use it or yield it back.

Mr. SMITH of New Jersey. I thank the chairman.

Mr. Chairman, I want to concur, endorse and associate myself with what my good friend, the gentleman from Illinois [Mr. HYDE] has just said. He is absolutely right. Mr. Chairman, the AuCoin amendment creates a new entitlement for abortion on demand—for any reason—and I hope my colleagues recognize that—abortions for any reason whatsoever, at any point in pregnancy, including the second and third trimesters in DOD health facilities overseas. However unpleasant, the fact of the matter is that Roe versus Wade legalized abortion on demand for all 9 months of pregnancy. That some pro-abortion Members deny this is astonishing. Former Surgeon-General C. Edward Koop, a man whom Members on both sides of the aisle deeply respect, acknowledged this fact in a letter to me in 1984. "Late abortions are legal in the United States. Abortion after 20 weeks, according to CDC figures, probably occurs 30,000 times per year in the United States. Probably about 4,000 of these are in the third trimester. Less than 5 percent of that number have induced abortions because of known defects in the fetus."

It is estimated that there are about 150,000 abortions in the U.S. after the 12th week—a majority of these having nothing to do with the so-called hard cases.

Mr. VOLKMER. Mr. Chairman, will the gentleman yield?

Mr. SMITH of New Jersey. I yield to the gentleman from Missouri.

Mr. VOLKMER. I thank the gentleman for yielding.

Mr. Chairman, I think I agree more with the gentleman from Illinois than the gentleman from Oregon on the Roe versus Wade/Doe versus Bolton cases. But as I remember, too, in the third trimester the State has the right to prescribe for certain reasons. But the gentleman from Oregon's amendment does not prescribe at all, has no prescription, has no conditions, nothing. As a result, we have no Federal law that does it, either.

Therefore, unless he is willing to put conditions in it, it is abortion on demand for any reason whatsoever.

Mr. SMITH of New Jersey. I thank my friend.

Mr. Chairman, I think its worth noting that the AuCoin amendment does not protect the conscience rights of military medical personnel. Since Federal agencies adopt regulations to conform to existing law, current conscience regulations, and they are good ones, could be in great jeopardy.

Mr. Chairman, the AuCoin amendment radically changes existing law and creates a new dilemma for military authorities and medical personnel. The AuCoin amendment would require DOD to provide abortions "in the same manner as any other type of medical care," a policy change that is inconsistent, with current regulations, and is likely to result in an administrative nightmare.

What happens, for example, if there are no physicians at one or several overseas health installations who are willing to participate in abortion-on-demand? What types of pressure might be brought to bear on medical personnel to participate in abortion, especially in those facilities where no one is willing to destroy children in this way? What about the conscience rights of those hospital administrators and other administrative personnel who refuse any complicity in abortion-on-demand.

These are profoundly troubling questions.

Yet, even if the "conscience" issue were to be resolved, the bottomline remains that our military hospitals should not become abortion mills. A military hosptial or health care facility should be a place of healing, a place in which life is to be saved, a place where human life should be protected.

Mr. Chairman, I believe it is evident that abortion stops a beating heart, and that abortion on demand is child abuse.

PARLIAMENTARY INQUIRY

Mr. AUCOIN. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN pro tempore. The gentleman will state it.

Mr. AUCOIN. Mr. Chairman, am I not entitled to 5 minutes in opposition?

The CHAIRMAN pro tempore. One Member is entitled to 5 minutes in opposition.

Mr. AUCOIN. Mr. Chairman, I claim the 5 minutes.

The CHAIRMAN pro tempore. The gentleman from Oregon [Mr. AUCOIN] is recognized for 5 minutes.

Mr. AUCOIN. Mr. Chairman, this has been a breathtaking display of opposition to the amendment, largely erroneous. At this moment I yield to the gentlewoman from Colorado [Mrs. SCHROEDER] to shed some light and some facts on the question.

Mrs. SCHROEDER. Mr. Chairman, I just want to point out that the gentleman's amendment is very, very appropriate. It says that women sent overseas to protect what this Nation and this great flag and this Constitution stand for will also be entitled to those rights. Now, they want to have a debate on what the cases say, what the law is, and everything else. That is

really irrelevant. The issue is: Are we going to treat all the people in the Armed Forces the same on one side of the Atlantic as we would on another side of the Atlantic or the Pacific? I think the issue should be very clearly "yes."

One of the things I think women were most upset about during the whole Desert Storm issue was that they were being told to comply with some of the Saudi rules and some of the Saudi rules in Arab countries that did not recognize their equality.

This is saying that they have a very basic constitutional right extended to them overseas. It says if they want to utilize it, they must spend their own money. It is not taxpayer funded.

It is the only right thing to do.

I salute the gentleman for bringing this to the floor.

I think that is the issue, and let us keep it clearly focused on what it is.

Mr. AUCOIN. Mr. Chairman, I yield to the gentlewoman from California, [Mrs. BOXER].

Mrs. BOXER. I thank the gentleman for yielding.

Mr. Chairman, sometimes we come on this House floor and we debate the issue at hand. Today what my friends on the Republican side of the aisle are debating—I should correct myself; this is really, in a way, a bipartisan issue—Mr. HYDE, and Mr. SMITH, and Mr. DORNAN are debating an issue that is not before us.

The issue that is not before us is the decision of Roe versus Wade, which is the law of the land. This is not before us. That is before the courts.

What is before us today is whether a woman in the military has an equal right as a woman who is not in the military and who resides in the United States of America.

I say, as these good gentlemen cheer these women home, that the least they can do is give that woman equal rights. That is all Mr. AUCOIN's amendment is about, an equal right to make a tough and difficult decision. And the ability to know that once she has made it, she can go to a hospital and, with her own resources, carry out that choice.

This amendment is not about abortion. It is about equal rights for women in the military.

Mr. Chairman, I commend the gentleman from Oregon and I am proud to stand beside him in this debate.

Mr. AUCOIN. Mr. Chairman, I yield to the gentleman from Oregon [Mr. KOPETSKI].

Mr. KOPETSKI. I thank the gentleman for yielding.

Mr. Chairman, I rise in opposition to the motion. Mr. HYDE, one of the great honors for me as a new Member is to serve with him on the Committee on the Judiciary and on the Subcommittee on Civil Rights. The problem with his motion and his arguments today is he is jump-starting our debate on the Free Choice Act. We are going to have that debate fully before this House chamber in just a few months.

What we have before us today, as the good colleague from California says, is a totally different issue. Are we going to provide safe harbor for women in the Service who are in a foreign land so they can go to a competent doctor? They will write the checks themselves to pay for the Government services, whether it is for the doctor or whether it is hospital services. They pay the bill, not Government.

We will save money in doing so because we have had testimony that shows that women who do end up in the back alleys in the Philippines end up in the Service hospitals there because of the trauma that they incurred in the back alleys.

Let us get back to the main motion before us today.

Mr. AUCOIN. I yield myself the balance of my time.

Mr. Chairman, let me close by trying once again to appeal not to people over there who do not want to listen to the facts but would rather deal with hysterical arguments, but with my colleagues who are really trying to find out the facts and trying to search for the truth.

The truth is that the amendent by statute does not touch the conscience clause that is built into every service's policy. I have the citations right here. If they are in effect today, they are untouched by our amendment. And they protect any health care provider in uniform from being ordered to perform any health care service that is against his or her conscience.

□ 1310

Mr. Chairman, these regulations were in effect from 1982 to 1988, and they protect those health care providers. They do so again today under the terms of this amendment, and the gentleman from Illinois is wrong when he says that they are somehow overturned.

This is a question of equal application of the law, and I do not think we ought to be consigning military women to back-alley abortions.

The CHAIRMAN pro tempore (Mr. COX of Illinois). The question is on the preferential motion offered by the gentleman from New Jersey [Mr. SMITH].

The preferential motion was rejected.

Mr. WOLPE. Mr. Chairman, I rise in strong support of the AuCoin-Machtley amendment. This amendment would restore the right of women in the armed services to obtain abortions at their own expense in military hospitals overseas. Women in the military had this right until October of 1988 when the Department of Defense began prohibiting military hospitals from performing abortions. I find it unconscionable that the women who are bravely protecting this country abroad are not given the same rights they would have right here at home.

Our Armed Forces are stationed in many countries which prohibit abortion, such as Saudi Arabia, Germany, and the Philippines. An American woman stationed in one of these countries who wanted an abortion would be unable to have one. She would have to wait for room on a transport plane to travel to a country where abortion is legal, delaying the abortion and increasing the risk. Or she could try to obtain an unsafe illegal abortion on the streets. This means that a woman who was risking her life defending her country in Operation Desert Storm would have to give up her right to a safe legal abortion. We should not be in the business of rescinding the rights of those who fought so bravely to protect ours.

The AuCoin-Machtley amendment is a rare opportunity to do something for our military personnel without spending any money. The amendment would not supply funds for soldiers to obtain abortions. It would only allow women in the military to pay for safe legal abortions just as women in this country are allowed to. I urge my colleagues to support AuCoin-Machtley.

Mr. EMERSON. Mr. Chairman, I stand in strong opposition to the amendment offered by Mr. AUCOIN. This amendment would require that abortions be performed, on demand, at overseas U.S. military facilities. This would include third-trimester abortions and abortions sought because the baby is not of the desired sex.

It is of no comfort at all that the amendment requires payment from the patient. Paying for abortions does not camouflage the fact that innocent human life would be taken. The conscientious burden with the issue of abortion is that of life or death, right or wrong, not of who bears the cost. Congress is quick to defend the rights of the poor, the homeless, and the disadvantaged. Yet all too often, we turn a deaf ear to the silent cries of the most helpless of all—the unborn. Mr. AUCOIN's amendment would permanently silence so many of the unborn.

Mr. AUCOIN's amendment does not allow medical personnel at military hospitals the freedom to exercise their conscience. In other words, physicians at military hospitals would have to perform abortions, even if it violated their own precepts, or be in violation of law.

A "yes" vote on this amendment is a vote for abortion. I urge a "no" vote.

Ms. PELOSI. Mr. Chairman, I rise today in support of the AuCoin/Machtley amendment to the fiscal year 1992 DOD authorization bill. I would like to also take this opportunity to thank our colleagues, Congressmen AUCOIN and MACHTLEY, for their leadership on bringing this important issue before the House.

The AuCoin/Machtley amendment states that members of the U.S. military forces and their dependents stationed overseas are entitled to all facets of reproductive health care in a military medical facility. Currently U.S. members of the military serving overseas and their dependents are limited in their options.

In October 1988, the Department of Defense initiated a policy prohibiting military families from obtaining abortion services at military health facilities even if local facilities are unsafe and local laws prohibit abortions. This policy has not only placed an undue burden on women and families in the military, causing

them to receive unsafe and/or outrageously expensive health care, but it also has gone against the purpose for which military health facilities were placed overseas. Medical facilities have been established worldwide precisely to meet the needs of military personnel and their families where local facilities are inadequate. This policy also discriminates against the women serving in the military overseas.

This amendment would allow members of the uniformed service to use their own funds to pay for an abortion. Federal dollars would not be used to pay for any abortion services.

The issue before us today is one of fairness. Providing those serving our country overseas with health care is why we have military medical centers overseas. Having volunteered to serve their country, women overseas deserve the same access to health services as Americans at home. I urge my colleagues to support the AuCoin amendment.

Mr. ANDREWS of Maine. Mr. Chairman, I rise today to urge my colleagues to support the AuCoin-Machtley-Fazio amendment to the Department of Defense authorization bill. This amendment will allow military personnel and their dependents to use their own funds to pay for abortion services at overseas military hospitals.

It is patently unfair that women who support their country through service in the military must sacrifice their right to reproductive privacy. This amendment simply upholds the law of the land, returning the right to choose to those women serving in our Armed Forces overseas.

This measure does not cost taxpayers a penny—the patient pays the full cost. It does not provide for abortion on demand. It does not create a new standard regarding reproductive rights. It simpy stops the discrimination against a woman's right to equal access to health care.

Support the AuCoin-Machtley-Fazio amendment. Support a women's constitutional right to access. Our servicewomen support their country by serving overseas; they certainly deserve to be able to exercise the same rights they have at home.

Mr. MATSUI. Mr. Chairman, before us today is the opportunity to reinstate for American women serving in the military overseas the opportunity to exercise their right to choose to have an abortion. The right of American women to choose to terminate a pregnancy is one which is protected. This protection for American women should not stop at our borders. Today we have the opportunity to reaffirm this right to choice for American women living abroad on U.S. military bases.

Since 1988, the health of American servicewomen and women in military families has been put at risk because the Department of Defense believes they should not be able to use their own money to obtain an abortion at a military medical facility. The amendment before us today does not change current restrictions on use of Federal funds to pay for abortions. It simply says that American servicewomen overseas should have the same opportunity to obtain an abortion, using their own money, that exists for women here at home.

These women are overseas either as servicewomen or as family members of service personnel. They are abroad in service to their country, working and fighting to protect the rights we Americans hold so dear. In turn, the Federal Government should recognize and respect their rights as United States citizens to obtain a safe, legal abortion if such services are necessary.

For many of the women living on military bases overseas, a safe, legal abortion is difficult, if not impossible, to find. In some instances, women have to travel outside of the country they are living in to obtain a safe, legal abortion. To limit the opportunity and compromise the health of women living outside the United States in this manner is unacceptable. Deciding to have an abortion is not a simple decision, it is one that women arrive at after much thought. The U.S. Government should not be in the business of making this decision any more traumatic than it is already.

This amendment is about consistency in our policies for American military personnel and their families. These individuals are working to protect our freedoms, it is now time for Congress to work to protect their freedom of choice. I urge my colleagues to vote in support of this amendment.

Mr. REED. Mr. Chairman, I rise in support of the AuCoin-Machtley-Fazio amendment.

As a veteran of 12 years in the military, I know the hardships that face our soldiers.

I do not believe we should add to the burdens that face those who serve our country overseas by denying them rights available to other American citizens here at home.

I urge my colleagues to adopt this amendment.

Mr. GREEN of New York. Mr. Chairman, today we shall have the opportunity to rescind a terribly unfair and ill-conceived restriction on a woman's access to a safe, legal abortion. I urge my colleagues to seize that opportunity and vote for the AuCoin-Machtley-Fazio amendment to the Department of Defense authorization bill for fiscal year 1992.

The AuCoin-Machtley-Fazio amendment will reverse a 1988 administrative decision by the Defense Department that prohibits military personnel stationed overseas from obtaining a privately paid abortion in a military health facility. This ban leaves military women who are stationed in countries where legal abortion is not available and wish to terminate a crisis pregnancy with only two options; to spend exorbitant sums of money, sometimes their life savings, to travel to the nearest country that provides legal abortions; or to risk an off-base, unsafe abortion in the country where they are stationed. Such obstacles are not faced by their counterparts in the United States who can go off base and exercise their constitutional right to a legal abortion.

The adverse effects of the ban on privately paid abortions are real and ugly. I have read statements from a Navy doctor in the Philippines who has treated women in the base hospital for life threatening complications from botched abortions. I maintain that it is unconscionable that U.S. military personnel who are putting their lives on the line for their country should be subject to such a cruel policy. Military personnel must not be denied the constitutional protections that they stand ready to defend with their lives.

I urge my colleagues to vote in favor of the AuCoin-Machtley-Fazio amendment and restore to our military personnel overseas the same rights enjoyed by their stateside counterparts.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Oregon [Mr. AUCOIN].

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. DORNAN of California. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The CHAIRMAN pro tempore. Pursuant to the provisions of section 4 of House Resolution 156 and the Chair's prior announcement, the vote on the amendment offered by the gentleman from Oregon [Mr. AUCOIN] will be postponed until after completion of consideration of all part 2 amendments which are not to be considered en bloc.

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN pro tempore. Pursuant to the provisions of section 4 of House Resolution 156, votes will now be taken on those amendments in part 2 of House Report 102-68 on which recorded votes were ordered.

Votes will be taken in the following order: amendment No. 6 offered by the gentleman from California [Mr. HUNTER]; amendment No. 7 offered by the gentleman from Massachusetts [Mr. FRANK]; amendment No. 25 offered by the gentleman from New York [Mr. SOLOMON]; amendment No. 26 offered by the gentleman from New York [Mr. SOLOMON]; and amendment No. 27 offered by the gentleman from Oregon [Mr. AUCOIN].

The Chair will reduce to 5 minutes the time for any electronic vote after the first such vote in this series.

AMENDMENT NO. 6 OFFERED BY MR. HUNTER

The CHAIRMAN pro tempore. The pending business is the vote on Amendment No. 6 offered by the gentleman from California [Mr. HUNTER] on which a recorded vote is ordered.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment offered by the gentleman from California [Mr. HUNTER].

The vote was taken by electronic device, and there were—ayes 161, noes 265, not voting 5, as follows:

[Roll No. 105]

AYES—161

Alexander	Bliley	Cox (CA)
Allard	Boehner	Crane
Applegate	Broomfield	Cunningham
Archer	Bunning	Dannemeyer
Armey	Burton	Davis
Baker	Callahan	DeLay
Ballenger	Camp	Dickinson
Barrett	Campbell (CA)	Doolittle
Barton	Chandler	Dornan (CA)
Bateman	Clinger	Dreier
Bentley	Coble	Duncan
Bereuter	Coleman (MO)	Edwards (OK)
Bilirakis	Combest	Emerson

Fawell
Fields
Fish
Franks (CT)
Gallegly
Gallo
Gekas
Gilchrest
Gillmor
Gilman
Gingrich
Goss
Gradison
Grandy
Guarini
Gunderson
Hammerschmidt
Hancock
Hansen
Hastert
Hayes (LA)
Hefley
Henry
Herger
Hobson
Holloway
Horton
Huckaby
Hunter
Hutto
Hyde
Inhofe
Ireland
James
Johnson (CT)
Johnson (SD)
Johnson (TX)
Jones (NC)
Kasich
Klug
Kyl
Lagomarsino
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Lipinski
Livingston
Lowery (CA)
Machtley
Marlenee
Martin
McCandless
McCollum
McCrery
McDade
McEwen
McGrath
McMillan (NC)
Michel
Miller (OH)
Miller (WA)
Molinari
Moorhead
Morrison
Nichols
Nussle
Oxley
Packard
Paxon
Petri
Porter
Pursell
Ramstad
Ravenel
Regula
Rhodes
Ridge
Riggs
Rinaldo
Ritter
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Santorum
Saxton
Schaefer
Schiff
Schulze
Sensenbrenner
Shaw
Shuster
Skeen
Slaughter (VA)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Stearns
Stump
Sundquist
Taylor (NC)
Thomas (CA)
Thomas (WY)
Traficant
Upton
Vander Jagt
Vucanovich
Walker
Walsh
Weber
Weldon
Wilson
Wolf
Wylie
Young (AK)
Young (FL)
Zeliff
Zimmer

NOES—265

Abercrombie
Ackerman
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Aspin
Atkins
AuCoin
Bacchus
Barnard
Beilenson
Bennett
Berman
Bevill
Bilbray
Boehlert
Bonior
Borski
Boucher
Boxer
Brewster
Brooks
Brown
Bruce
Bryant
Bustamante
Byron
Campbell (CO)
Cardin
Carper
Carr
Chapman
Clay
Clement
Coleman (TX)
Collins (IL)
Collins (MI)
Condit
Conyers
Cooper
Costello
Coughlin
Cox (IL)
Coyne
Cramer
Darden
de la Garza
DeFazio
DeLauro
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dooley
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Edwards (TX)
Engel
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Flake
Foglietta
Ford (TN)
Frank (MA)
Frost
Gaydos
Gejdenson
Gephardt
Geren
Gibbons
Glickman
Gonzalez
Goodling
Gordon
Gray
Green
Hall (OH)
Hall (TX)
Hamilton
Harris
Hatcher
Hayes (IL)
Hefner
Hertel
Hoagland
Hochbrueckner
Horn
Houghton
Hoyer
Hubbard
Hughes
Jacobs
Jefferson
Jenkins
Johnston
Jones (GA)
Jontz
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Kopetski
Kostmayer
LaFalce
Lancaster
Lantos
LaRocco
Laughlin
Leach
Lehman (CA)
Levin (MI)
Levine (CA)
Lewis (GA)
Lloyd
Long
Lowey (NY)
Luken
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDermott
McHugh
McMillen (MD)
McNulty
Meyers
Mfume
Miller (CA)
Mineta
Mink
Moakley
Mollohan
Montgomery
Moody
Moran
Morella
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal (MA)
Neal (NC)
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Orton
Owens (NY)
Owens (UT)
Pallone
Panetta
Parker
Patterson
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Pickett
Pickle
Poshard
Price
Quillen
Rahall
Rangel
Ray
Reed
Richardson
Roberts
Roe
Roemer
Rose
Rostenkowski
Roukema
Rowland
Roybal
Russo
Sabo
Sanders
Sangmeister
Sarpalius
Savage
Sawyer
Scheuer
Schroeder
Schumer
Sharp
Shays
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Solarz
Spratt
Staggers
Stallings
Stark
Stenholm
Stokes
Studds
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Taylor (MS)
Thomas (GA)
Thornton
Torres
Torricelli
Towns
Traxler
Unsoeld
Valentine
Vento
Visclosky
Volkmer
Washington
Waters
Waxman
Weiss
Wheat
Whitten
Williams
Wise
Wolpe
Wyden
Yates
Yatron

NOT VOTING—5

Browder
Ford (MI)
Hopkins
Lehman (FL)
Serrano

□ 1333

Messrs. MRAZEK, COSTELLO, and CONYERS changed their vote from "aye" to "no."

Messrs. EMERSON, OXLEY, THOMAS of California, GRANDY, RHODES, SMITH of New Jersey, and RIDGE changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

ANNOUNCEMENT BY THE CHAIRMAN PRO TEMPORE

The CHAIRMAN pro tempore (Mr. Cox of Illinois). Pursuant to the provisions of section 4 of House Resolution 156, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device will be taken on each amendment on which the Chair has postponed further proceedings.

AMENDMENT NO. 7 OFFERED BY MR. FRANK

The CHAIRMAN pro tempore. The pending business is the vote on amendment No. 7 offered by the gentleman from Massachusetts [Mr. FRANK], on which a recorded vote is ordered.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment offered by the gentleman from Massachusetts [Mr. FRANK].

The vote was taken by electronic device, and there were—ayes 109, noes 317, not voting 5, as follows:

[Roll No. 106]

AYES—109

Abercrombie
Andrews (ME)
Atkins
Beilenson
Bilirakis
Bonior
Boxer
Bryant
Campbell (CA)
Carper
Clay
Collins (IL)
Collins (MI)
Cox (IL)
Coyne
DeFazio
Dellums
Dickinson
Dingell
Donnelly
Dorgan (ND)
Duncan
Durbin
Dymally
Early
Eckart
Edwards (CA)
Evans
Flake
Ford (TN)
Frank (MA)
Gejdenson
Grandy
Guarini
Hayes (IL)
Henry
Herger
Hertel
Hochbrueckner
Johnson (CT)
Johnston
Kennelly
Kildee
Leach
Lewis (GA)
Lowey (NY)
Machtley
Markey
McDermott
McGrath
Mfume
Miller (CA)
Mineta
Mink
Moakley
Molinari
Moody
Moran
Morella
Mrazek
Nussle
Oberstar
Owens (NY)
Payne (NJ)
Pelosi
Petri
Poshard
Rangel
Reed
Rhodes
Ritter
Rohrabacher
Rostenkowski
Roybal
Russo
Sanders
Sangmeister
Savage
Scheuer
Schiff
Schroeder
Sensenbrenner
Shays
Sikorski
Slattery
Slaughter (NY)
Smith (NJ)
Stark
Stokes
Studds
Thomas (WY)
Torres
Towns
Traficant
Traxler
Unsoeld
Upton
Vento
Walker
Walsh
Washington
Waters
Weber
Weiss
Weldon
Wheat
Wolpe
Wyden
Yates

NOES—317

Ackerman
Alexander
Allard
Anderson
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Archer
Armey
Aspin
AuCoin
Bacchus
Baker
Ballenger
Barnard
Barrett
Barton
Bateman
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Bliley
Boehlert
Boehner
Borski
Boucher
Brewster
Brooks
Broomfield
Brown
Bruce
Bunning
Burton
Bustamante
Byron
Callahan
Camp
Campbell (CO)
Cardin
Carr
Chandler
Chapman
Clement
Clinger
Coble
Coleman (MO)
Coleman (TX)
Combest
Condit
Conyers
Cooper
Costello
Coughlin
Cox (CA)
Cramer
Crane
Cunningham
Dannemeyer
Darden
Davis
de la Garza
DeLauro
DeLay
Derrick
Dicks
Dixon
Dooley
Doolittle
Dornan (CA)
Downey
Dreier
Dwyer
Edwards (OK)
Edwards (TX)
Emerson
Engel
English
Erdreich
Espy
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Foglietta
Franks (CT)
Frost
Gallegly
Gallo
Gaydos
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Goss
Gradison
Gray
Green
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hancock
Hansen
Harris
Hastert
Hatcher
Hayes (LA)
Hefley
Hefner
Hoagland
Hobson
Holloway
Horn
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Ireland
Jacobs
James
Jefferson
Jenkins
Johnson (SD)
Johnson (TX)
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kasich
Kennedy
Kleczka
Klug
Kolbe
Kolter
Kopetski
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
LaRocco
Laughlin
Lehman (CA)
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lightfoot
Lipinski
Livingston
Lloyd
Long

Lowery (CA)
Luken
Manton
Marlenee
Martin
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McCurdy
McDade
McEwen
McHugh
McMillan (NC)
McMillen (MD)
McNulty
Meyers
Michel
Miller (OH)
Miller (WA)
Mollohan
Montgomery
Moorhead
Morrison
Murphy
Murtha
Myers
Nagle
Natcher
Neal (MA)
Neal (NC)
Nichols
Nowak
Oakar
Obey
Olin
Ortiz
Orton
Owens (UT)
Oxley
Packard
Pallone
Panetta
Parker
Patterson
Paxon
Payne (VA)
Pease
Penny
Perkins
Peterson (FL)
Peterson (MN)
Pickett
Pickle
Porter
Price
Pursell
Quillen
Rahall
Ramstad
Ravenel
Ray
Regula
Richardson
Ridge
Riggs
Rinaldo
Roberts
Roe
Roemer
Rogers
Ros-Lehtinen
Rose
Roth
Roukema
Rowland
Sabo
Santorum
Sarpalius
Sawyer
Saxton
Schaefer
Schulze
Schumer
Sharp
Shaw
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (OR)
Smith (TX)
Snowe
Solarz
Solomon
Spence
Spratt
Staggers
Stallings
Stearns
Stenholm
Stump
Sundquist
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (GA)
Thornton
Torricelli
Valentine
Vander Jagt
Visclosky
Volkmer
Vucanovich
Waxman
Whitten
Williams
Wilson
Wise
Wolf
Wylie
Yatron
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—5

Browder
Ford (MI)
Hopkins
Lehman (FL)
Serrano

□ 1342

Mr. DUNCAN changed his vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT NO. 25 OFFERED BY MR. SOLOMON

The CHAIRMAN pro tempore (Mr. COX of Illinois). The pending business is the vote on amendment No. 25 offered by the gentleman from New York [Mr. SOLOMON] on which a recorded vote is ordered.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment offered by the gentleman from New York [Mr. SOLOMON].

The vote was taken by electronic device, and there were—ayes 157, noes 269, not voting 5, as follows:

[Roll No. 107]

AYES—157

Allard
Applegate
Archer
Armey
Ballenger
Barrett
Barton
Bennett
Bereuter
Bilirakis
Bliley
Boehner
Brewster
Broomfield
Bunning
Burton
Callahan
Camp
Carr
Chandler
Coble
Coleman (MO)
Combest
Condit
Coughlin
Cox (CA)
Crane
Cunningham
Dannemeyer
de la Garza
DeLay
Dickinson
Donnelly
Doolittle
Dornan (CA)
Dreier
Duncan
Early
Emerson
English
Fawell
Fields
Franks (CT)
Gallegly
Gekas
Geren
Gibbons
Gilchrest
Gingrich
Glickman
Goodling
Goss
Gradison
Hall (TX)
Hammerschmidt
Hancock
Hansen
Hastert
Hayes (LA)
Hefley
Henry
Herger
Hobson
Holloway
Hubbard
Hunter
Hutto
Hyde
Inhofe
Ireland
James
Johnson (CT)
Johnson (TX)
Kasich
Klug
Kolbe
Kolter
Kyl
Lagomarsino
Lancaster
Laughlin
Lewis (CA)
Lewis (FL)
Lightfoot
Lloyd
Lowery (CA)
Marlenee
McCandless
McCollum
McCrery
McEwen
McMillan (NC)
Meyers
Michel
Miller (OH)
Molinari
Moorhead
Murphy
Nichols
Nussle
Packard
Patterson
Paxon
Payne (VA)
Pursell
Quillen
Ramstad
Ravenel
Regula
Rhodes
Riggs
Ritter
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Rostenkowski
Roth
Roukema
Santorum
Sarpalius
Schaefer
Schulze
Sensenbrenner
Shaw
Shays
Shuster
Skeen
Slaughter (VA)
Smith (NJ)
Smith (TX)
Solomon
Spence
Stallings
Stearns
Stenholm
Stump
Sundquist
Tallon
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (WY)
Upton
Valentine
Vander Jagt
Vucanovich
Walker
Walsh
Weldon
Wilson
Wylie
Yatron
Young (FL)
Zeliff
Zimmer

NOES—269

Abercrombie
Ackerman
Alexander
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Aspin
Atkins
AuCoin
Bacchus
Baker
Barnard
Bateman
Beilenson
Bentley
Berman
Bevill
Bilbray
Boehlert
Bonior
Borski
Boucher
Boxer
Brooks
Brown
Bruce
Bryant
Bustamante
Byron
Campbell (CA)
Campbell (CO)
Cardin
Carper
Chapman
Clay
Clement
Clinger
Coleman (TX)
Collins (IL)
Collins (MI)
Conyers
Cooper
Costello
Cox (IL)
Coyne
Cramer
Darden
Davis
DeFazio
DeLauro
Dellums
Derrick
Dicks
Dingell
Dixon
Dooley
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Eckart
Edwards (CA)
Edwards (OK)
Edwards (TX)
Engel
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Foglietta
Ford (TN)
Frank (MA)
Frost
Gallo
Gaydos
Gejdenson
Gephardt
Gillmor
Gilman
Gonzalez
Gordon
Grandy
Gray
Green
Guarini
Gunderson
Hall (OH)
Hamilton
Harris
Hatcher
Hayes (IL)
Hefner
Hertel
Hoagland
Hochbrueckner
Horn
Horton
Houghton
Hoyer
Huckaby
Hughes
Jacobs
Jefferson
Jenkins
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Kopetski
Kostmayer
LaFalce
Lantos
LaRocco
Leach
Lehman (CA)
Lent
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Livingston
Long
Lowey (NY)
Luken
Machtley
Manton
Markey
Martin
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McDermott
McGrath
McHugh
McMillen (MD)
McNulty
Mfume
Miller (CA)
Miller (WA)
Mineta
Mink
Moakley
Mollohan
Montgomery
Moody
Moran
Morella
Morrison
Mrazek
Murtha
Myers
Nagle
Natcher
Neal (MA)
Neal (NC)
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Orton
Owens (NY)
Owens (UT)
Oxley
Pallone
Panetta
Parker
Payne (NJ)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pickle
Porter
Poshard
Price
Rahall
Rangel
Ray
Reed
Richardson
Ridge
Rinaldo
Roe
Roemer
Rose
Rowland
Roybal
Russo
Sabo
Sanders
Sangmeister
Savage
Sawyer
Saxton
Scheuer
Schiff
Schroeder
Schumer
Sharp
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (OR)
Snowe
Solarz
Spratt
Staggers
Stark
Stokes
Studds
Swett
Swift
Synar
Tanner
Thomas (GA)
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Vento
Visclosky
Volkmer
Washington
Waters
Waxman
Weber
Weiss
Wheat
Whitten
Williams
Wise
Wolf
Wolpe
Wyden
Yates
Young (AK)

NOT VOTING—5

Browder
Ford (MI)
Hopkins
Lehman (FL)
Serrano

□ 1350

Mr. ROSE changed his vote from "aye" to "no."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT NO. 26 OFFERED BY MR. SOLOMON

The CHAIRMAN pro tempore (Mr. COX of Illinois). The pending business is the vote on amendment No. 26 offered by the gentleman from New York [Mr. SOLOMON] on which a recorded vote is ordered.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment offered by the gentleman from New York [Mr. SOLOMON].

The vote was taken by electronic device, and there were—ayes 197, noes 231, not voting 3, as follows:

[Roll No. 108]

AYES—197

Allard
Andrews (NJ)
Andrews (TX)
Applegate
Archer
Armey
Baker
Ballenger
Barrett
Barton
Bennett
Bentley
Bereuter
Bevill
Bilirakis
Bliley
Boehner
Brewster
Broomfield
Browder
Bunning
Burton
Callahan
Camp
Carper
Chandler
Chapman
Coble
Coleman (MO)
Coleman (TX)
Combest
Condit
Costello
Coughlin
Cox (CA)
Cramer
Crane
Cunningham
Dannemeyer
DeFazio
DeLay
Derrick
Dickinson
Doolittle
Dornan (CA)
Dreier
Duncan
Early
Edwards (OK)
Emerson
English
Erdreich
Fawell
Fields
Franks (CT)
Gallegly
Gallo
Gekas
Geren
Gibbons
Gilchrest
Gingrich
Glickman
Goodling
Goss
Gradison
Guarini
Hall (TX)
Hammerschmidt

Hancock
Hansen
Harris
Hastert
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hobson
Holloway
Hubbard
Huckaby
Hunter
Hutto
Hyde
Inhofe
Ireland
James
Jefferson
Johnson (TX)
Kasich
Klug
Kolbe
Kolter
Kopetski
Kyl
Lagomarsino
Lancaster
Laughlin
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Lipinski
Livingston
Lloyd
Lowery (CA)
Luken
Marlenee
Martin
McCandless
McCollum
McCrery
McCurdy
McEwen
McMillan (NC)
Meyers
Michel
Miller (OH)
Molinari
Montgomery
Moorhead
Murphy
Neal (NC)
Nichols
Nussle
Ortiz
Orton
Oxley
Packard
Pallone
Parker
Patterson
Paxon
Payne (VA)
Porter
Poshard
Pursell
Quillen
Ramstad
Ravenel
Regula
Rhodes
Riggs
Rinaldo
Ritter
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Sangmeister
Santorum
Sarpalius
Saxton
Schaefer
Schiff
Schulze
Sensenbrenner
Shaw
Shays
Shuster
Skeen
Slaughter (VA)
Smith (NJ)
Smith (OR)
Smith (TX)
Solomon
Spence
Spratt
Stearns
Stenholm
Stump
Sundquist
Tallon
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (WY)
Torricelli
Upton
Valentine
Vander Jagt
Vucanovich
Walker
Walsh
Weber
Weldon
Wilson
Wylie
Yatron
Young (AK)
Young (FL)
Zeliff
Zimmer

NOES—231

Abercrombie
Ackerman
Alexander
Anderson
Andrews (ME)
Annunzio
Anthony
Aspin
Atkins
AuCoin
Bacchus
Barnard
Bateman
Beilenson
Berman
Bilbray
Boehlert
Bonior
Borski
Boucher
Boxer
Brooks
Brown
Bruce
Bryant
Bustamante
Byron
Campbell (CA)
Campbell (CO)
Cardin
Carr
Clay
Clement
Clinger
Collins (IL)
Collins (MI)
Conyers
Cooper
Cox (IL)
Coyne
Darden
Davis
de la Garza
DeLauro
Dellums
Dicks
Dingell
Dixon
Donnelly
Dooley
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Eckart
Edwards (CA)
Edwards (TX)
Engel
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Foglietta
Ford (TN)
Frank (MA)
Frost
Gaydos
Gejdenson
Gephardt
Gillmor
Gilman
Gonzalez
Gordon
Grandy
Gray
Green
Gunderson
Hall (OH)
Hamilton
Hatcher
Hayes (IL)
Hertel
Hoagland
Hochbrueckner
Horn
Horton
Houghton
Hoyer
Hughes
Jacobs
Jenkins
Johnson (CT)
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Kostmayer
LaFalce
Lantos
LaRocco
Leach
Lehman (CA)
Levin (MI)
Levine (CA)
Lewis (GA)
Long
Lowey (NY)
Machtley
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McDade
McDermott
McGrath
McHugh
McMillen (MD)
McNulty
Mfume
Miller (CA)
Miller (WA)
Mineta
Mink
Moakley
Mollohan
Moody
Moran
Morella
Morrison
Mrazek
Murtha
Myers
Nagle
Natcher
Neal (MA)
Nowak
Oakar
Oberstar
Obey
Olin
Owens (NY)
Owens (UT)
Panetta
Payne (NJ)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pickle
Price
Rahall
Rangel
Ray
Reed
Richardson
Ridge
Roe
Rose
Rostenkowski
Rowland
Roybal
Russo
Sabo
Sanders
Savage
Sawyer
Scheuer
Schroeder
Schumer
Serrano
Sharp
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Snowe
Solarz
Staggers
Stallings
Stark
Stokes
Studds
Swett
Swift
Synar
Tanner
Thomas (CA)
Thomas (GA)
Thornton
Torres
Towns
Traficant
Traxler
Unsoeld
Vento
Visclosky
Volkmer
Washington
Waters
Waxman
Weiss
Wheat
Whitten
Williams
Wise
Wolf
Wolpe
Wyden
Yates

NOT VOTING—3

Ford (MI)
Hopkins
Lehman (FL)

□ 1401

Mr. TORRICELLI and Mr. HEFNER changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT NO. 27 OFFERED BY MR. AUCOIN

The CHAIRMAN pro tempore (Mr. COX of Illinois). The pending business is the vote on amendment No. 27 offered by the gentleman from Oregon [Mr. AUCOIN] on which a recorded vote is ordered.

The Clerk will resdesignate the amendment.

The Clerk redesignated the amendment offered by the gentleman from Oregon [Mr. AUCOIN].

The vote was taken by electronic device, and there were—ayes 220, noes 208, not voting 3, as follows:

[Roll No. 109]

AYES—220

Abercrombie
Ackerman
Alexander
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Anthony
Aspin
Atkins
AuCoin
Bacchus
Beilenson
Bennett
Berman
Boehlert
Boucher
Boxer
Brewster
Brooks
Brown
Bryant
Bustamante
Campbell (CA)
Campbell (CO)
Cardin
Carper
Carr
Chandler
Chapman
Clay
Clement
Coleman (TX)
Collins (IL)
Collins (MI)
Condit
Conyers
Cooper
Coughlin
Cox (IL)
Coyne
Cramer
Darden
DeFazio
DeLauro
Dellums
Derrick
Dicks
Dingell
Dixon
Dooley
Downey
Durbin
Dymally
Eckart
Edwards (CA)
Edwards (TX)
Engel
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Franks (CT)
Frost
Gallo
Gejdenson
Gephardt
Geren
Gibbons
Gilchrest
Gilman
Glickman
Gonzalez
Gordon
Gray
Green
Guarini
Gunderson
Hamilton
Hayes (IL)
Hefner
Hoagland
Hochbrueckner
Horn
Horton
Houghton
Hoyer
Hubbard
Hughes
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kennedy
Kennelly
Klug
Kolbe
Kopetski
Kostmayer
Lancaster
Lantos
LaRocco
Leach
Lehman (CA)
Levin (MI)
Levine (CA)
Lewis (GA)
Long
Lowey (NY)
Machtley
Markey
Matsui
McCloskey
McCurdy
McDermott
McHugh
McMillen (MD)
Meyers
Mfume
Miller (CA)
Miller (WA)
Mineta
Mink
Molinari
Moody
Moran
Morella
Morrison
Mrazek
Nagle
Neal (NC)
Nichols
Obey
Olin
Owens (NY)
Owens (UT)
Pallone
Panetta
Patterson
Payne (NJ)
Payne (VA)
Pease
Pelosi
Peterson (FL)
Pickett
Pickle
Porter
Price
Ramstad
Rangel
Reed
Richardson
Ridge
Riggs
Roukema
Rowland
Roybal
Sabo
Sanders
Savage
Sawyer
Scheuer
Schiff
Schroeder
Schumer
Serrano
Sharp
Shays
Sikorski
Sisisky
Skaggs
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Snowe
Solarz
Spratt
Stark
Stokes
Studds
Swett
Swift
Synar
Tanner
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Unsoeld
Valentine
Vento
Visclosky
Washington
Waters
Waxman
Weiss
Wheat
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Zeliff
Zimmer

NOES—208

Allard
Annunzio
Applegate
Archer
Armey
Baker
Ballenger
Barnard
Barrett
Barton
Bateman
Bentley
Bereuter
Bevill
Bilbray
Bilirakis
Bliley
Boehner
Bonior
Borski
Broomfield
Browder
Bruce
Bunning
Burton
Byron
Callahan
Camp
Clinger
Coble
Coleman (MO)
Combest
Costello
Cox (CA)
Crane
Cunningham
Dannemeyer
Davis
de la Garza
DeLay
Dickinson
Donnelly
Doolittle
Dorgan (ND)
Dornan (CA)
Dreier
Duncan
Dwyer
Early
Edwards (OK)
Emerson
English
Fields
Fish
Gallegly
Gaydos
Gekas
Gillmor
Gingrich
Goodling
Goss
Gradison
Grandy
Hall (OH)
Hall (TX)
Hammerschmidt
Hancock
Hansen
Harris
Hastert
Hayes (LA)
Hefley
Henry
Herger
Hertel
Hobson
Holloway
Huckaby
Hunter
Hutto
Hyde
Inhofe
Ireland
James
Jenkins
Johnson (TX)
Kanjorski
Kaptur
Kasich
Kildee
Kleczka
Kolter
Kyl
LaFalce
Lagomarsino
Laughlin
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Lipinski
Livingston
Lloyd
Lowery (CA)
Luken
Manton
Marlenee
Martin
Martinez
Mavroules
Mazzoli
McCandless
McCollum
McCrery
McDade
McEwen
McGrath
McMillan (NC)
McNulty
Michel
Miller (OH)
Moakley
Mollohan
Montgomery
Moorhead
Murphy
Murtha
Myers
Natcher
Neal (MA)
Nowak
Nussle
Oakar
Oberstar
Ortiz
Orton
Oxley
Packard
Parker
Paxon
Penny
Perkins
Peterson (MN)
Petri
Poshard
Pursell
Quillen
Rahall
Ravenel
Ray
Regula
Rhodes
Rinaldo
Ritter
Roberts
Roe
Roemer
Rogers
Rohrabacher

Ros-Lehtinen	Smith (NJ)	Traxler
Rose	Smith (OR)	Upton
Rostenkowski	Smith (TX)	Vander Jagt
Roth	Solomon	Volkmer
Russo	Spence	Vucanovich
Sangmeister	Staggers	Walker
Santorum	Stallings	Walsh
Sarpalius	Stearns	Weber
Saxton	Stenholm	Weldon
Schaefer	Stump	Whitten
Schulze	Sundquist	Wolf
Sensenbrenner	Tallon	Wylie
Shaw	Tauzin	Yatron
Shuster	Taylor (MS)	Young (AK)
Skeen	Taylor (NC)	Young (FL)
Skelton	Thomas (WY)	
Slaughter (VA)	Thornton	

NOT VOTING—3

Hatcher	Hopkins	Lehman (FL)

□ 1410

Mr. DWYER of New Jersey changed his vote from "aye" to "no."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENTS EN BLOC AS MODIFIED OFFERED BY MR. ASPIN

Mr. ASPIN. Mr. Chairmam, pursuant to House Resolution 156, I offer amendments en bloc.

The CHAIRMAN pro tempore. The Clerk will designate the amendments en bloc.

The text of the amendments en bloc as modified is as follows:

Amendments en bloc offered by Mr. ASPIN: Pursuant to House Resolution 156, Mr. Aspin of Wisconsin offers the following amendments En Bloc. Numbers refer to the amendments as printed in Part II of the Report of the Committee on Rules providing for the further consideration of H.R. 2100 (H. Rept. 102–68).

Amendment No.	Sponsor	Modified?
1	Mr. Bateman	No.
2	Mr. Hansen	No.
3	Mr. Frank of Massachusetts	No.
4	Mr. Conyers	No.
9	Mr. Pickett	No.
10	Mr. Panetta	No.
11	Mr. Bennett	Yes.
13	Mrs. Byron	No.
14	Mr. Fields	No.
15	Mrs. Bentley	Yes.
17	Mr. Dorgan of North Dakota	No.
18	Mr. Traficant	No.
19	Mr. Mavroules	Yes.
20	Mr. Wise	Yes.
21	Mr. Montgomery	No.
22	Mr. Conyers	No.
23	Mr. Glockman	No.
28	Mr. Andrews of Maine	No.
29	Mrs. Mink	Yes.
30	Mr. Bustamante	Yes.

AMENDMENTS EN BLOC, AS MODIFIED, OFFERED BY MR. ASPIN OF WISCONSIN

(Amendments 1, 2, 3, 4, 9, 10, 11 (as modified), 13, 14, 15 (as modified), 17, 19 (as modified), 20 (as modified), 21, 22, 23, 28, 29 (as modified), and 30 (as modified) in Part 2 of the Report of the Committee on Rules)

AMENDMENT TO H.R. 2100, AS REPORTED OFFERED BY MR. BATEMAN OF VIRGINIA

(Amendment 1 in Part 2 of the Report of the Committee on Rules)

At the end of title I (page 25, after line 4) insert the following new section:

SEC. . SSN-21 NUCLEAR ATTACK SUBMARINE PROGRAM.

(a) SENSE OF CONGRESS.—It is the sense of Congress that the President's budget request for fiscal year 1993 for the SSN-21 nuclear attack submarine program, which included funds for one submarine, is not sufficient to provide for the national security and should be revised to include funding for two submarines.

(b) FISCAL YEAR 1993 AUTHORIZATION.—There is authorized to be appropriated for fiscal year 1993 the sum of $4,061,000,000 for the SSN-21 nuclear attack submarine program for construction of two submarines.

(c) INDUSTRIAL BASE.—In order to maintain the capability to build nuclear attack submarines at two shipyards and to allow competition for contracts for the construction of nuclear attack submarines authorized for fiscal years after 1993, funds appropriated pursuant to subsection (b) shall be used for the construction of two SSN-21 nuclear attack submarines at different shipyards.

AMENDMENT TO H.R. 2100, AS REPORTED OFFERED BY MR. HANSEN OF UTAH

(Amendment 2 in Part 2 of the Report of the Committee on Rules)

At the end of title I (page 25, after line 4), insert the following new section:

SEC. 125. FUNDING CLARIFICATION FOR THE CHEMICAL WEAPONS STOCKPILE DISPOSAL PROGRAM.

Subsection (c)(3) of section 1412 of the Department of Defense Authorization Act, 1986 (Public Law 99–145; 50 U.S.C. 1521), is amended by adding at the end the following: "Additionally, the Secretary may provide funds through cooperative agreements with State and local governments for the purpose of assisting them in processing and approving permits and licenses necessary for the construction and operation of facilities to carry out this section. The Secretary shall ensure that funds provided through such a cooperative agreement are used only for the purpose set forth in the preceding sentence.".

AMENDMENT TO H.R. 2100, AS REPORTED OFFERED BY MR. FRANK OF MASSACHUSETTS

(Amendment 3 in Part 2 of the Report of the Committee on Rules)

At the end of title I (page 25, before line 5), insert the following new section:

SEC. . GROUND-WAVE EMERGENCY NETWORK.

Section 132 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 104 Stat. 1501) is amended by inserting "before October 1, 1992, and" before "until—".

AMENDMENT TO H.R. 2100, AS REPORTED OFFERED BY MR. CONYERS OF MICHIGAN

(Amendment 4 in Part 2 of the Report of the Committee on Rules)

At the end of title I (page 25, before line 5), insert the following new section:

SEC. . TEMPERATURE SPECIFICATION FOR AIR-LAUNCHED CRUISE MISSILE FLIGHT DATA TRANSMITTER; REVIEW OF TESTING METHODOLOGIES.

(a) PLAN.—Not later than 60 days after the date of the enactment of this Act, the Secretary of Defense shall develop and begin implementing a plan to correct the failure by the contractor to deliver flight data transmitters for the air-launched cruise missile that comply with the applicable cold temperature specification requiring the data transmitters to operate after prolonged exposure to temperatures as low as minus 65 degrees Fahrenheit.

(b) REVIEW OF TESTING METHODOLOGIES.—Not later than 120 days after the date of the enactment of this Act, the Secretary of Defense shall conduct a review of the testing methodologies used to ascertain compliance with cold temperature specifications required under defense contracts, including the specification requiring flight data transmitters for the air-launched cruise missile to operate after prolonged exposure to temperatures as low as minus 65 degrees Fahrenheit. After completing the review, the Secretary shall prescribe a single method for conducting such tests. Such method shall apply uniformly throughout the Department of Defense.

(c) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report on implementation of the plan developed under subsection (a) and the results of the review conducted under subsection (b).

AMENDMENT TO H.R. 2100, AS REPORTED OFFERED BY MR. PICKETT OF VIRGINIA

(Amendment 9 in Part 2 of the Report of the Committee on Rules)

At the end of part C of title III (page 59, after line 9), insert the following new section:

SEC. 326. USE OF PROCEEDS FROM THE SALE OF CERTAIN LOST, ABANDONED, OR UNCLAIMED PERSONAL PROPERTY.

(a) TREATMENT OF PROCEEDS.—Notwithstanding section 2575(b) of title 10, United States code, the proceeds from the sale under that section of lost, abandoned, or unclaimed property found on a military installation described in subsection (b) shall be credited to the maintenance and operation account of that installation and used—

(1) to reimburse the installation for any costs incurred by the installation to collect, transport, store, protect, or sell the property; and

(2) if all such costs are reimbursed, to support morale, welfare, and recreation activities under the jurisdiction of the Armed Forces conducted for the comfort, pleasure, contentment, or physical or mental improvement of members of the Armed Forces at that installation.

(b) APPLICABLE MILITARY INSTALLATIONS.—The military installations referred to in subsection (a) are Naval Base, Norfolk and Naval Air Station, Norfolk.

(c) RECOVERY OF PROCEEDS.—The owner (or the heirs, next of kin, or legal representative of the owner) of personal property the proceeds of which are credited to a military installation under this section may file a claim with the Secretary of Defense for an amount equal to the proceeds (less costs referred to in subsection (a)(1)). Amounts to pay the claim shall be drawn from the morale, welfare, and recreation account for the installation that received the proceeds under subsection (a). Unless the claim is filed with the Secretary of Defense within five years after the date of the disposal of the property, the claim may not be considered by a court or the Secretary of Defense. A claim may not be filed under section 2575(b) of title 10, United States Code, in the case of property covered by this section.

(c) EFFECTIVE DATE.—This section shall apply with respect to property disposed of under section 2575 of title 10, United States Code, on or after the date of the enactment of this Act.

AMENDMENT TO H.R. 2100 OFFERED BY MR. PANETTA OF CALIFORNIA

(Amendment 10 in Part 2 of the Report of the Committee on Rules)

At the end of part D of title III (page 67, after line 17) add the following new section (and conform the table of contents accordingly):

SEC. 336. ENVIRONMENTAL RESTORATION REQUIREMENTS AT MILITARY INSTALLATIONS TO BE CLOSED.

(a) REQUIREMENTS FOR INSTALLATIONS TO BE CLOSED UNDER 1989 BASE CLOSURE LIST.—(1) All remedial investigations and feasibility studies related to environmental restoration activities at each military installation described in paragraph (2) shall be completed not later than 18 months after the date of the enactment of this Act.

(2) Paragraph (1) applies to each military installation—

(A) which is to be closed pursuant to title II of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100-526; 10 U.S.C. 2687 note); and

(B) which is on the National Priorities List under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.).

(b) REQUIREMENTS FOR INSTALLATIONS TO BE CLOSED UNDER 1991 BASE CLOSURE LIST.—(1) All remedial investigations and feasibility studies related to environmental restoration activities at each military installation described in paragraph (2) shall be completed not later than 30 months after the date of the enactment of this Act.

(2) Paragraph (1) applies to each military installation—

(A) which is to be closed pursuant to the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510) as a result of being recommended for closure in the report transmitted to Congress by the President pursuant to section 2903(e) of such Act on or before September 1, 1991; and

(B) which is on the National Priorities List under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.).

MODIFICATION TO THE AMENDMENT OFFERED BY MR. BENNETT OF FLORIDA

(Amendment 11 in Part 2 in the Report of the Committee on Rules)

The amendment as modified is as follows:

Strike out section 344 (page 73, line 11 and all that follows through line 23 on page 74) and redesignate the table of contents accordingly.

Page 196, line 5, strike out "$3,300,000" and insert in lieu thereof "$18,300,000".

Page 203, line 9, strike out "$709,409,000" and insert in lieu thereof "$724,409,000".

Page 204, line 3, strike out "$710,700,000" and insert in lieu thereof "$695,700,000".

AMENDMENT TO H.R. 2100, AS REPORTED OFFERED BY MRS. BYRON OF MARYLAND

(Amendment 13 in Part 2 of the Report of the Committee on Rules)

At the end of part A of title V (page 95, after line 18), insert the following new section:

SEC. 513. GRADE OF RETIRED OFFICERS RECALLED TO ACTIVE DUTY.

(a) SERVICE IN HIGHER GRADE HELD WHILE ON ACTIVE DUTY.—Subsection (d) of section 688 of title 10, United States Code is amended—

(1) by striking out "paragraph (2)" in paragraph (1) and inserting in lieu thereof "paragraphs (2) and (3)"; and

(2) by adding at the end of the following new paragraph:

"(3)(A) A retired member ordered to active duty under this section who has previously served on active duty satisfactorily, as determined by the Secretary of the military department concerned, in a grade higher than that member's retired grade may be ordered to active duty in the highest grade in which the member had so served satisfactorily, except that such a member may not be so ordered to active duty in a grade above major general or rear admiral.

"(B) A retired member ordered to active duty in a grade that is higher than the member's retired grade pursuant to paragraph (1) shall be treated for purposes of subsection (b) as if the member was promoted to that higher grade while on that tour of active duty.

"(C) If, upon being released from that tour of active duty, such a retired member has served on active duty satisfactorily, as determined by the Secretary concerned, for not less than a total of 36 months in a grade that is a higher grade than the members retired grade, the member is entitled to placement on the retired list in that grade.".

(b) CONFORMING AMENDMENT.—Section 311(c) of Public Law 102-25 is amended by inserting ", and before the date of the enactment of the National Defense Authorization Act for Fiscal Years 1992 and 1993" before the period.

At the end of part B of title V (page 117, after line 24), insert the following new section:

SEC. 529. MANDATORY RETIREMENT OF REGULAR ARMY WARRANT OFFICERS FOR LENGTH OF SERVICE.

(a) IN GENERAL.—Section 1305(a) of title 10, United States Code, is amended—

(1) by striking out "A permanent regular warrant officer" and inserting in lieu thereof "(1) Except as provided in paragraph (2), a regular warrant officer (other than a regular Army warrant officer in the grade of chief warrant officer, W-5)"; and

(2) by adding at the end the following new paragraph:

"(2)(A) A regular Army warrant officer in the grade of chief warrant officer, W-5, who has at least 30 years of active service as a warrant officer that could be credited to him under section 511 of the Career Compensation Act of 1949, as amended (70 Stat. 114), shall be retired 60 days after the date on which he completes that service, except as provided by section 8301 of title 5.

"(B) A regular Army warrant officer in a warrant officer grade below the grade of chief warrant officer, W-5, who completes 24 years of active service as a warrant officer before he is required to be retired under paragraph (1) shall be retired 60 days after the date on which he completes 24 years of active service as a warrant officer except as provided by section 8301 of title 5.".

(b) SAVINGS PROVISION.—(1) Subject to paragraph (2), a warrant officer of the Army who on the effective date of this part—

(A) holds a regular chief warrant officer grade; or

(B) is on a list of officers recommended for promotion to a regular chief warrant officer grade; may be retained on active duty until he completes 30 years of active service or 24 years of active warrant officer service, whichever is later, that could be credited to him under section 511 of the Career Compensation Act of 1949 (70 Stat. 114) (as in effect on the day before the effective date of this part), and then be retired under the appropriate provision of title 10, United States Code, on the first day of the month after the month in which he completes that service.

(2) Paragraph (1) does not apply to a regular warrant officer who—

(A) is sooner retired or separated under another provision of law;

(B) is promoted to the regular grade of chief warrant officer, W-5; or

(C) is continued on active duty under section 558 and 564 of title 10, United States Code, as added by this part.

At the end of title VI (page 143, after line 13), insert the following new section:

SEC. . PREMIUM ADDITION FOR OPEN SEASON ENROLLMENT FOR SURVIVOR BENEFIT PLAN.

Section 1405 of the military Survivor Benefits Improvement Act of 1989 (title XIV of Public Law 101-189; 103 Stat. 1586) is amended by adding at the end the following new subsection:

"(j) OPEN ENROLLMENT PREMIUM ADDITION.—Premiums for persons making elections under subsection (a)(1) and (b) shall, in addition to the amount required under section 1452(a) of title 10, United States Code, include an amount prescribed under regulations by the Secretary of Defense which reflect the number of years that have elapsed since the person has been retired.".

AMENDMENT TO H.R. 2100, AS REPORTED OFFERED BY MR. FIELDS OF TEXAS

(Amendment 14 in Part 2 of the Report of the Committee on Rules)

At the end of title VII (page 152, after line 19), insert the following new section:

SEC. . REPORT REGARDING ELIGIBILITY FOR MILITARY HEALTH CARE OF CERTAIN MINORS WHO ARE NOT CHILDREN OF MEMBERS OF THE ARMED FORCES.

(a) FINDING.—Congress finds the following:

(1) Members and former members of the Armed Forces, for good and humanitarian reasons or because of a deep sense of familial responsibility, are taking legal custody of minors who—

(A) are related to a member or former member by blood or adoption;

(B) are neglected, abandoned, abused, or orphaned children; and

(C) are not considered the dependents of a member or former member for purposes of eligibility to obtain care in the military medical health care system.

(2) Under current law, unless a minor referred to in paragraph (1) is also adopted by a member or former member of the Armed Forces, the minor remains ineligible for care in the military medical health care system. A compelling reason for the reluctance of a member or former member to adopt a minor referred to in paragraph (1) is the fact that they are already related by blood or adoption.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) creative solutions should be found to enable a member or former member of the Armed Forces who is eligible for military health care to obtain care in the military medical health care system for a minor who is in the legal custody of the member or former member and is related by blood or adoption to the member or former member; and

(2) the Secretaries of the military departments, in exercising their authority to grant designee status to a minor to receive health care at military treatment facilities, should give special attention and consideration to those cases involving a minor who is related by blood or adoption to a member or former member of the Armed Forces and is in the legal custody of the member or former member.

(c) REPORT.—(1) Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit a report to Congress analyzing the desirability, feasibility, and cost implications of implementing a permanent change to chapter 55 of title 10, United States Code, to expand eligibility for health care in the military medical health care system to minors who are in the

legal custody of, and related by blood or adoption to, a member or former member of the Armed Forces and are otherwise ineligible for such care.

(2) The report required by this section shall also include data covering the preceding five-year period to indicate the manner in which the Secretaries of the military departments have handled requests for designee status for minors who are in the legal custody of, and related by blood or adoption to, a member or former member of the Armed Forces and are otherwise ineligible for health care in the military medical health care system. Such data shall include—

(A) the total number of requests for designee status involving these minors during that period;

(B) the total number of these minors given designee status during that period; and

(C) the average distance and range of distances that the minors given designee status must travel for medical and dental care in the military medical health care system.

MODIFICATION TO THE AMENDMENT OFFERED BY MRS. BENTLEY OF MARYLAND

(Amendment 15 in Part 2 of the Report of the Committee on Rules)

The amendment as modified is as follows:

At the end of part A of title VIII (page 155, after line 2), insert the following new section:

SEC. 804. TRANSPORTATION OF COMPONENTS OF DOD CONTRACTOR SUPPLIED ITEMS.

Section 2631 of title 10, United States Code, is amended by inserting "or components" after "supplies" both places it appears.

Page 57, line 12, strike out "paragraphs (1) and" and insert in lieu thereof "paragraphs (1), (2), and".

AMENDMENT TO H.R. 2100, AS REPORTED OFFERED BY MR. DORGAN OF NORTH DAKOTA

(Amendment 17 in Part 2 of the Report of the Committee on Rules)

At the end of title VIII (page 165, before line 14), insert the following new section:

SEC. 815. REQUIREMENT FOR PURCHASE OF GASOHOL IN FEDERAL FUEL PROCUREMENTS WHEN PRICE IS COMPARABLE.

(a) REQUIREMENT.—Section 2398 of title 10, United States Code, is amended—

(1) by inserting "(a) DOD MOTOR VEHICLES.—" before "To the maximum extent"; and

(2) by adding at the end of the following new subsection:

"(b) OTHER FEDERAL FUEL PROCUREMENTS.—Whenever the Secretary of Defense enters into a contract for the procurement of unleaded gasoline for motor vehicles of a department or agency of the Federal Government other than the Department of Defense, the Secretary shall buy alcohol-gasoline blends containing at least 10 percent domestically produced alcohol in any case in which the price of such fuel is the same as, or lower than, the price of unleaded gasoline.".

(b) EFFECTIVE DATE.—Section 2398(b) of title 10, United States Code, as added by subsection (a), shall apply with respect to contracts awarded pursuant to solicitations issued after the expiration of the 180-day period beginning on the date of the enactment of this Act.

(c) REPORT ON EXEMPTIONS.—The Secretary of Defense shall review all exemptions granted with respect to the Department of Defense from the requirements of section 2398 of title 10, United States Code, and section 271 of the Energy Security Act (Public Law 96-294; 42 U.S.C. 8871). The Secretary shall terminate any exemptions that the Secretary determines are no longer appropriate. Not later than 90 days after the date of the enactment of this Act, the Secretary shall submit to Congress a report on the results of the review, with a justification for the exemptions that remain in effect under those provisions of law.

AMENDMENT TO H.R. 2100, AS REPORTED OFFERED BY MR. TRAFICANT OF OHIO

(Amendment 18 in Part 2 of the Report of the Committee on Rules)

At the end of title VIII (page 165, after line 14), insert the following new section:

SEC. 815. BUY AMERICAN ACT WAIVER RECISIONS.

(a) DETERMINATION BY THE SECRETARY OF DEFENSE.—(1) If the Secretary of Defense, after consultation with the United States Trade Representative, determines that a foreign country which is party to an agreement described in paragraph (2) has violated the terms of the agreement by discriminating against certain types of products produced in the United States that are covered by the agreement, the Secretary of Defense shall rescind the Secretary's blanket waiver of the Buy American Act with respect to such types of products produced in that foreign country.

(2) An agreement referred to in paragraph (1) is any agreement, including any reciprocal defense procurement memorandum of understanding, between the United States and a foreign country pursuant to which the Secretary of Defense has prospectively waived the Buy American Act for certain products in that country.

(b) REPORT TO CONGRESS.—The Secretary of Defense shall submit to Congress a report on the amount of Department of Defense purchases from foreign entities in fiscal years 1992 and 1993. Such report shall separately indicate the dollar value of items for which the Buy American Act was waived pursuant to any agreement described in subsection (a)(2), the Trade Agreement Act of 1979 (19 U.S.C. 2501 et seq.), or any international agreement to which the United States is a party.

(c) BUY AMERICAN ACT DEFINED.—For purposes of this section, the term "Buy American Act" means title III of the Act entitled "An Act making appropriations for the Treasury and Post Office Department for the fiscal year ending June 30, 1934, and for other purposes", approved March 3, 1933 (41 U.S.C. 10a et seq.).

MODIFICATION TO THE AMENDMENT OFFERED BY MR. MAVROULES OF MASSACHUSETTS

(Amendment 19 in part 2 of the Report of the Committee on Rules)

The amendment as modified is as follows:

At the end of title VIII (page 165, before line 14), add the following new section:

SEC. 815. REPEAL AND AMENDMENT OF CERTAIN POST-EMPLOYMENT RULES.

(a) REPEALS.—(1) The following provisions of law are repealed:

(A) Sections 2397 and 2397a of title 10, United States Code.

(B) Section 281 of title 18, United States Code.

(C) Section 801 of title 37, United States Code.

(2)(A) The table of sections for chapter 141 of title 10 United States Code, is amended by striking out the items relating to sections 2397 and 2397a.

(B) The table of sections for chapter 15 of title 18, United States Code, is amended by striking out the item relating to section 281.

(C) The table of sections for chapter 15 of title 37, United States Code, is amended by striking out the item relating to section 801.

(b) CLARIFICATION OF COVERAGE.—Section 202 of title 18, United States Code, is amended in the last sentence by striking out "not" before "include enlisted".

(c) INTEGRITY OF CONTRACT ADMINISTRATION.—The Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.) is amended—

(1) by redesignating section 28 as section 29; and

(2) by inserting after section 27 the following new section 28:

"INTEGRITY OF CONTRACT ADMINISTRATION

"SEC. 28. (a) PROHIBITED CONDUCT BY CONTRACTORS.—(1) During the administration of a Federal agency contract, no covered contractor performing such contract shall knowingly—

"(A) make, directly or indirectly, any offer or promise of future employment or business opportunity to, or engage, directly or indirectly, in any discussion of future employment or business opportunity with, a contract official administering such contract, except as provided in subsection (b)(2); or

"(B) offer, give, or promise to offer or give, directly or indirectly, any money, gratuity, or other thing of value to any contract official administering such contract.

"(2) A covered contractor may engage in a discussion with a contract official that is otherwise prohibited by paragraph (1)(A) if, before engaging in such discussion, the contract official has been recused in accordance with subsection (b)(2).

"(3)(A) For purposes of paragraph (1)(A), in any case in which a covered contractor performing such contract is contacted by a contract official administering such contract about future employment or business opportunity, the contact shall not be considered a violation of that paragraph for the covered contractor if the contact is unsolicited, if the contact is terminated immediately, if no offer is made, and if the contact is reported under subparagraph (B).

"(B) In any case in which a covered contractor performing such contract is contacted by a contract official administering such contract about future employment or business opportunity, the covered contractor shall promptly report the contact to the official's supervisor and to the designated agency ethics official (or his designee) of the Federal agency in which the contract official is employed.

"(b) PROHIBITED CONDUCT BY CONTRACT OFFICIALS.—(1) During the administration of a Federal agency contract, no contract official administering such contract shall knowingly—

"(A) solicit or accept, directly or indirectly, any promise of future employment or business opportunity from, or engage, directly or indirectly, in any discussion of future employment or business opportunity with a covered contractor performing such contract, except as provided in paragraph (2); or

"(B) ask for, demand, exact, solicit, seek, accept, receive, or agree to receive, directly or indirectly, any money, gratuity, or other thing of value from any such covered contractor.

"(2)(A) Notwithstanding paragraph (1)(A), a contract official may engage in a discussion with a covered contractor performing a contract being administered by the official if, before engaging in such discussion—

"(i) the contract official proposes in writing to disqualify himself from any further

administration of the contract (I) for any period during which future employment or business opportunities for such contract official with such covered contractor have not been rejected by either the contract official or the contractor, and (II) if determined to be necessary by the head of such contract official's contracting activity (or his designee) in accordance with criteria prescribed in implementing regulations, for a reasonable period thereafter; and

"(ii) the head of that contracting activity of such contract official (or his designee), after consultation with the appropriate designated agency ethics official, approves in writing the recusal of the contract official.

"(B) For purposes of subparagraph (A)(ii), a recusal shall be deemed approved by the head of the procuring activity of a contract official if such head fails to act on the recusal within 90 days after the contract official proposes the recusal.

"(C) Regulations implementing this paragraph shall include specific criteria to be used in making determinations and approving recusals under subparagraph (A).

"(3)(A) For purposes of paragraph (1)(A), in any case in which a contract official administering such contract is contacted by a covered contractor performing the contract about a future employment or business opportunity, the contact shall not be considered a violation of that paragraph for the contract official if the contact is unsolicited, if the contact is terminated immediately, if any offer is rejected, and if the contact is reported under subparagraph (B).

"(B) In any case in which a contract official administering such contract is contacted by a covered contractor performing the contract about future employment or business opportunity, the official shall promptly report the contact to the official's supervisor and to the designated agency ethics official (or his designee) of the Federal agency in which the contract official is employed.

"(c) CONTRACTUAL PENALTIES.—(1) Regulations issued pursuant to subsection (i) shall require that each contract awarded by a Federal agency contain a clause specified in such regulation that provides appropriate contractual penalties for conduct of any covered contractor prohibited by subsection (a).

"(2) The remedies described in subsection 27(g) of this Act are authorized to be included in, and shall be considered in the development of, such regulations.

"(d) ADMINISTRATIVE ACTIONS.—(1) If an agency receives or obtains information providing a reasonable basis to believe that a covered contractor has knowingly violated the requirements of this section—

"(A) the agency shall determine whether to void or rescind the contract, to terminate the contract for default, to impose sanctions upon the contractor, or to permit the contractor to continue to perform the contract, subject to review in accordance with, and to the extent provided in, the Contract Disputes Act of 1978, or to take other appropriate actions; and

"(B) if the agency determines that such a knowing violation has occurred, the agency, pursuant to procedures specified in the Federal Acquisition Regulation—

"(i) may impose an immediate suspension, and

"(ii) shall determine whether to initiate a debarment proceeding,

against the covered contractor or other person who committed such violation.

"(2) Any contract official of a Federal agency who engages in conduct prohibited by subsection (b) shall be subject to removal or other appropriate adverse personnel action pursuant to the procedures specified in chapter 75 of titlt 5, United States Code, or other applicable law or regulation.

"(3) The actions taken under paragraph (1) or (2) may be suspended by the agency head upon the request of the Attorney General pending the disposition of any civil action pursuant to subsection (e).

"(e) CIVIL PENALTIES.—Any person who engages in conduct prohibited by subsection (a) or (b) shall be subject to the imposition of a civil fine in a civil action brought by the United States in an appropriate district court of the United States. The amount of any such civil fine for such violation may not exceed—

"(1) $100,000 in the case of an individual; or

"(2) $1,000,000 in the case of a covered contractor (other than an individual).

"(f) ETHICS ADVICE.—(1) Regulations implementing this section shall include procedures for a contract official or former contract official of a Federal agency to request advice from the appropriate designated agency ethics official regarding whether such contract official or former contract official is or would be precluded by this section from engaging in a specified activity.

"(2) A contract official or former contract official of an agency who requests advice from a designated agency ethics official pursuant to paragraph (1) shall provide the agency ethics official with all information reasonably available to the contract official or former contract official that is relevant to a determination regarding such request.

"(3) Not later than 30 days after the date on which the appropriate designated agency ethics official receives a request for advice pursuant to paragraph (1) accompanied by the information required by paragraph (2), or as soon thereafter as practicable, the official shall issue a written opinion regarding whether the requesting contract official or former contract official is precluded by this section from engaging in the specified activity.

"(g) TRAINING.—The head of each Federal agency shall establish a contract ethics program for its contract officials. The program shall, at a minimum—

"(1) provide for the distribution of written explanations of the provisions of subsections (a) and (b) to such contract officials; and

"(2) require each such contract official, as a condition of serving as a contract official, to certify that he or she is familiar with the provisions of subsections (a) and (b) and will not engage in any conduct prohibited by such subsections, and will report immediately to the contracting officer any information concerning a violation or possible violation of subsection (a) or (b) or applicable implementing regulations.

"(h) REMEDIES NOT EXCLUSIVE.—Nothing in this section shall be construed to limit the applicability of the requirements, sanctions, contract penalties, and remedies established under any other law, but no agency shall be relieved of the obligation to carry out the requirements of this section because such agency has also applied such other requirements, sanctions, contract penalties, or remedies.

"(i) IMPLEMENTING REGULATIONS AND GUIDELINES.—(1) Government-wide regulations and guidelines appropriate to carry out this section shall be included in the Federal Acquisition Regulation.

"(2) Regulations implementing this section shall—

"(A) define the term 'thing of value' for the purposes of this section and shall include a single uniform Government-wide exclusion at a specific minimal dollar amount; and

"(B) authorize the delegation of the functions assigned to designated agency ethics officials under this section.

"(j) DEFINITIONS.—As used in this section:

"(i) The term 'during the administration of any federal agency contract' means the period beginning on the date of the award, modification, or extension of a contract and concluding with cancellation, termination, or completion of performance of the contract, except that, with respect to a contract official who is involved personally and substantially in the negotiation or settlement of a claim or payment under the contract after the cancellation, termination, or completion of performance of the contract, the term means the period beginning on the date of the award, modification, or extension of a contract and concluding with final payment under the contract.

"(2)(A) The term 'contract official administering a contract' means, with respect to the contract concerned, any civilian or military official or employee of a Federal agency who has participated personally and substantially in any of the following, as defined in implementing regulations:

"(i) The management and administration of that contract in the capacity of a program executive officer, program manager, deputy program manager, contracting officer, or position with comparable responsibilities.

"(ii) The oversight of a contractor while assigned on a permanent basis in a Government Plant Representative's Office (including auditors or quality assurance personnel) or a position with comparable responsibilities (as determined under the regulations).

"(iii) Operational and developmental testing.

"(iv) the settlement or negotiation of a contract claim.

"(v) Such other specific contract actions as may be specified in implementing regulations.

"(B) For purposes of subparagraph (A), the term 'employee of a Federal agency' includes a contractor, subcontractor, consultant, expert, or adviser (other than a contractor) acting on behalf of, or providing advice to, the agency with respect to the administration of the agency contract concerned.

"(3) The term 'covered contractor' means—

"(A) any party, including any officer, employee, representative, agent, or consultant of the party, that has entered into a contract directly with a Federal agency (hereinafter in this paragraph referred to as a 'prime contractor'); and

"(B) any party, including any officer, employee, representative, agent, or consultant of the party, that has entered into a subcontract with a prime contractor, if the contract official involved in the administration of the prime contract is personally and substantially involved in the activities referred to in paragraph (2)(A) with respect to the administration of such subcontract.

"(4) The terms 'Federal agency' and 'designated agency ethics official' have the meanings given those terms by section 27(p) of this Act.".

(d) EFFECTIVE DATES.—(1) The repeals made by subsection (a)(1), the amendments made by subsections (a)(2) and (b), and, except as provided in paragraph (3), section 28 of the Office of Federal Procurement Policy Act (as added by subsection (c)) shall take effect 210 days after the date of the enactment of this Act.

(2) Not later than 120 days after the date of the enactment of this Act, the Federal Ac-

quisition Regulatory Council shall propose interim regulations to implement the repeals made by subsection (a)(1), the amendments made by subsections (a)(2) and (b), and section 28 of the Office of Federal Procurement Policy Act (as added by subsection (c)). Not later than 180 days after the date of the enactment of this Act, the Federal Acquisition Regulatory Council shall promulgate final regulations to implement such repeals, amendments, and new section.

(3) The contractual penalties required pursuant to section 28(c) of the Office of Federal Procurement Policy Act (as added by subsection (c)) shall be included in—

(A) contracts that are awarded pursuant to solicitations issued after the expiration of the 180-day period beginning on the date of the enactment of this Act;

(B) in the case of contracts for which no solicitations are issued, contracts that are awarded after the expiration of the 210-day period beginning on the date of the enactment of this Act; and

(C) contracts with respect to which a change or modification to, or extension of, is made after the expiration of the 210-day period beginning on the date of the enactment of this Act.

MODIFICATION TO THE AMENDMENT OFFERED BY MR. WISE OF WEST VIRGINIA

(Amendment 20 in Part 2 of the Report of the Committee on Rules)

The amendment as modified is as follows:

At the end of title X (page 180, after line 8), insert the following new section:

SEC. . SENSE OF CONGRESS CONCERNING ISSUANCE OF COMMEMORATIVE CARD FOR OPERATION DESERT STORM SERVICEMEMBERS.

(a) ISSUANCE OF CARD.—It is the sense of Congress that the Secretary of Defense shall issue a special commemorative card to each member of the Armed Forces who—

(1) served in the Persian Gulf theater of operations in connection with the Persian Gulf conflict (including service as a member of an air crew over that theater); or

(2) as a member of a reserve component or a retired member, was ordered to active duty in connection with the Persian Gulf conflict.

(b) CONTENT.—The commemorative card shall indicate that the servicemember was a participant in the Persian Gulf conflict.

AMENDMENT TO H.R. 2100, AS REPORTED OFFERED BY MR. MONTGOMERY OF MISSISSIPPI

(Amendment 21 in Part 2 of the Report of the Committee on Rules)

At the end of title X (page 180, after line 8), insert the following new section:

SEC. . TECHNICAL REVISIONS TO CHARTER FOR BARRY GOLDWATER SCHOLARSHIP AND EXCELLENCE IN EDUCATION PROGRAM.

The Barry Goldwater Scholarship and Excellence in Education Act (title XIV of Public Law 99-661) is amended as follows:

(1) Section 1404(b)(3) (20 U.S.C. 4703(b)(3)) is amended by striking out ", at least one of whom" and all that follows through "aerospace education".

(2) Section 1408 (20 U.S.C. 4707) is amended—

(A) in subsection (b), by striking out all after "in" in the second sentence and inserting in lieu thereof "public debt securities of the United States with maturities suitable to the fund."; and

(B) in subsection (c)—

(i) by striking out "(exceptional special obligations issued exclusively to the fund)"; and

(ii) by striking out ", and such" and all that follows through "accrued interest".

(3) Section 1410(b) (20 U.S.C. 4709(b)) is amended by striking out "be compensated" and all that follows through "section 5332" and inserting in lieu thereof "serve as a noncareer appointee of the Senior Executive Service and shall be compensated at a rate determined by the Board in accordance with section 5383".

AMENDMENT TO H.R. 2100, AS REPORTED OFFERED BY MR. CONYERS OF MICHIGAN

(Amendment 22 in Part 2 of the Report of the Committee on Rules)

At the end of title X (page 180, after line 8), insert the following new section:

SEC. 1033. REPORT ON MILITARY PERSONNEL IN COLOMBIA, PERU, AND BOLIVIA.

Not later than 90 days after the date of the enactment of this Act, and every 180 days thereafter, the President shall submit to Congress a report concerning members of the Armed Forces assigned or seconded to duty or serving in Colombia, Peru, and Bolivia for counter-narcotics purposes. The President may submit each report in classified or unclassified form as the President considers necessary. Each report shall provide the following information for the period covered by that report:

(1) The number of members of the Armed Forces assigned to permanent or temporary duty, seconded, or serving in these countries for counter-narcotics purposes at any time during the period covered by the report and the monthly status of these members.

(2) The missions, goals, and objectives of these members.

(3) The operational chain of command for these members and the control mechanisms being utilized to ensure that members of the Armed Forces do not assume law enforcement tasks or any operational role in counter-narcotics activities.

AMENDMENT TO H.R. 2100, AS REPORTED OFFERED BY MR. GLICKMAN OF KANSAS

(Amendment 23 in Part 2 of the Report of the Committee on Rules)

At the end of title X (page 180, after line 8), insert the following new section:

SEC. 1033. SENSE OF CONGRESS REGARDING REPAIR OF MCCONNELL AIR FORCE BASE CAUSED BY TORNADOES.

(a) FINDING.—Congress finds the following:

(1) On April 26, 1991, tornadoes caused extensive damage to McConnell Air Force Base in Wichita, Kansas.

(2) The immediate repair of the damage caused by the tornadoes is necessary to return this important military installation to its highest state of readiness and to provide the military personnel and their families stationed at this installation the necessary support facilities to assure a quality standard of living.

(b) SENSE OF CONGRESS.—It is the sense of the Congress that the Secretary of Defense and the Secretary of the Air Force should make every effort to expeditiously repair the damage to McConnell Air Force Base in Wichita, Kansas, caused by the devastating tornadoes on April 26, 1991.

AMENDMENT TO H.R. 2100, AS REPORTED OFFERED BY MR. ANDREWS OF MAINE

(Amendment 28 in Part 2 of the Report of the Committee on Rules)

At the end of title XXVIII (page , after line), insert the following new section:

SEC. 2832. FUNDING FOR ENVIRONMENTAL RESTORATION AT MILITARY INSTALLATIONS TO BE CLOSED UNDER 1991 BASE CLOSURE LIST.

(a) EXCLUSIVE SOURCE OF FUNDING.—(1) Section 2906 of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510) is amended by adding at the end the following new subsection:

"(d) BASE CLOSURE ACCOUNT TO BE EXCLUSIVE SOURCE OF FUNDS FOR ENVIRONMENTAL RESTORATION PROJECTS.—Beginning with fiscal year 1993, no funds appropriated to the Department of Defense may be used for purposes described in section 2905(a)(1)(C) except funds that are in the Account. The prohibition in the preceding sentence expires upon the termination of the authority of the Secretary to carry out a closure or realignment under this part.".

(2)(A) Section 2905(a)(1)(C) is amended by striking out "or funds appropriated to the Department of Defense for environmental restoration and mitigation".

(B) The amendment made by subparagraph (A) shall become effective on October 1, 1992.

(b) REPORT ON ENVIRONMENTAL RESTORATION COSTS FOR INSTALLATIONS TO BE CLOSED UNDER 1990 BASE CLOSURE LAW.—(1) Each year, at the same time the President submits to Congress the budget for a fiscal year (pursuant to section 1105 of title 31, United States Code), the Secretary of Defense shall submit to Congress a report on—

(A) the funding needed for the fiscal year for which the budget is submitted for environmental restoration activities at each military installation described in paragraph (2), set forth separately for each military installation; and

(B) a projection of the funding needed for such activities in each of the next four fiscal years at each of the military installations described in paragraph (2), set forth separately for each military installation.

(2) The report required under paragraph (1) shall cover each military installation which is to be closed pursuant to the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510).

MODIFICATION TO THE AMENDMENT OFFERED BY MRS. MINK OF HAWAII

(Amendment 29 in Part 2 of the Report of the Committee on Rules)

The amendment as modified is as follows:

At the end of title XXXI (page 283, after line 22), insert the following new section:

SEC. . SENSE OF CONGRESS CONCERNING TREATMENT OF STRATEGIC TARGET SYSTEM PROGRAM UNDER THE NATIONAL ENVIRONMENTAL POLICY ACT OF 1969.

It is the sense of Congress that the Strategic Target System program conducted by the Sandia National Laboratories of the Department of Energy at the Kauai Test Facility of the Pacific Missile Range Facility, Kauai, Hawaii, should be treated as a major Federal action significantly affecting the quality of the human environment for purposes of section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)).

MODIFICATION TO THE AMENDMENT OFFERED BY MR. BUSTAMANTE OF TEXAS

(Amendment 30 in Part 2 of the Report of the Committee on Rules)

The amendment as modified is as follows:

At the end of title XXXI (page 283, after line 22), insert the following new section:

SEC. 3136. FUNCTIONS OF THE DEFENSE NUCLEAR FACILITIES SAFETY BOARD.

(a) EXPANSION OF AUTHORITY TO INCLUDE ASSEMBLY FACILITIES.—Section 318 of the Atomic Energy Act of 1954 (42 U.S.C. 2286g) is amended in paragraph (1)(B) by striking out "assembly or".

(b) CONFORMING CLARIFICATION OF FUNCTIONS.—Section 312 of the Atomic Energy Act of 1954 (42 U.S.C. 2286a) is amended—

(1) by inserting "(a)" before "The Board shall perform"; and

(2) by adding at the end the following new subsection:

"(b) The functions of the Board under this chapter do not extend to the safety of atomic weapons. The Board shall have access to weapons information necessary to carry out the functions of the Board under subsection (a).".

The CHAIRMAN pro tempore. Pursuant to House Resolution 156, the gentleman from Wisconsin [Mr. ASPIN] will be recognized for 10 minutes and the gentleman from Alabama [Mr. DICKINSON] will be recognized for 10 minutes.

The Chair recognizes the gentleman from Wisconsin [Mr. ASPIN].

Mr. ASPIN. Mr. Chairman, this package contains 20 amendments that have been agreed to by both sides.

I would like to thank the gentleman from Alabama [Mr. DICKINSON] for his cooperation in this undertaking.

Six of these amendments have been modified from the version printed in part 2 of the report of the Committee on Rules providing for consideration of H.R. 2100, House Report 102-68.

Mr. Chairman, after the Committee rises, I intend to request general leave authority for Members to submit their written statements and have them appear along with their amendments. We do this in the hope that we can keep down the debate time taken up and appointed at this point.

The amendments to be considered en bloc include the following:

An amendment by the gentleman from Virginia [Mr. BATEMAN]; one by the gentleman from Utah [Mr. HANSEN]; one by the gentleman from Massachusetts [Mr. FRANK]; one by the gentleman from Michigan [Mr. CONYERS]; one by the gentleman from Virginia [Mr. PICKETT]; one by the gentleman from California [Mr. PANETTA]; one by the gentleman from Florida [Mr. BENNETT], which has been modified; one by the gentlewoman from Maryland [Mrs. BYRON]; one by the gentleman from Texas [Mr. FIELDS]; one by the gentlewoman from Maryland [Mrs. BENTLEY], which has been modified; one by the gentleman from North Dakota [Mr. DORGAN]; one by the gentleman from Ohio [Mr. TRAFICANT]; one by the gentleman from Massachusetts [Mr. MAVROULES], which has been modified; one by the gentleman from West Virginia [Mr. WISE], which has been modified; one by the gentleman from Mississippi [Mr. MONTGOMERY]; one by the gentleman from Michigan [Mr. CONYERS]; one by the gentleman from Kansas [Mr. GLICKMAN]; one by the gentleman from Maine [Mr. ANDREWS]; one by the gentlewoman from Hawaii [Mrs. MINK], which has been modified; and one by the gentleman from Texas [Mr. BUSTAMANTE], which has been modified.

Mr. Chairman, I yield 1 minute to the gentleman from Texas [Mr. BUSTAMANTE].

Mr. BUSTAMANTE. Mr. Chairman, I am pleased that the amendment to bring the Pantex nuclear weapons assembly facility under the jurisdiction of the Defense Nuclear Facilities Safety Board is being considered under the package of en bloc amendments.

The purpose of this amendment is to include the Pantex site within the definition of nuclear facilities and the oversight of the Defense Nuclear Facilities Safety Board.

It is our intent that the Board be responsible for oversight of safety and health issues related to the assembly and disassembly process of nuclear weapons and weapons components located at the Pantex facility.

The proposed amendment does not expand the jurisdiction of the Board to include safety review of the original design of the weapon, transportation of the weapon outside the facility, or operational safety of the weapon.

However, the Board is to have access to all weapons design information necessary to fulfill its oversight responsibility at the Pantex site.

I want to thank Representatives PHIL SHARP and MIKE SYNAR for their cooperation and work on this amendment. This amendment really builds on their past work in this area.

I would also like to thank Representative BILL SARPALIUS for his input in shaping this amendment and for his support. Pantex is the largest employer in Representative SARPALIUS' district, and his backing was critical to the making of this amendment.

Finally, I would like to thank Representative JOHN SPRATT, chairman of the DOE defense nuclear facilities panel, and staffers Bob DeGrasse and Bob Schafer for their encouragement and for their efforts to improve this amendment.

Mr. ASPIN. Mr. Chairman, I yield 1 minute to the gentleman from Texas [Mr. SARPALIUS].

Mr. SARPALIUS. Mr. Chairman, I rise in support of this amendment to H.R. 2100, which would modify section 318 of the Atomic Energy Act of 1954.

First, I want to make it clear that I represent the Government facility affected by this amendment. By passing this amendment, it merely brings the Pantex nuclear weapons assembly facility in Amarillo, TX, under the safety oversight of the Defense Nuclear Facilities Safety Board.

This board currently has oversight over the 11 other nuclear weapons manufacturing sites in this country and this amendment extends that oversight to Pantex. I think this is a healthy amendment that will instill confidence in my constituents that the Federal Government is diligent in safeguarding their health and safety and protecting our environment.

Residents of the Texas Panhandle have enjoyed a great relationship with the Department of Energy. I want to see that relationship continue and grow. I believe the independent oversight by the Nuclear Facilities Safety Board will do nothing but help to foster an even better relationship.

I urge my colleagues to join me in the adoption of this amendment.

Mr. ASPIN. Mr. Chairman, I yield 1 minute to the gentleman from North Dakota [Mr. DORGAN].

Mr. DORGAN of North Dakota. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, my amendment would try to get the Department of Defense to start buying ethanol fuel. They are now required to do so, but the law is littered with exemptions for it. In fact, last year the Federal Government bought 160 million gallons of fuel. We have over 400,000 gasoline-powered vehicles in the Federal Government and only four one-hundredths of 1 percent use ethanol fuel.

We ought to be the leader in stimulating the demand for ethanol. The Department of Agriculture requires that its 32,000 vehicles use ethanol, but only 2 percent of them do because they cannot find ethanol because DOD buys the fuel and they do not buy ethanol; so my amendment would require that the DOD start buying ethanol. Actually that is a requirement that is in the 1980 law, and also that they review the current exemptions for the entire Federal fleet.

I would like to see those 400,000 vehicles in the Federal fleet use ethanol. The way to start that is to get the DOD and its fuel dumps or fuel depots to have ethanol on hand.

I thank the gentleman for his cooperation on this amendment.

Mr. ASPIN. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. PANETTA].

Mr. PANETTA. Mr. Chairman, I want to thank the distinguished chairman of the Armed Services Committee and also the members and staff of the Energy and Commerce Committee who worked with me on an amendment to expedite the studies that would be made for cleanup on bases that are targeted for closure.

□ 1420

Mr. Chairman, it is absolutely essential, if those bases are to close, that we not penalize the communities by having them just sit there. It is essential they be cleaned up. This amendment will help in that regard.

Mr. Chairman, I thank the gentleman for his cooperation.

Mr. Chairman, I am pleased today to be able to thank the distinguished chairman of the Armed Services Committee for his incorporation of a very important and urgent amendment into an en bloc amendment for consideration by the full House of Representatives.

My amendment would require the Department of Defense to complete remedial inves-

tigations and feasibility studies required for the restoration of contaminated sites on military bases due to be closed in a timely manner. It would affect only those military installations designated as Superfund sites by the Environmental Protection Agency [EPA] and slated for closure by the 1989 and 1991 base closure lists.

This amendment would address a serious deficiency in current law in urgent need of correction. Under current law, a Federal agency with a facility on the Superfund national priorities list [NPL] must commence a remedial investigation and feasibility study of the facility within 6 months of its listing on the NPL. Further, section 120(e) of the Comprehensive Environmental Response, Compensation, and Liability Act [Superfund] requires the administration and appropriate State officials to "publish a timetable and deadlines for expeditious completion of the investigation and study phase of the cleanup."

The amendment would clarify the existing requirement for the expeditious completion of RI/FS's at Superfund sites by imposing a deadline of 30 months from the date of enactment of this bill for the completion of such investigations and studies at military posts to be closed pursuant to this year's base closure process. It would also impose a deadline of 18 months from the enactment of the bill for the completion of RI/FS's at bases designated for closure in 1989. Once again, the amendment would govern cleanup RI/FS's only at military bases designated as Superfund sites and slated for closure by the 1989 and 1991 base closure lists.

The overall average for remedial investigations and feasibility studies for the entire Superfund program has been approximately 24 months. Thus, the deadlines at which we have arrived are eminently reasonable and fair to the Department of Defense and in the interests of each community's environment, the States and the EPA. Let me also emphasize that the deadlines in this amendment do not authorize any delay in currently scheduled RIFS's. Rather, the amendment is intended to set out deadlines which do not currently exist in the Superfund statute for completion of RIFS's at closing military bases. In addition, I would note that the amendment would not supersede the provisions of the National Environmental Policy Act as they relate to environmental impact statements on military installations.

Mr. Chairman and colleagues, we are faced with a grave crisis in the base closure process, a crisis that has gone largely unrecognized, particularly in the Department of Defense. Everyone has heard the Department's siren song: All we have to do, the song goes, is sell off each service's "prime real estate," and the Federal Government will recoup great windfalls.

Mr. Chairman and colleagues, I am here to tell you that it simply is not so. That position is a great simplification bordering on falsehood. The facts are, no part of any base placed by the Environmental Protection Agency [EPA] on the national priority list, the so-called Superfund list, can be touched by any other agency or local government or private interest until the entire base has been completely cleansed of all ordnance and hazardous waste. Moreover, this process may last as long as 20 years at some military installations.

I am devoted to the total restoration of all military posts before their transfer to other interests. I will not allow any degradation of the cleanup process to occur. Make no mistake, however. I am determined to find a way safely to expedite this process. I am also convinced that the Congress will not allow unnecessary delay in the Defense Department's conduct of the cleanup process. Let this amendment serve notice that the Congress will find the resources, the manpower and the technology to ensure that the Defense Department acquits its responsibilities to our communities, our environment, and our Nation in a safe and efficacious manner. This amendment is the first step in our effort; many other steps need to be taken. I understand that the Energy and Commerce Committee will be examining these and other issues raised by the base closure process this summer, and I commend the committee for its interest.

Mr. Chairman, I am privileged to have had the cooperation and assistance of the distinguished chairmen of the Energy and Commerce Committee, the Armed Services Committee and the Subcommittee on Transportation and Hazardous Materials, as well as the able staff of each of these gentlemen, in the conception and drafting of this provision. I want to take this opportunity to thank each of them and to offer my commitment to continuing to work with them and with other colleagues to improve the Defense Department's ability to restore its polluted lands and waters both expeditiously and thoroughly.

Mr. Chairman, I urge my colleagues strongly to approve the committee's en bloc amendment, including as it does this provision so vital to communities throughout the Nation.

Mr. ASPIN. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. MAVROULES].

Mr. MAVROULES. Mr. Chairman, I have an amendment in the en bloc package that is aimed at consolidating and clarifying existing statutes relating to post-employment restrictions for Government workers.

I want to thank the chairman of the other committees and their staffs who have been working with us—Chairman BROOKS, Judiciary, Chairman CONYERS, Government Operations, and Chairman DINGELL, Energy and Commerce, for their cooperation and for allowing me to pursue this amendment to the DOD Authorization Act. I also want to assure my colleagues that I fully recognize their concerns, that the DOD authorization bill is not the appropriate vehicle for considering Governmentwide changes to revolving door—and that we are not attempting to subvert their jurisdiction in these matters by the action we take today.

During conference, we will work together to make changes to which we can all agree. However, if there is no agreement, then we will make no changes to the underlying statutes. I do hope, however, that ultimately we can make some very necessary changes to our revolving door statutes.

Mr. ASPIN. Mr. Chairman, I yield 1 minute to the gentleman from Michigan [Mr. CONYERS].

Mr. CONYERS. Mr. Chairman, I support the amendment of my distinguished colleague from Massachusetts contained in the en bloc amendments. It represents a great deal of hard work. It was drafted by a coalition of the Government Operations Committee, together with the Armed Services Committee, and others, intent on bringing order and sense to the laws which now govern ethics in Federal contracting.

This is a matter squarely within the jurisdiction of the Government Operations Committee, which I chair. Accordingly, it is troubling to me that we are once again in the position of using a Defense authorization bill to enact this Governmentwide procurement legislation. I understand that the leadership of the Armed Services Committee has come to share my view on this problem, and I doubt that we will see this in the future.

But notwithstanding my difficulty with the choice of the Defense authorization bill as a vehicle for this reform, I think it is a well-considered step toward uniformity and relative simplicity in the Government's revolving door statutes. It will repeal certain revolving door statutes which I think rightly have been called duplicative and overly complicated, while maintaining a strong Governmentwide statute.

This amendment also strengthens existing procurement integrity controls, which govern gifts and gratuities and other improper contacts between contractors and Government officials, chiefly by extending those controls to the post-award period during which a contract is administered and performed.

Based on hearings held by my committee over the past few years into abuses in the procurement system, including fraud in major weapons systems contracts, I can assure you that a strong system of ethics in Federal procurement is needed now more than ever. This amendment will contribute substantially toward that goal, and I urge its adoption.

Mr. ASPIN. Mr. Chairman, I yield 1 minute to the gentleman from Kansas [Mr. GLICKMAN].

Mr. GLICKMAN. I thank the gentleman for yielding time to me.

Mr. Chairman, I rise in support of the en bloc amendments offered by the gentleman from Wisconsin, Mr. ASPIN. Part of that en bloc amendment is language I proposed with respect to tornado damage in my hometown.

Mr. Chairman, a prominent part of my hometown of Wichita, KS, is McConnell Air Force Base. McConnell plays an integral role in the Wichita community and all of south central Kansas, affecting the employment of thousands of Kansans and the eco-

nomic stability and development of the entire region.

Of even greater significance to this Nation, the people, the facilities, and the equipment at McConnell provide an integral component to our strategic defense system. This military facility is the base to almost one-fifth of this Nation's fleet of B-1B bomers, an entire wing of KC-135 refueling tankers as well as a significant number of Kansas National Guard aircraft.

On April 26, 1991, several tornadoes ripped through Wichita and its surrounding area, killing 19 people, causing hundreds of millions of dollars of property damage and devastating the lives of many in this community. At least one tornado went directly through the heart of the base, destroying the hospital, the gymnasium, the noncommissioned officer's club, the recreation center and the base credit union, while damaging several other buildings, including base housing, the child care center, and the elementary school for dependents of military personnel.

The Air Force's preliminary cost estimate on the damage at McConnell is $85 million. This Nation is fortunate the tornado did not damage any of the military hardware based at McConnell, which could have resulted in, literally, billions of dollars of damage. However, all the facilities it did heavily damage or destroy directly support the quality of life of base personnel. Significant funds will be needed to clean up and eventually rebuild the facilities affected by these killer storms.

With this in mind, I have introduced an amendment expressing the sense of the Congress that the Department of Defense and the United States Air Force should make every effort to expeditiously repair the damage incurred by McConnell Air Force Base in Wichita, KS, caused by the devastating tornadoes on April 26, 1991. This amendment is supported by the committee and has been included in the en bloc amendment.

My amendment further expresses the sense of Congress that such repair is necessary to return this important military installation to its highest state of readiness and to provide the military personnel and their families stationed at McConnell Air Force Base the necessary support facilities to assure a quality standard of living.

I want to thank my friend PATRICIA SCHROEDER, chair of the Armed Services Subcommittee on Military Installations and Facilities and the distinguished chairman of the full Armed Services Committee, LES ASPIN, for their assistance during this difficult period at McConnell. Their support will certainly help maintain McConnell's high state of readiness while ensuring a high quality of life for the personnel who serve there.

Mr. ASPIN. Mr. Chairman, I have no further requests for time, and I reserve the balance of my time.

(By unanimous consent, Mr. DICKINSON was allowed to speak out of order.)

Mr. DICKINSON. Mr. Chairman, if I may have the attention of the gentleman from Wisconsin, the chairman of the committee, I would like to discuss briefly what I anticipate to be the schedule for the balance of this bill.

As the minority, we have the right to a motion to recommit. It is my intention to take advantage of this position, but it will be without instruction.

I have 10 minutes on the en bloc amendments, and I do not anticipate that there will be any vote here. I would ask that if I am offering my motion to recommit without instructions, since there will be no debate time, I would request 5 minutes to discuss final passage. As far as I know, it is my understanding there would be no vote on this side at least; no request for a vote at the end of the en bloc amendments. There will be some discussion. Then there will be, when we go into the House, a motion to recommit, some discussion but no vote will be called for. Then there will be a vote on final passage.

Mr. Chairman, would the gentleman from Wisconsin see any objection to this, or does he see it differently?

Mr. ASPIN. Mr. Chairman, will the gentleman yield?

Mr. DICKINSON. I yield to the gentleman from Wisconsin.

Mr. ASPIN. I thank the gentleman for yielding.

Mr. Chairman, I thank the gentleman for his explanation of his intentions. Let me say we certainly see no problem with what the gentleman wants to do. We want to thank the gentleman from Alabama for his cooperation and want to thank him and the gentleman from Arizona and others who have been trying to work on a motion to recommit. We ran into some difficulty with it. But we have sympathy with the position of the gentleman from Alabama and the gentleman from Arizona and will pursue that in another piece of legislation.

I want to thank the gentleman from Alabama for his cooperation on the bill.

Mr. DICKINSON. I thank the gentleman.

Mr. Chairman, I yield back the balance of my time on that portion and go back to my statement for consideration of the en bloc amendments.

The CHAIRMAN pro tempore (Mr. COX of Illinois). The gentleman from Alabama [Mr. DICKINSON] will be recognized for 10 minutes.

The Chair recognizes the gentleman from Alabama [Mr. DICKINSON].

Mr. DICKINSON. Mr. Chairman, I yield 2 minutes to the gentleman from Utah [Mr. HANSEN].

Mr. HANSEN. I thank the gentleman for yielding.

Mr. Chairman, we have a problem with chemical weapons. In that the Congress has decided that they are going to demil all of our unitary weapons. We have a lot of them scattered all over the United States and in other areas.

We have mandated that this will be done. Now, in Johnston Island, 776 miles southwest of the Hawaiian Islands, we have a baseline technology. That is working at this present time on and off, and we hope that it is going.

We are building another one in Terwilla, UT, right now where we have 42 percent of all unitary weapons. Of those 42 percent, about half of them are leakers. So they put them in coffins, then they leak again, and they put them in another coffin. At other places in the United States we have unitary weapons, and the next one will be at Anniston, AL.

We have what we call baseline technology in Johnston Island and Terwilla. Now, when you go to the local building inspector and you say, "Come on in and give us a permit to build this thing," he is accustomed to doing houses, stores, service stations. Now, you say, "Here is a little $200 million deal that we are going to do, and we want you to give us a permit to do it." He has no way of knowing how.

So the States and local entities throw up their hands in despair and say, "How do we possibly do this?" They have no way to figure it out.

So, in effect, they can block what we are trying to do. In effect, they would be blocking our treaties with other nations if we cannot come to some meeting of the minds as to how to work out a permit.

So the Army has merely asked that they can work with the States and work with local entities in coming up with permits to handle these very complicated structures, such as the baseline or whatever other system may be used.

So this amendment is very simple. It just allows the Army to work with the local entities in taking care of permits to build these very necessary facilities which will be part of treaties which we have all been hoping for for many years.

Mr. DICKINSON. Mr. Chairman, I yield such time as he may consume to the gentleman from Rhode Island [Mr. MACHTLEY].

Mr. MACHTLEY. Mr. Chairman, I rise in support of the Frank amendment, which seeks to delay until fiscal year 1993 the groundwave emergency net program, known as GWEN. I think in the time of the cold war, with the lessened tensions around the world, is an appropriate time for this amendment and one which we should pass.

Mr. DICKINSON. Mr. Chairman, I yield such time as she may consume to

the gentlewoman from Maryland [Mrs. BENTLEY].

Mrs. BENTLEY. I thank the gentleman for yielding time to me.

Mr. Chairman, my amendment included in the Department of Defense authorization bill is a noncontroversial measure since it simply mirrors the intent of the Department of Defense Federal Acquisition Regulations.

Mr. Chairman, the purpose of this amendment is simple and straightforward. It requires DOD to employ U.S.-flag vessels for the ocean transportation of all components and ingredients of equipment, materials, commodities, or supplies.

The U.S. attorney general's office said that components of equipment are subject to the cargo preference requirements. My amendment will prevent this very important issue from further questionable interpretations and will help ensure that U.S. taxpayers dollars are spent in support of U.S. industry, the U.S. economy, and not those of foreign nations.

I urge my colleagues to support my amendment.

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Mr. DICKINSON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, last year I stood on the floor and announced that, while I had no particular heartburn with any of the individual amendments contained in the en bloc package, I did have some reservations about the fairness of the process by which the committee fashioned that package.

Today I find myself in somewhat of a role reversal. I am generally pleased with the process this year, but have some questions concerning a few of the so-called noncontroversial amendments that comprise this year's package. I should state that Chairman ASPIN and I have an informal understanding between us which precludes any amendment proposed for en bloc from being accepted if I don't agree to it. Obviously, I don't find any of the amendments in this en bloc package so egregious that I have asked they be pulled out and voted on separately. This doesn't mean that a few of them aren't borderline, though. Indeed there are several in the borderline category, and I would like to submit my views on them for the record.

However, as I stated Monday when we were discussing the rule, the process by which all of the amendments submitted to the Rules Committee were narrowed down to those we have debated and those that are included in this en bloc package was a fair one. I have no complaints about the manner with which Republican Members' amendments were considered. Unlike last year, when our side had process problems with the final en bloc package, this year we were treated equitably. I would like to thank Chairman ASPIN and the Rules Committee for taking the steps necessary to turn the situation around from a year ago.

Mr. Chairman, I support adoption of this amendment and reserve the balance of my time.

Mr. DICKINSON. Mr. Chairman, there are three amendments in the en bloc package that I would like to call to my colleagues' attention.

First, there is a sense of Congress amendment that the Secretary of Defense should issue a special commemorative card to each member of the Armed Forces who served on active duty during the Persian Gulf conflict and was a participant in that conflict. While on its face the amendment seems like a noble thing to do by recognizing only those who participated in the Persian Gulf conflict, it overlooks those who served in a backup role, as well as those who would gladly have served had they been ordered to do so. Moreover, it sets apart our Persian Gulf veterans from our World War II, Korean War, Vietnam War, Grenada, Just Cause, and other veterans. In attempting to recognize the heroics of our Desert Storm veterans the amendment unwittingly characterizes those who did not participate and those who participated in other conflicts as second-class citizens. In summary, I don't think this well intentioned amendment was a well conceived one, and unless we can substantially modify it, I will request to drop it in conference.

The en bloc package also includes an amendment which further revises the procurement conflict of interest laws. This amendment takes a step in the right direction by beginning to chip away at the double standard, presently found in law, which places more restrictions on employees of the Department of Defense than the rest of the Federal work force. Unfortunately, this very modest step ignores many of the remaining drastic and counterproductive revolving door type of restrictions which are scheduled to become effective at the end of this month. It is regrettable that Congress will allow these flawed restrictions to go into effect knowing full well that they will drive many qualified employees from Federal service and keep a larger number from ever entering. I hope that we can build on the amendment in conference by directly attacking the problems plaguing the body of procurement law. We should do away with the remaining DOD-specific restrictions as well as the duplication and definitional problems still found in the statutes. More importantly, we should once and for all reject further attempts to legislate in this area on the basis of perceived problems instead of real ones.

Finally, there is an amendment which does not fit my borderline category but rather is actually a good government idea. The problem is that it is so narrowly targeted at two particular military installations in a single district, when it should be applied to installations in everyone's district. The amendment proposes to use the proceeds from the sale of lost, abandoned, or unclaimed property found on Naval Base Norfolk and Naval Air Station Norfolk: First, to cover the costs incurred to collect, transport, store and sell the property; and second, should these costs be reimbursed in full from the proceeds of the sale, to apply any remaining funds to support morale, welfare, and recreation activities at the installations. This makes sense to me! So why not make the provision applicable across the board—as, I might add—it's author initially intended? The answer apparently lies in the fact that this amendment creates an appropriation in an authorization bill, because the two installation commanders in question would have the authority to spend the money they collected without any further action by the Committees on Appropriations. I will work to broaden this amendment in conference and will also try to strike a deal with the Appropriations Committee to get an expanded version agreed to.

Mr. ANDREWS of Maine. Mr. Chairman, we all agree that unneeded military facilities must be scaled back in a fair and equitable manner. Many of the installations proposed for closure and realignment, however, suffer from moderate to severe environmental hazards.

This greatly concerns me. The DOD has a responsibility to fund needed environmental cleanup at all its U.S. military facilities, open or closed. Years of environmental contamination have taken their toll at military facilities in every State in the United States.

As part of Chairman ASPIN's en bloc amendment is a measure I am offering to ensure proper clean up for the next round of base closure sites. This amendment requires the Department of Defense to fund environmental restoration of closed or realigned facilities out of the base closure account 1990 and provides for reporting of these requirements with the submission of the fiscal year 1993 budget request.

Last year Congress established a dedicated funding source within the base closure account 1988—the first round—for environmental restoration purposes. My amendment will make this the law for the base closure account 1990, beginning in 1993.

The DOD plans to close and then transfer bases to the public. Prior to transfer of the land, these installations must meet certain environmental standards quickly, which is difficult without changing laws or increasing cleanup funding for sites on the closure list. Without a funding source for environmental restoration within the base closure account 1990, the Defense Environmental Restoration Program must pay for these activities, perhaps by rearranging its worst-first standard and postponing needed environmental work already planned at over 17,000 sites at more than 1,800 operating facilities.

In fiscal year 1992, the Defense Department estimates that $133 million is needed for environmental restoration at facilities slated for closure or realignment in round II. At least another $158 million will be required in fiscal year 1993. We still do not have an accurate estimate for the total clean-up costs of these sites proposed for closure and realignment.

Rather than force a trade-off between funding operating and closing facilities, this amendment would establish separate funding sources in fiscal year 1993 to enable both efforts to receive needed environmental work. This amendment would also require DOD to submit a 5-year estimate of the costs for environmental restoration associated with closure and realignment at the round II facilities.

We cannot afford to wait any longer. We must put our country's military facilities in order and protect our citizens from the hazards of environmental pollution in their own communities. I urge my colleagues to support this amendment and help speed up the environmental restoration of this nation's military facilities.

Mr. SYNAR. Mr. Chairman, I rise in support of the amendment offered by my colleague from Texas, Mr. BUSTAMANTE. A year and a half ago, Mr. BUSTAMANTE asked me, as chairman of the Government Operations Subcommittee on Environment, Energy, and Natural Resources, to help him investigate reports of safety and environmental problems at the Pantex nuclear weapons plant near Amarillo, TX. So we asked the U.S. General Accounting Office to review the status of Pantex for us. On April 15 of this year, GAO issued a report confirming that there were numerous instances of safety problems at Pantex and reporting that Pantex has one of the worst worker safety records of all DOE facilities.

The Bustamante amendment would extend the jurisdiction of the Defense Nuclear Facility Safety Board, an independent agency created by Congress to oversee the DOE's nuclear weapons plants, to Pantex. With the board's oversight, made possible with this amendment, I sincerely hope that the next time we send the GAO to Pantex their report will show operations at Pantex to be much improved. I also want to commend the Armed Services Committee for recognizing the merit of this amendment.

Mr. SWIFT. Mr. Chairman, I would like to commend the gentleman from California [Mr. PANETTA], on his amendment to H.R. 2100, which will put the Department of Defense on an enforceable schedule for completion of remedial investigations and feasibility studies [RI/FS] at those closing military bases which are listed on the Superfund national priorities list.

As chairman of the Energy and Commerce Subcommittee on Transportation and Hazardous Materials—which has legislative jurisdiction over the Superfund program—I recently held a hearing on Federal facilities compliance with our Nation's hazardous waste laws. As most of us know, Mr. Chairman, that compliance record has been abysmal, resulting in a significant number of Department of Defense installations winding up on the Superfund list.

In the Superfund Amendments and Reauthorization Act of 1986, we required that the Administrator of EPA include on the Superfund national priorities list all Federal facilities which met the criteria established under the national contingency plan for determining response priorities for releases of hazardous substances.

Once a Federal facility was included on the NPL, the Department owning the facility—in this case, the Department of Defense—was required to commence a remedial investigation and feasibility study for that facility within 6 months. EPA and the appropriate State authorities were then to publish a timetable and deadlines for expeditious completion of the RI/FS.

As most Members know, the RI/FS is an extremely important step at a Superfund site; it is an in-depth characterization of the hazards at a site and provides the blueprint for cleanup. It is crucial that the RI/FS be completed in a timely manner, so that the complex and expensive cleanup activities can begin.

Unfortunately for the communities surrounding closing military bases that are also Superfund sites—which potentially include Fort Ord in Mr. PANETTA's district in California and the Whidby Island Naval Air Station in my district in Washington—the Department of Defense is not as far along as they should be in finishing the RI/FS process and beginning the cleanup. This means that those communities will be even more economically disadvantaged by the closing of the base than they otherwise would be, since environmental contamination will prevent them from making productive use of the property for several years.

Mr. PANETTA's amendment promises to do something about this situation, by giving DOD a firm deadline by which they must have completed the RI/FS process, and so begin actual cleanup.

I'd like to express a note of caution, however, for DOD. The Superfund law requires, as I've noted, expeditious completion of remedial investigations and feasibility studies at Federal NPL sites. The timelines contained in the Panetta amendment are not to be taken as an excuse to drag the process out until the very last minute; they do not stand as the definition of "expeditious completion." Instead, the timelines contained in the Panetta amendment are outside deadlines by which the RI/FS must be complete; a date representing expeditious completion of the RI/FS at many of the NPL sites on the base closure list may very likely fall much earlier than the deadlines contained in the amendment, and in those cases, the committee expects those RI/FS to be complete within that earlier timeframe.

Again, I commend the gentleman from California for this fine effort. I appreciate his working with the Energy and Commerce Committee on his amendment, and urge its passage.

Mr. DURBIN. Mr. Chairman, the amendment I have joined the gentleman from North Dakota [Mr. DORGAN] in offering puts the goal of Congress to increase the use of ethanol back on track. In the wake of the Persian Gulf war and with increasing concern over the environment, ethanol has a greater role to play in our Nation's energy policy than ever before.

It has already been the law of the land for a decade that whenever possible Federal vehicles should operate on motor fuel containing 10 percent ethanol. Every car sold in America today can operate safely on a 10-percent ethanol blend, and each time we fill up the tank with ethanol blends we reduce our need for imported oil from trouble spots such as the Middle East.

Yet, despite the clear benefits of using alternative fuels, virtually none of the fuel purchased by the Federal Government today contains ethanol.

Federal law permits exemptions where they are legitimately necessary, but these exemptions have been abused. Our amendment would close some of the out-of-date and unnecessary loopholes which are preventing the Federal Government from taking full advantage of ethanol.

The Defense Department is the bulk purchaser of motor fuel for all Federal agencies. Our amendment requires that DOD purchase ethanol blends as long as the price of the ethanol blend is the same as or lower than the price of unleaded gasoline. This will ensure that DOD purchases ethanol for fleet vehicles even if the agency doesn't specifically request it.

With regard to the Defense Department's purchases for its own use, our amendment requires that the Secretary of Defense review all exemptions that have been granted and terminate any exemptions that he determines are no longer appropriate. Any remaining exemptions, if any, shall be justified in a report to Congress within 90 days.

I believe that when the existing exemptions are reviewed, the Department of Defense will find that most of them are groundless. When ethanol is already blended into 8 percent of the entire U.S. gasoline supply and American consumers have traveled nearly one trillion miles in vehicles fueled by ethanol blends, there is no good reason why the Federal fleet cannot use ethanol. Considering our dependence on foreign imports for more than 50 percent of the crude oil we need to meet our energy requirements, it is long past time to take advantage of the benefits of using domestically produced, renewable ethanol whenever possible.

Mr. WISE. Mr. Chairman, within this en bloc amendment, I am offering an amendment that will help welcome home the veterans of the Desert Shield/Storm conflict in the gulf.

The amendment seeks the sense of Congress in requesting that the Secretary of Defense issue a special commemorative card to each member of the Armed Forces who served on active duty during the Persian Gulf conflict. This card is in no way intended to replace or interfere with the current military identification process.

The reason for this amendment stems from a program to benefit Desert Storm veterans that I am currently working on in West Virginia. The Desert Storm Discount Program in West Virginia was kicked off on Saturday and 400 businesses across the State are participating by giving a 5 to 50 percent discount to the veterans who served in the Desert Storm conflict.

To make this program work, a special identification card was needed for each veteran in West Virginia. Because National Guardsmen, reservists, and all branches of the active Armed Forces were involved with the gulf conflict, it was difficult to identify all of the soldiers who participated. Only with the help of the West Virginia National Guard and their liaisons to the other branches of the Armed Forces were we able to piece together a complete list. This amendment would save veterans' groups and other civic organizations a considerable amount of time and money in their efforts to show support for the veterans of the Gulf conflict.

In addition, when I was home 2 weekends ago, I met a young soldier who had just gotten home from the gulf. When talking abut the Desert Storm Discount Program, he showed me a card that he purchased as he was leaving Saudi Arabia. The card is similar to a credit card; it bore his signature, it was red, white, and blue, and it had a picture of a tank on it. He is very proud of this card because it is a commemorative card honoring him for his ef-

forts in the gulf. Unfortunately, the only cards available to veterans today are those that they purchased on their own, as my constituent did for 90 cents from two entrepreneurs in Saudi Arabia. It is my hope that the Congress will make this appropriate and timely gesture in support of our troops.

We have learned many lessons from our involvement in Vietnam, but one of the most important is that we cannot afford to neglect those who sacrificed for our country. If we do not want to create another generation of young Americans who feel alienated, forgotten, and disenfranchised by their government, we must make every effort, large and small, to express our gratitude. It is my hope that my amendment will help in this effort.

I hope that you will support my amendment to H.R. 2100.

Mr. LANCASTER. Mr. Chairman, I rise in support of this amendment. In my capacity as chairman of the Armed Services Committee Panel on Morale, Welfare and Recreation, I am well aware of the valuable services provided to our military men and women by this program.

I have visited many military installations to observe efforts to improve quality of life. It is heartening to see the military and their families making the extra effort to generate community funding including volunteerism in child care, Red Cross, family services, and active efforts in recycling. These people have dedicated themselves to helping their community by making up for shortfalls in appropriated fund support. This is one small way we can reciprocate for their dedication.

Allowing this procedure will provide a needed source of revenue to continue programs such as libraries, athletics, recreation, and child care. I urge my colleagues to vote with me in supporting this worthwhile program.

Mrs. MINK. Mr. Chairman, I come before you today to ask your support for my amendment to H.R. 2100, the Defense Authorization Act of 1991.

My amendment would express the sense of the Congress that the Strategic Target System Program [Stars] to be conducted at the Pacific Missile System Range Facility on Kauai, State of Hawaii, should be treated as a major Federal action and that Army Strategic Defense Command should complete an environmental impact statement.

The Stars Program, part of the strategic defense initiative would launch modified Polaris missiles with about 650 pounds of payload capability from the Pacific Missile Range Facility on Kauai to Kwajalein Atoll in an attempt to simulate missile re-entry. The Army has planned up to 40 launches over the next 10 years. Four launches per year with the first test launch scheduled for this month.

In July 1990 the Army completed an environmental assessment [EA] which concluded that the Stars Program would have no significant impact on the human environment surrounding the Pacific Missile Range Facility.

After careful review of the environmental assessment, the entire Hawaii congressional delegation, the Governor of the State of Hawaii, the mayor of Kauai, and the Kauai County Council, raised concerns that were not adequately addressed in the EA. These concerns include the following:

First, the aging characteristics of the 20-year-old Polaris booster that may increase the likelihood of a malfunction or explosion;

Second, accidents may occur during transportation of the liquid propellant over Kauai's roads;

Third, freon emissions from the missiles will deplete the ozone and hydrogen chloride emissions will adversely affect air quality;

Fourth, the launches may damage the nearby Nohili Dunes, which contain Hawaiian burial grounds and native strand vegetation;

Fifth, the launches may damage nearby Polihale State Park, which provides habitat for rare and endangered native Hawaiian plants and recreational areas for visitors and local residents;

Sixth, the launches may damage nearby Na pali Coast State Park;

Seventh, the project will require periodic closure of the Barking Sands recreation area, which visitors and local residents use for fishing, surfing, swimming, and other recreational activities;

Eighth, the launches may damage the nearby Mana wetlands, which provide essential habitat for four species of endangered Hawaiian waterbirds;

Ninth, the launches may endanger the Laysan albatross and candidate endangered plants which grow within the launch hazard area;

Tenth, the launches may harm the endangered humpback whale, the endangered Hawaii monk seal, and the threatened green sea turtle, all of which inhabit the waters offshore of the launch site;

Eleventh, noise from the launches may harm endangered forest birds that reside in the uplands north of the launch site; and

Twelfth, lights at the launch site may disorient fledgling birds of the threatened Newell's shearwater species.

Despite these environmental and safety concerns raised by the previously mentioned parties, the Army has adamantly denied the request for an EIS.

The matter was taken to Federal district court by the State of Hawaii and by the Sierra Club. Last week Friday, the U.S. Federal District Court in Hawaii issued a decision which determined that with respect "to hydrogen chloride [HCL] and freon emissions, the State is entitled to judgment as a matter of law on its NEPA claim".

The court said that the environmental assessment is inadequate to determine whether HCL and freon emissions of the STARS project may have a significant environmental impact. Accordingly, the court did not order the preparation of a full EIS, but required the Army to remedy the deficiencies in its EA on these two accounts.

The court then concluded by enjoining any further activity by the Army with respect to the STARS project on Kauai until the Army has supplemented its EA as directed by the court.

The court's decision was partially supportive of our State's claim, but while all options are being reviewed, it is important for this amendment to be acted upon to specify that this launch is a major Federal activity which requires the preparation of a full environmental impact statement.

The court's failure to require an EIS leaves a number of health, safety, and environmental concerns that have not been adequately addressed. Therefore, it is imperative that the Congress pass this amendment to ensure the continued safety of the residents of Kauai and the protection of our environment.

We in Hawaii continue to support the activities of the armed services in our State. However, these activities should comply with State and Federal law and be carried out in a safe and environmentally responsible manner.

For the sake of ensuring that the environment is protected from harm, I urge Members to vote "yes" on the en bloc amendments.

Thank you Mr. Chairman.

Ms. PELOSI. Mr. Chairman, I rise in support of Mr. PANETTA's amendment which is included in the chairman's en block amendment. This amendment would achieve the much needed goal of speeding up some of the preliminary studies for base closures included on the national priority list of Superfund sites.

The recent base closure list submitted to the Base Closure Commission by the Secretary of Defense includes 16 bases on the national priority list. One-fourth of these bases are in California, and one of them happens to be in my district.

For years, the people of San Francisco look to Hunters Point annex as a potential resource for our community, in the hopes that it might be either revitalized as a Navy base or utilized in a meaningful way for the surrounding neighborhoods.

Now, a recommendation has finally been made for closure, but because the base is a Superfund site, it could be years before these dreams for the community are realized. Mr. PANETTA's amendment addresses the important concern of laboring through unnecessarily long preliminary studies which could be expedited. The study period by the Department of Defense is often as long as 3 years; the amendment would reduce this time, in some cases, by almost 2 years without risking human health or safety.

Base closures are intended to save the Federal Government money. Many of the bases that are also NPL sites include in their cost-savings analysis land sales. As we have found with Hunters Point, cost savings for the Navy and reuse by the community will be dependent on the timing of the Superfund cleanup effort.

I believe the study time can safely be shortened to move the cleanup study process along to create a safe environment for reuse of our military installations for the public good.

I also want to express my strong support for the amendment proposed by Mr. ANDREWS of Maine which would authorize continued funding for environmental restoration of closed military bases. There are over three times the number of NPL bases on Secretary Cheney's list, compared to the 1988 base closure list. We must be able to ensure the safety of these bases for future use by our communities.

I appreciate the work of Mr. PANETTA and Mr. ANDREWS to encourge the environmental restoration of military bases being recycled for public use and I urge my colleagues to support these measures.

Mr. DICKINSON. Mr. Chairman, I reserve the balance of my time.

Mr. ASPIN. Mr. Chairman, I have no further requests for time and yield back the balance of my time.

The CHAIRMAN pro tempore [Mr. COX of Illinois]. Does the gentleman from Alabama [Mr. DICKINSON] yield back the balance of his time?

Mr. DICKINSON. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore. The question is on the amendments en bloc, as modified, offered by the gentleman from Wisconsin [Mr. ASPIN].

The amendments en bloc, as modified, were agreed to.

Mr. VENTO. Mr. Chairman, H.R. 2100, the defense authorization bill for fiscal year 1992, appropriately continues down the path of reducing our defense expenditures from the record-high levels of previous years while providing for a strong and efficient national defense. The Armed Services Committee has recognized, in most instances in this bill, the changed nature of the world in which we live in and the realities of fiscal constraint and accountability. The bill authorizes $291 billion for fiscal year 1992, which represents a reduction of about 7 percent from the baseline level which would be required to continue policies that were in place before the budget agreement.

The bill authorizes a total of $3.5 billion for continuing research and development of the strategic defense initiative [SDI], although $858 million, or 25 percent of these program funds, are designated for a new, separate program for defense against short-range tactical ballistic missiles, such as those that were recently used in the Persian Gulf war. The new Joint Tactical Missile Defense [TMD] Program is to be run separately by the Army, which also runs the successful Patriot Program, rather than the existing SDI office.

The bill also bars any funds for the so-called Brilliant Pebbles Program, which would advance the SDI Program beyond research and development toward procurement and deployment of a limited space-based system that would put us on a collision course with the requirements contained in the 1972 Anti-Ballistic Missile [ABM] Treaty.

While the Committee bill moves in the right direction in limiting and redirecting SDI funding, I would go even further by supporting the Dellums-Boxer-Andrews amendment, which would terminate the SDI Program and fund only a basic research program at $1.1 billion. It is time that the Congress face the reality that we cannot continue to spend exorbitant amounts of scarce Federal dollars for a system that will likely never be effective enough to deter a massive long-range ballistic missile attack. Clearly, the more immediate threat today is no longer from the long-range ballistic missiles of the Soviet Union, but from mobile, low-flying, short-range missiles which were used to great effect in the Persian Gulf war and which many nations can now readily afford and acquire.

The bill terminates production of the B–2 Stealth bomber at the currently authorized level of 15 aircraft and does not provide any new funds for procurement, but continues basic research and development.

The bill also provides $298 million above the administration's request for a Radar-Jamming Modification Program for the Air Force's fleet of B–18 bombers, which the Air Force recently terminated for lack of sufficient funds.

I support the committee's efforts to provide funding for existing aircraft systems for upgrades in technology where they are available and where they are technically feasible, such as improvement for the F–117A Stealth, the F–14 fighter, and the M–1 tank.

It seems both logical and fiscally responsible to support such enormous costs associated with developing a new system, such as a new fighter aircraft. The commercial aerospace industry has reaped enormous benefits over the years from developing derivative aircraft from original designs and later developing upgraded technologies in areas such as airframes, powerplants, and avionics. U.S. policy should aggressively seek the same sense of economy in weapons systems where it is technically feasible and economically sensible.

I do not favor the authorization of $549 million for the Midgetman intercontinental ballistic missile, but I do recognize the fact that these funds are limited to continuing research and development. The administration apparently recognizes the limited nature of congressional support for the program and will hopefully move in the future to put the Midgetman in mothballs.

I also have serious reservations concerning the authorization of the administration's request for $1.2 billion for 28 D–5 Trident II missiles, along with startup procurement for 31 more missiles in fiscal year 1993. While the bill wisely mandates $15 million to study the safety of the propellant and rocket motor used on the D–5 missiles based upon safety concerns raised by the panel on nuclear weapons safety, these outstanding safety questions should be answered fully before we provide funding to buy any more D–5 missiles.

Competition in contracting is an essential element in assuring quality and efficiency in defense spending. This is particularly true with respect to big ticket items, such as aircraft, ships, and submarines. I support the Gejdenson amendment which strikes the bill's requirement that the contract for the third Seawolf SSN–21 submarine be awarded to a firm which did not win the first contract for the submarine. That contract was awarded to the Electric Boat Co. of Groton, CT, on the basis of a competitive bid. The effect of the committee bill would be to legislatively designate the Newport News, VA, Shipyard, the only other manufacturer of nuclear submarines, as the contractor for the third SSN–21 with no regard for competition in contracting. In my view, it would be unwise to abandon the principle of competitive contracting where it is successfully being utilized with the Seawolf Program or any other weapons system.

I strongly support efforts to promote burden sharing among our allies in Europe and Asia. Clearly, many of our allies who formerly relied exclusively upon the United States to help them provide for their security are now better situated to provide for their own defense. Additionally, the threats which many of our allies faced from the Warsaw Pact in Europe and from the Soviet Union in Asia have dramatically changed. The United States can no longer afford to pay the huge costs associated with maintaining a permanent cold war military force around the world. We should start down the path of gradual troop reductions in Europe, Japan, and South Korea and should begin to consider an affirmative closing of some foreign military bases. At a time when many local communities in this country are experiencing dislocations due to base closings, we should begin to look at which foreign military bases should be closed.

H.R. 2100 authorizes $78.2 billion for military personnel, including a 4.2-percent pay raise for military personnel effective January 1, 1992. The bill also permanently raises imminent danger pay from $110 to $150 per month and family separation pay from $60 to $75 per month, as well as establishing a standard $6,000 death gratuity. The Armed Services Committee voted to remove the statutory prohibition against women flying combat air missions in the Air Force, Navy, and Marine Corps. This provision in the bill clearly recognizes the unprecedented role of women in the Persian Gulf war and removes one more barrier to equality in the Armed Forces.

The bill sets a ceiling on active-duty personnel at 1.9 million and on Reserve personnel, including Reserves, National Guard, and Coast Guard at 1.2 million—67,000 more than the administration's request. The development in the Persian Gulf this past year was proof positive that the total force concept works. The contributions of Reserve and Guard units from across the nation during the war were outstanding.

Mr. Chairman, I commend the chairman of the Armed Services Committee, Mr. ASPIN, and the members of the committee for their diligent work in producing this major legislation. I hope that we will be able to continue down the path of reducing defense spending and meeting more of our urgent national needs.

Mr. FRANKS of Connecticut. Mr. Chairman, I vote today against passage of H.R. 2100. Few votes we are faced with, as a Congress, are so central to the best interests of this country and the best interests of our vital national security. And as a Congressman from Connecticut, whose economy and industrial base are dependent on defense dollars and a vibrant defense industry, it has been tremendously difficult for me to vote against this act.

On the whole, H.R. 2100 is a solid and workable blueprint for defense spending. The House Armed Services Committee, of which I am a member, worked hard to maintain a strong military posture capable of power projection throughout the world. Unfortunately, the defense numbers and constraints placed upon us by the bipartisan budget agreement made it all but impossible to meet the desired goals and requirements of each of our proud services.

It has been a frustrating process that ends today with an equally frustrating vote. Throughout the last few months I have worked closely with Representatives of our Nation's armed services, Members from both sides of the aisle as well as Connecticut contractors, to ensure that funding was preserved to continue important defense programs and weapons systems integral to our national security.

I worked hard and invested countless hours in hearings before the full committee and the three subcommittee's that I serve on. I have fought hard with my colleague from Rhode Island to preserve the Seawolf Submarine Program in Connecticut.

Connecticut companies have won important contracts which will revolutionize our military's capabilities and I was pleased that this authorization recognized their importance and provided funding. Pratt & Whitney won the advanced tactical fighter, Sikorsky—the light helicopter and Textron Lycoming has won funding for new engines for the M1A2 tank.

On a smaller scale—I have met and worked closely with several small manufacturers, and businesses who are part of the vast network of subcontractors who make up our Nation's all important industrial base. These firms, involved in R&D testing, and as suppliers to the major prime contractors, all have a vested interest in the passage of H.R. 2100.

That is why it has been so difficult for me to vote "no" on a bill which I have invested much time and exerted much effort to bring to the fore.

For while this bill does address a host of security concerns, provides billions for much needed weapons systems and continues to provide for the health and safety needs of our many fine men and women in the service: It fails to adequately meet two key national security concerns.

First and foremost, I cannot vote for this authorization which has effectively killed the B–2 Bomber Program. Second, I believe that it is imperative that we continue SDI research, not only in theater defense, but the space based Brilliant Pebbles Program, as well.

If there were two lessons learned from the Persian Gulf war, it was the value of Stealth and the importance of antiballistic defenses. This authorization is more than dollar figures and applied resources—it is an agenda, a categorization of priorities.

While I weigh heavily my responsibility as a Congressman to my district and the State of Connecticut, of equal importance is my responsibility to ensure the strength and effectiveness of our Nation's security and well-being.

That is why I cannot in good conscience vote for this authorization which has gutted two vital defense programs.

Mr. WEISS. Mr. Chairman, I rise in support of final passage of Department of Defense authorization bill of 1992, H.R. 2100. Although we could make much steeper reductions in defense spending without jeopardizing our national security, this bill takes important steps toward meeting the realities of the post cold war world and is a substantial improvement over the administration's proposed progam request.

This year's authorization bill reduces spending in weapons systems that were developed for a bygone era. For example, it terminates B–2 bomber procurement funding, stopping the program at the 15 previously authorized aircraft. It deletes all funding for Brilliant Pebbles and other phase I schemes which, if deployed, would violate the ABM Treaty. Further, it bans for 2 years the testing of the mid infrared chemical laser [MIRACL] against an object in space, and deletes funds for both the SRAM–T short-range missile, originally designed for the European theater, and the B–90 nuclear depth/strike bomb.

The measure also takes steps to provide the kind of defense we will need for the post cold war era. For example, it recognizes that the theater defense program is important in its own right and should be developed separately from SDI. It therefore invests in short-range tactical missile defense and transfers the current program from SDIO to a newly created Joint Tactical Missile Defense Program headed by the Army.

H.R. 2100 also recognizes that our greatest resource is our people and includes a number of enhancements designed to better protect our men and women in uniform. For example, it adds money to improve a battlefield "Identify Friend or Foe" system—a system designed to prevent future deaths of our ground troops due to accidential friendly fire. The bill upgrades the Army's and Navy's capabilities in the area of mine countermeasures—the detection, avoidance, and elimination of deadly land mines like those we saw in Kuwait. And, for the first time ever, the bill lifts the prohibition on women serving in combat missions in the Air Force and Navy—thus allowing women to fly combat missions as pilots.

Despite these important achievements, the bill authorizes an excessive level of defense spending. It authorizes the same amount that the administration requested, which is $8 billion more than the House-passed level of $283 billion for this year and nearly the same amount authorized in fiscal year 1990, the last year of the cold war.

Therefore, although H.R. 2100 notably reduces spending for several wasteful programs, it saves no money overall. Not one cent of the cuts made in SDI or the B–2 program will go toward deficit reduction. Last year's budget agreement gave us our topline defense spending numbers—that is, maximum spending caps, and specified that any money not spent on defense should go toward improving our economy through deficit reduction. However, rather than allowing savings to go toward deficit reduction, the drafters of this bill redirected every single available cent to beef up other programs.

For example, H.R. 2100 authorizes a total of $642 million on the B–1B bomber program—more than twice the administration request. It also rejects the administration's plan to terminate the F–14 program and authorizes some $680 million for the remanufacture of at least 12 F–14A's, $50 million in advanced procurement, and $166 million in R&D. The administration's plan to terminate the production of the F–16 line after fiscal year 1993 was ignored—the bill provides $1.1 billion for 402 planes (rather than 303) and for R&D. H.R. 2100 authorizes a total of $990 million, none of which was requested, for the V–22 Osprey program.

While the bill makes welcome changes in SDI, the combined strategic and tactical missile defense funding of $3.5 billion remains excessively high. The total is $1 billion more than the House supported and $400 million more than Congress finally approved last year. While the core, nontactical, SDI program was frozen by the committee at $2.7 billion, the Senate will inevitably increase that number, potentially by a considerable margin.

The authorization for the MX rail garrison system exemplifies some of the imprudent spending contained in this bill. Over one quarter of a billion dollars is authoirzed for R&D on the MX system which is to be mothballed as soon as the R&D is completed.

Perhaps the authors of the bill lacked the incentive to produce overall savings. Last year's budget agreement prevents Congress from transferring savings from one discretionary spending category to another, thereby eliminating the incentive to make cuts in any one area because there is no way to use any of the savings for other priorities. For instance, if Members knew that halting production of the highly unsafe and unnecessary D–5 missile program—which the bill authorizes over $1 billion—would translate directly into funds available for pressing domestic needs, perhaps overall savings would have been realized. To address this problem, I have introduced the Congressional Budget Responsibility Act of 1991, which will permit Congress to transfer between the three discretionary spending categories—domestic, defense, and foreign aid.

Overall, as I stated earlier, this authorization bill continues the restructuring and builddown of our military that we began last year, and thus I will vote for final passage. It does not, however, go far enough in cutting wasteful progams and fails to produce any savings overall. Many of my colleagues trumpet the value of fiscal responsibility and deficit reduction. When they are confronted with an opportunity to translate these fine phrases into actions, however, they pass it up. Perhaps the smell of pork is too overwhelming.

Mr. DORGAN of North Dakota. Mr. Chairman, in the early 1980's, Congress passed two laws requiring gasohol to be supplied to Federal vehicle fleets, and requiring Federal agencies to use gasohol in their vehicles as an alternative to gasoline.

One of the two laws pertains to the Department of Defense, and requires DOD to contract for gasohol instead of gasoline whenever it is reasonable to do so. Since that law was passed, DOD has written rules and regulations about supplying its vehicles with gasohol, and has taken a lot of exemptions to the requirement to use gasohol. Implementation has been mostly rule writing and very little gasohol.

Very few Defense vehicles use gasohol despite the fact the gasohol is cheaper in most markets, and despite DOD regulations that state:

> Gasohol is completely interchangeable with unleaded gasoline for use in all DOD-owned or leased administrative automotive vehicles with spark ignition engines under all climatic conditions in the United States.

So, Mr. DURBIN and I propose this amendment to Public Law 97–295 (10 U.S.C. 2398), in which Congress required DOD to buy gasohol—90 percent gasoline, 10 percent ethanol—instead of gasoline, "to the maximum extent feasible and consistent with overall defense needs and vehicle management practices * * *"

In practice, DOD contracts for all fuel for all Federal vehicle fleets. Also, in practice, and as a result of other legislation, DOD also contracts for gasohol for fleets outside of DOD

whenever any Federal agency requests that DOD bid gasohol for its use.

Also, in practice, neither DOD, nor other Federal departments, use gasohol in any significant amounts. Of 160 million gallons of gasoline-gasohol that DOD bought in bulk last year for all Federal fleet managers are going in the wrong direction: The total was 770,000 gallons of gasohol in 1987.

This is despite the law I mentioned related to DOD, and a section of the Energy Security Act of 1980 (42 U.S.C. 8871), under which President Carter issued an executive order requiring all Federal agencies to use gasohol as an alternative to gasoline. The Federal departments have taken full advantage of the flexibility Congress provided to exempt certain vehicles or fleets where using gasohol may have compromised what were, at the time, the conventional views of good vehicle management. The Federal departments have virtually exempted to death the requirements to the gasohol.

The amendment does two things:

First, DOD is required by the amendment to review all of the exemptions granted to its own diversions to the requirement to use gasohol. There are many exemptions, some maintained since the early 1980's, before manufacturers had, for example, determined that gasohol has no harmful effects on their vehicles. The amendment requires a review within 90 days of enactment, and a report back to Congress to justify any exemptions to be retained.

Second, a requirement for DOD to buy gasohol instead of gasoline—whenever prices are equal to, or lower, than gasoline—is extended to all of the departments that DOD supplies.

I do not expect our amendment to bring other Federal agencies under compliance with the Energy Security Act requirements, but our amendment will be an important step toward that end. It is a step that addresses the supplier. DOD is the supplier, and so we feel we must address that change in law within the DOD authorization. One of the shortcomings of existing law on this matter is that the same requirements do not address the Federal supplier and the users. The experience is that if you do not make the same requirement of both, very little happens.

To bring about a reasonable implementation of the Energy Security Act with regard to gasohol use in fleets outside of DOD, we will have to amend or amplify that law separately. That is, we will have to tighten the law that addresses the users, so that other Federal agencies can, in fact, order gasohol from the DOD defense fuel supply center.

Mr. DURBIN. Mr. Chairman, I am pleased to rise and express my support for H.R. 2100, the National Defense Authorization Act for fiscal year 1992 and 1993. This authorization provides a substantial increase of $91 million for medical research conducted within the Department of Defense. The authorization targets the areas of combat casualty care, burn treatment, and the research of infectious diseases. By working through these existing programs, DOD can support areas which present the highest yield for civilian, as well as military, populations.

Americans were properly proud of the Armed Forces and their high technology weaponry which served so ably in the Persian Gulf. These weapons were the product of years of bipartisan congressional research and development support. Today, Americans can be proud of a different type of research and development support which is enjoying a similar high yield in the Persian Gulf—medical research.

Over the months that have followed the swift victory in the Gulf, American soldiers have delivered supplies and performed relief efforts that have saved lives. Doctors with the Centers for Disease Control estimate that 70 percent of the 200,000 Kurdish refugees are at risk of dehydration linked to diarrhea and credit the oral rehydration administered by the military and civilian medical corps with saving thousands. Doctors also cite the persistent regional threat of malaria, particularly as the malaria season approaches. Malaria is the single greatest worldwide health threat, with over 270 million active cases in 103 countries, placing 2.1 billion people at risk. Malaria is not limited to Africa, South America, and the Middle East, with over 1,000 cases reported by Americans traveling or working in infected regions and outbreaks have been recorded in California and Florida in 1990.

The Defense Department has made groundbreaking progress in health and medical research, benefiting the American public and the world community, as well as DOD. Defense medical research is implemented in civilian hospitals on a daily basis, aiding the victims of traumatic injury by developing treatment for gunshot and auto accident victims, and improving burn and shock treatment with the development of life-saving salves and ointments. DOD research has made similar contributions to infectious disease treatment as well. DOD recombinant DNA research has produced a hepatitis vaccine, proceeding from preclinical stages to human testing, and potentially promising treatments for malaria are now undergoing voluntary human testing in Thailand and Kenya.

The world is changing and the United States is appropriately reviewing its military role within this increasingly uncertain world. However, as the United States contemplates an expanded role in the post gulf war world, the United States cannot neglect the health risk posed for both American soldiers and the American public at risk of infection.

The New England Journal of Medicine recently identified significant health risks for the service men and women returning from the Persian Gulf. Because many of the diseases, enteric fever, malaria, viral hepatitis and meningococcal diseases, are more common to the Middle East, they receive little attention from the American medical community. Tropical diseases, such as malaria and schistosomiasis, cause half of the world's illnesses, yet receive only 3 percent of its research funds. For those diseases more common to the Middle East, DOD's research programs are among the world's most active. Increased funding for defense medical research can advance the health of our service men and women as well as the general public worldwide.

This authorization's medical research increase also represent support for medical schools, unversities, and research institutions around the country by targeting these funds for extramural research. DOD spends approximately 55 percent of its medical research funds at its own intramural facilities. The committee's authorization directs the increased research funding extramurally to research facilities and medical schools around the Nation, expediting both the research and its dissemination to the broader medical community.

The decreased strategic threat posed by the Soviet Union permits the United States to shift resources, without jeopardizing national security, to improve both American and worldwide health. The authorization targets new Federal resources to existing DOD research programs in areas such as combat casualty care, burn treatment, and infectious diseases.

I am pleased to extend my support.

Mr. WOLPE. Mr. Chairman, I rise in support of H.R. 2100, the National Defense Authorization Act. With the collapse of the Soviet threat and the advent of the Persian Gulf war, our Nation's defense needs have changed drastically over the past 2 years. This bill reflects those changes and will put our country's defense capabilities in excellent position to meet the challenges of the coming decade.

This year the committee was able to study our weapons systems in action. The committee members have done a thorough job and this bill clearly reflects the lessons learned in Operation Desert Storm. The bill includes funds to upgrade the M–1 tank to M–1A2's because the newer version performed much better in the Persian Gulf. The success of the F–117A convinced the committee to fund the F–22 Stealth fighter and to continue buying F–16's until the F–22 gets into production. In addition the bill includes funds for the Army's Blackhawk helicopter and the Marine Corps' V–22 Osprey. Both these aircraft would be useful in operations like the Persian Gulf war which involve transporting large numbers of troops and equipment quickly. These weapons systems will give us a flexible military able to respond to a variety of crises around the world.

I am pleased to note that this year's defense authorization bill also cuts two of the most expensive and wasteful weapons systems, the B–2 bomber and the strategic defense initiative. The B–2 Stealth bomber was designed to penetrate Soviet air defense. The likelihood that this mission will be necessary is declining constantly and it can be carried out by the B–1B in any case. Although not perfect, the Patriot missile performed admirably against Saddam Hussein's Scud attacks. This bill authorizes funds for a tactical missile defense program run by the Army including upgrades and advanced versions of the Patriot. The bill would zero out the Brilliant Pebbles Program which would violate the ABM Treaty and provoke a defensive arms race without providing any real protection from a massive nuclear attack. In addition to these broad moves toward a realistic and strong defense program, the bill contains three provisions with which I am particularly pleased.

First, the bill authorizes $90 million for research into methods of source reduction as defined in the Pollution Prevention Act of 1990 which I sponsored. In this time of reduced threat the Department of Defense has a unique opportunity to use its vast resources to control and limit its impact on the environment.

By stopping pollution before it happens, the Defense Department can save millions of dollars in cleanup fees. This research may also discover new ways to aid civilian agencies in source reduction.

Second, the authorization bill would greatly reduce the President's cuts in the Selected Reserve forces. The men and women serving in the Reserves performed extraordinarily well in Operation Desert Shield and Operation Desert Storm. The Reserves are a critical component of today's All Volunteer Force. In recognition of this fact, this bill would cut the Selected Reserve end strength by only 37,580 instead of 107,526 in fiscal year 1992.

Third, the bill would remove the statutory prohibition on women in combat roles in the Air Force and Navy. As was demonstrated in the Persian Gulf conflict, the lines of the modern battlefield are not at all clear. Preventing women from flying combat missions does not keep them safe; it only keeps them from getting promoted. The bill would not require the Air Force and the Navy to allow qualified women to fly combat mission but it removes the statute which prevents women from doing so. It is my hope that the services will soon allow women to take on any military role for which they are qualified.

The Defense Authorization Act reflects the changing priorities of our country's military. It would make necessary cuts while maintaining and strengthening a flexible fighting force. The committee has done an excellent job in preparing this bill. I urge its passage.

Mr. MACHTLEY. Mr. Chairman, I rise in support of the Frank amendment, which seeks to delay until fiscal year 1993 the Ground Wave Emergency Network [GWEN] Program. We have been considering major reductions in the defense budget, eliminating and reducing several expensive programs. One program also worthy of elimination or at the least slowing down on is GWEN.

GWEN is a two-part network of towers stretching from Maine to California, designed to survive electromagnetic pulse disruptions during the first 15 minutes of a Soviet nuclear attack. When weapons such as GWEN were conceived, the Evil Empire was expected to last well into the next century. The program is rooted in President Reagan's 1981 National Security Directive 12, which calls for a communications system that could survive a nuclear attack.

Currently, there are some 56 towers built, and the Air Force contemplates some 40 more. Thus far, hundreds of millions of dollars have been spent on the GWEN Program, and the Air Force estimates completing the program will cost several million more dollars.

How many towers should be built has always been a mystery to those who have taken interest in the GWEN Program. In testimony before Congress in 1983, Assistant Secretary of Defense for C3 stated, "we need more than 45 and less than 500." The effectiveness of GWEN has also been called into question—no one really knows whether an electromagnetic impulse would pose a communications problem during a nuclear war.

Questions have repeatedly been raised regarding the environmental and health effects of GWEN. That is why the Air Force has requested that the National Academy of Sciences [NAS] undertake a study of health effects of electromagnetic radiation from the GWEN low frequency communications system.

The Frank amendment simply halts the GWEN Program for another year so that we can carefully consider this NAS study once it has been completed. I believe it would be foolish to continue with GWEN so long as there is the slightest possibility that the system will have adverse health effects. As such, I am pleased to strongly support the Frank amendment to delay GWEN for another year.

The CHAIRMAN pro tempore. There being no further amendments on the bill, the question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN pro tempore. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore. (Mr. GIBBONS) having assumed the chair, Mr. COX of Illinois, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 2100) to authorize appropriations for fiscal years 1992 and 1993 for military functions of the Department of Defense and to prescribe military personnel levels for fiscal years 1992 and 1993, and for other purposes, pursuant to House Resolution 156, he reported the bill back to the House with amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. (Mr. GIBBONS). Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the adoption of the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. DICKINSON

Mr. DICKINSON. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. DICKINSON. I am, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. DICKINSON moves to recommit H.R. 2100, the Department of Defense Authorization Act for fiscal years 1991 and 1992, to the Committee on Armed Services.

Mr. DICKINSON. Mr. Speaker, I ask unanimous consent that I may be allowed to proceed for 10 minutes.

The SPEAKER pro tempore. Is there objection to the request by the gentleman from Alabama [Mr. DICKINSON] for 10 minutes of debate on his motion to recommit?

There was no objection.

The SPEAKER pro tempore. The gentleman from Alabama [Mr. DICKINSON] is recognized for 10 minutes.

Mr. DICKINSON. Mr. Speaker, I have already pointed out, as I did in committee, that I thought this bill had serious defects. I voted affirmatively to report it out of committee, and at that time I served notice, that, if the bill were not substantially improved, on the floor my intention would be to vote no on final passage. I am convinced that not only has the bill not improved, but it is in worse shape than when it came out of the committee.

Mr. Speaker, I have here a letter from President Bush which was delivered to me on the floor. I would like to read several paragraphs contained therein which I feel are very pertinent. First,

DEAR CONGRESSMAN DICKINSON: The National Defense Authorization Act for Fiscal Year 1992 and 1993 (H.R. 2100) as reported by the House Armed Services Committee fails to meet the needs of the Nation's defense. If I am presented the bill reported by the Committee, I will veto it.

Mr. Speaker, one cannot state it much more unambiguously.

The President goes on to say that:

I urge the House of Representatives to produce a bill that reflects America's real defense needs, in lieu of the bill reported by the Committee on Armed Services.

Mr. Speaker, unfortunately the President's warnings and urgings were ignored. In fact, there were amendments added to the bill, especially in the category of burden-sharing, that made it even more objectionable than the bill reported out by the committee.

I also have a letter from General Powell, Chairman of the Joint Chiefs, which I read in part:

I am deeply concerned that some of the actions being considered by the House would upset that fine balance. For that reason, I strongly reaffirm my support and the support of the JCS for the President's program as submitted and for the Michel-Dickinson Amendment to the House authorization bill which reaffirms the President's program.

General Powell refers to be Michel-Dickinson substitute which the House defeated yesterday.

Mr. Chairman, I ask unanimous consent that both of these letters be printed in full at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The letters referred to are as follows:

THE WHITE HOUSE,
Washington, May 20, 1991.

Hon. WILLIAM L. DICKINSON, Ranking Member,
Committee on Armed Services, U.S. House of Representatives, Washington, DC.

DEAR CONGRESSMAN DICKINSON: The National Defense Authorization Act for Fiscal Year 1992 and 1993 (H.R. 2100) as reported by

the House Armed Services Committee fails to meet the needs of the Nation's defense. If I am presented the bill reported by the Committee, I will veto it.

With the changes in the Soviet Union and Eastern Europe, and with the limitations on resources available for national defense, we plan substantial reductions in the coming years in the size of the U.S. armed forces. To provide forces capable of meeting future challenges within the fiscal limits that American taxpayers can afford, we must spend funds available for national defense with maximum efficiency. There is no room for pork-barrel spending or politics as usual in Congress.

The bill reported by the Committee terminated the B-2 Stealth bomber program that is vital to our defense in the next century. Also, despite the increasing need for effective defenses against missile attacks, the Committee bill slashes funding for the Strategic Defense Initiative, and especially the important Brilliant Pebbles program. While cutting funding for these and other crucial programs, the bill funds unneeded items such as excessive procurement of aircraft and other weapons systems. Finally, the bill prevents the reduction in the size of the Reserve and National Guard components of the armed forces needed for a carefully balanced and effective force structure.

The bipartisan leadership of the Congress and I have agreed to limits on the amounts which we will spend in the next few years on defense. We must spend these funds wisely if we are to provide the American people with the armed forces needed to defend the Nation and its interests around the globe. I urge the House of Representatives to produce a bill that reflects America's real defense needs, in lieu of the bill reported by the committee on Armed Services.

Similar letters have been sent to the Speaker and Congressmen Michel and Aspin.

Sincerely,

GEORGE BUSH

CHAIRMAN OF THE JOINT CHIEFS OF STAFF,
Washington, DC, May 20, 1991.

Hon. ROBERT H. MICHEL,
Minority Leader of the House,
U.S. House of Representatives,
Washington, DC.

DEAR MR. MICHEL: I am writing to provide my full support to the President's defense program for FY 92 and 93 which Secretary Cheney and I and all members of the Joint Chiefs of staff have been supporting in testimony.

I want to assure the members of Congress that the President's program is a very carefully balanced program; one that is responsive to the changing geopolitical situation; one that is fiscally responsible; and one that is consistent with last year's budget summit agreement.

It was not easy putting this program together. Many tradeoffs were made; many programs were eliminated; and the force structure was reduced to insure that it could be fully supported and maintained. The resulting Base Force, as we call it, is the minimum force needed in each service to execute current national security policy and to protect our Nation's interests around the world. It is a finely tuned force and significant changes in the budget request will unbalance the Base Force.

I am deeply concerned that some of the actions being considered by the House would upset that fine balance. For that reason, I strongly reaffirm my support and the support of the JCS for the President's program as submitted and for the Michel-Dickinson Amendment to the House authorization bill which reaffirms the President's program.

Sincerely,

COLIN L. POWELL
Chairman, Joint Chiefs of Staff.

Mr. DICKINSON. Mr. Speaker, it upsets me as a staunch supporter of national defense to vote against my own committee's bill. I have been on this committee for 25 years and have always supported, and always will support, a strong defense. Unfortunately, I can't support this bill at this point in the process because I am convinced that it fails to provide as strong a defense as we could have, and should have.

Mr. Speaker, there are three major problems with this bill, and I mean major.

□ 1440

The first one is the B-2 bomber. We are all familiar with the arguments and it has been debated at length many times. But as we all know, the administration feels emphatically, that this is one element of our nuclear triad that should be funded and that we should go forward and build the requested 75 aircraft.

As the Speaker knows, the President's original plan for 132 B-2's has been scaled back to 75 aircraft. We have bought and paid for 15. There has got to be some number in between which is both politically acceptable and affordable for the country. I do not know what it is, but I believe it is closer to 75 than to 15. Stopping at 15 aircraft does the grossest disservice to the American taxpayer of any available options.

The second contentious issue in the bill is SDI. For almost a decade, successive administrations have said that SDI is critical, that it was the centerpiece of our future strategic posture. After witnessing the benefits of defenses during Operation Desert Storm, I believe more than ever that we need the SDI Program.

H.R. 2100 has decimated SDI. The committee cut the funding almost in half and pulled all of the theater missile defense programs out from under SDIO's control. This is very objectionable to the administration and will lead to a veto.

The third major issue involves end strengths, or our manpower cuts. There is no way that we can reduce our active duty forces by 500,000 people in the years ahead and not have some similar level of reduction in our Reserve and National Guard. There is no one in this Chamber that has a more active, patriotic National Guard than does this Member in the State of Alabama. I believe that my State had more guardsmen and reservists involved in Desert Storm than most any other State. It is a very important component of life in my State and I support the Guard and Reserves.

However, our plus-up of Guard and Reserve Force structure this year, combined with the proposed cuts in fiscal year 1992 and fiscal year 1993, mean cutting 10 active duty personnel for every guardsman and reservist. This inequity will ruin any hope of an effective balanced force structure in the future.

We are protecting the Guard and Reserve because we are reluctant to address the political problem. There should be some equality, some equanimity, some relationship between drawing-down our Guard and Reserve and Active Forces. H.R. 2100 totally ignores this.

So these three issues have become the focal points of administration opposition to the bill. For these reasons, the President rejects this bill in its present form. Therefore, I feel compelled to vote against final passage of H.R. 2100. I am also going to ask my colleagues to vote against the bill.

I do not think that H.R. 2100 is in the best interests of our country, nor does it address our most pressing national security interests.

I believe that the same people who guided us victoriously through Desert Shield/Storm—that is, the President, Secretary Cheney, the Chairman of the Joint Chiefs and General Schwarzkopf—are in a better position to decide what our military needs in the years ahead than we are.

Mr. Speaker, at this time I yield to the distinguished Republican leader, the gentleman from Illinois [Mr. MICHEL].

Mr. MICHEL. Mr. Speaker, I feel very much the same way as the gentleman from Alabama [Mr. DICKINSON]. I do not know if ever in my 35 years I have voted against a defense authorization bill as it passed the House. I am not sure if this is going to be the first time or not. I do have the same concerns as does the distinguished gentleman from Alabama [Mr. DICKINSON].

I know that the Constitution itself says that we here in the Congress play our rightful role in determining the size of forces of our Armed Forces for the Nation's security. But in our earlier comments, during consideration of our substitute, we made the point that there were so many deficiencies in this bill as reported by the Committee on Armed Services that the President felt right up front, he had to come out and make his position quite clear that he would have to veto it.

This is not the final step. We all are aware of that. I think in deliberations in the White House several weeks ago, I got the distinct impression that what might come out of the other body would presumably be more acceptable to the President than what comes out of this body. It is just the dynamics of

both institutions and the way they are made up. So this is not the final straw.

I would hope that in the consideration of the other body, they would be more attuned to the President's considerations and what he feels strongly about as the Commander in Chief. And then to protect ourselves, I think we are certainly within our rights to vote against this measure, knowing that it is not the final vote on a conference report. And quite frankly, we have found ourselves in some years past so tied up in the authorization process where we could not come to agreement, that we had to tie it all up in the end with an appropriation bill, maybe even a continuing resolution.

That is not the best way to legislate, I will be the first to admit, but it may be the final solution. I hope not.

I hope eventually we can get together. For the moment, to help sustain our Commander in Chief's and the President's position, stronger than what we have seen it reflected by way of the committee bill and the votes that have been taken and the amendments offered, I would urge my colleagues to vote no on the authorization bill this time. This does not prejudice them against any final resolution of this defense authorization bill down the road because none of us want to sell our country short when it comes to defense.

Mr. DICKINSON. Mr. Speaker, let me say in conclusion, I would like to pay my compliments to the chairman of the full committee, the gentleman from Wisconsin [Mr. ASPIN], and to the chairman of the Rules Committee, the gentleman from Massachusetts [Mr. MOAKLEY]. We have been dealt with, I think, very fairly this year. We have had our chance at bat. We have not been precluded from offering amendments that we felt were necessary.

All in all, it has been a fair process as opposed to years past. So I would just pay my compliments to the staff who have done hard work and to the chairman, and thank all concerned and urge all to vote on this bill so that it arms us when we go to conference with the Senate.

Mr. ASPIN. Mr. Speaker, I ask unanimous consent that I may be permitted to proceed for 5 minutes.

The SPEAKER pro tempore. (Mr. GIBBONS). Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. ASPIN. Mr. Speaker, let me just address some of the questions that the gentleman from Alabama [Mr. DICKINSON] raised and the gentleman from Illinois [Mr. MICHEL] raised. I think what they both talk about is very, very important.

Let me first of all compliment the gentleman from Alabama [Mr. DICKINSON] for his cooperation and understanding, and also the gentleman from Illinois [Mr. MICHEL]. They are both very, very important players in this House and very decent, and they have done a very good job here in this bill. And we have worked together very, very closely to fashion a piece of legislation here, which I understand the points of the gentleman from Alabama and the gentleman from Illinois.

Basically, I think that we have here a bill that is a very good piece of legislation, and I hope the Members of the House will vote for it. Let me explain.

The gentleman from Alabama and the gentleman from Illinois say that the Desert Storm success was due to General Powell, General Schwarzkopf, Secretary Cheney, and I agree. They got a lot of credit. The President, all of them get a lot of credit for what was done in Desert Storm, the success of that operation. They deserve a lot of credit.

I think also the Members of this House and the Members of the other body and the Members in Congress generally deserve some credit from this, too. The equipment that they used was the equipment that the House voted for and the Senate voted for and the Congress approved. We are part of the process. We were part of the process of deciding what weapons they buy, and so I think that in essence what we have done in the past, we deserve some of that credit or the people in this House deserve some of the credit in that regard.

Therefore, I think that the notion that we should suddenly all of a sudden now abdicate our responsibility and say we will just go ahead with the weapons systems that the administration has asked for would be an abdication of our responsibilities and run counter to this system which has produced up this successful operation in Desert Storm.

□ 1450

After all, in the years leading up to Desert Storm, we did not approve as a blanket the requests of the administration for defense. We changed it, we modified it, we improved it, and what we had were some weapon systems that worked very very well.

So I would say that Desert Storm is indeed a vindication of Cheney-Powell-Schwarzkopf, the President, and others, but also a vindication of the way we do business over here. I think on both sides we have got things to be proud of.

In terms of the specifics of this defense bill, what we have done with this defense bill is, of course, to improve or make some changes in the area of stealth and in the area of defenses. What we did was to not approve the B-2, any more than 15, but we did do an awful lot in the area of stealth technology. Let me just explain where we are in stealth technology in this bill.

What we have done in this bill is we have money in here to improve the F-117, which is the stealth fighter which performed so well in the gulf. We have money in here, the full request, for the advanced technical fighter, a stealth fighter for the Air Force. We have in this bill the money they requested, the administration requested, for the AX, which is the stealth fighter for the Navy. We have in this bill the money for the advanced cruise missile, which is a stealth cruise missile for the future.

In other words, what we are saying is yes to stealth technology in this bill. I would say one of the results of Desert Storm here is that from now on, every weapons system that we vote for, that we vote on here, that we approve, will have some stealth capability, but that does not mean that everything that is stealth we should vote for. In other words, anything that we vote for ought to be stealth, but it does not mean that everything that is stealth we ought to vote for.

The question then is not the Stealth B-2, but the B-2 itself. Do you need the B-2, how many do you need, et cetera.

The gentleman from Alabama [Mr. DICKINSON] is correct. This is not a question of yes to the B-2 or no to the B-2. The question that is before this House and the Senate and the conference is how many B-2's.

We have already bought and paid for 15 B-2's. The administration wants 75. My guess is ultimately it will end up with some number in between there. I would hope that the number would be pretty close to 15. The administration, the gentleman from Illinois [Mr. MICHEL], the gentleman from Alabama [Mr. DICKINSON] would like it close to 75. But that is the issue.

The question is how many do we buy, not do we buy it, yes or no. That decision we have already made in the past, and we have already decided to buy at least some B-2's.

I think that we will hear from this in the future. The Committee on Armed Services is going to be involved, now that the bill is passed and we are looking forward to conference, and will be holding some hearings and looking at the issue of how do you determine how many B-2's we ought to have, what is the number, what is the right number here to buy.

The people who are for the B-2 always brought forth a chart that showed how much you get for the B-2, how many different packages you get. That was with only two B-2's. We already have 15 B-2's. The question is how many more do you need.

The SPEAKER pro tempore (Mr. GIBBONS). The time of the gentleman from Wisconsin [Mr. ASPIN] has expired.

(By unanimous consent, Mr. ASPIN was allowed to proceed for 5 additional minutes.)

Mr. ASPIN. Mr. Speaker, let me also point out that the other change that we have talked about is the amount of money that we have here in the program for defenses. We have in fact funded three out of four components of the President's SDI Program. One of those components is tactical ballistic missiles. There is no argument here. Both sides agree on that. We funded that. Another is the antitactical weapons system.

Second is the ground-based systems that defend the continental United States. Both sides agree to that. We funded that.

The third component is the advanced technology for the future research and development into advanced systems to perform defenses in the future. We both agree, and we fully funded that.

The one point in disagreement, and it is an important point, I admit, but let us not overemphasize it, is the issue about Brilliant Pebbles. We do have a difference. We have a difference between where we believe on this side of the aisle we ought to go with that program and where the administration and I think some Members on the Republican side of the aisle believe we ought to go with that program. The question is about Brilliant Pebbles, but it is a difference about a particular part of defenses and an argument about some aspects of defenses, not an argument about defenses in general. Because I think basically at the core there is an awful lot of agreement in the House on at least three parts out of four that are parts of the SDI Program.

The final thing that is in disagreement and the President mentioned is the end strength, in particular the Guard and Reserves. It is a very contentious issue.

I would say that we have made a reduction in the amount of Guard and Reserve in this bill, and that it is more than I thought we were going to when we started to mark up this bill. The interest, of course, of a number of Members was no cut in the Guard and Reserve, but I think people began to realize as we worked through it that everybody has to sacrifice something, that defense budgets are coming down, so we need to have some reduction in the amount of money going to the Guard and Reserve and the end strengths need to come down.

This is an issue we have to revisit, and it will be an issue we will revisit in the future.

Mr. Speaker, let me tell Members, this is a very, very difficult question, the question of the composition of our forces in the future. What is the component of Guard and Reserve versus the general mix of people, how many regular, how many Guard, how many Reserve, what is the component of that in the Army, what is the component of that in the Air Force.

So I think basically the bill that we have here is a bill that is different from what the administration would want, but not dramatically. I think in very defensible ways, it is different.

I would say what we want is some B-2's, but not more than 15. What we would want is some SDI, but not Brilliant Pebbles. Those are differences, but they are not fundamental differences of kind. They are rather more differences of approach than what we have had in the past.

Mr. Speaker, I would urge Members to vote for this bill. I think it is a good bill. I think we have worked well together. I urge Members to vote for it.

Mr. DELLUMS. Mr. Speaker, I ask unanimous consent to proceed for 5 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. DELLUMS. Mr. Speaker, we are now in the last minutes of the debate on the DOD authorization for the next fiscal year. It seems to me that there are at least three positions. Two of them have been enunciated.

One position was enunciated by the distinguished gentleman from Wisconsin [Mr. ASPIN], the chairman of the Committee on Armed Services.

Then there is the position articulated by the gentleman from Alabama [Mr. DICKINSON], in opposition to the bill, for the reasons that the gentleman enunciated.

Then there is a third position that this gentleman from California represents. That is the position in opposition to the work product, for reasons that have to this moment not been enunciated.

Mr. Speaker, let me try to explain the point that I choose to make. I compliment the chairman of the House Committee on Armed Services and the members of the committee for having turned the corner. I believe that this military budget has indeed begun to turn the corner. Perhaps not for all of the reasons that this gentleman would like to see it, but if for no other reason than the matter of budget constraints, pressure, this budget has begun to change.

There are three significant actions taken in this bill that I think speak to it. The fact that we zeroed the B-2 bomber, in this gentleman's opinion, points out that there is no substantive and deep support for the B-2 bomber.

Mr. Speaker, I am not naive enough to believe that if we said to people in an atmosphere of unlimited dollars, would this body buy the B-2 bomber; I believe they would. The B-2 bomber is sort of like a white dinner jacket. You will not buy it, but if someone said with unlimited dollars, "I will give it to you," you will take it. Maybe once in a while you might choose to use it.

So the B-2 bomber is sort of like a white dinner jacket. If you had all the money, you would buy it. But, Mr. Speaker, understand that we do not have all the money, and we cannot buy it.

SDI, about one-quarter of this House believe we ought to go fast forward with the strategic defense initiative. A quarter of this body believe we ought to stop it, that it is a waste of our resources. Put about a billion dollars into basic research, and go no further than that. Do not threaten the ABM Treaty.

About half of this body still believe we ought to go forward, but cautiously, so they cut back on the dollars.

Mr. Speaker, I think Members are beginning to slowly understand that in a limited dollar environment, with a changing world and a changing threat, that we need to look at how we are spending money on SDI.

□ 1500

The third significant action was taken yesterday in support of the Schroeder amendment, the Durbin amendment and the Dorgan amendment, these burden-sharing amendments that brought together Members on both sides of the aisle across a multiplicity of political thought that made at least two common points. They said the world has changed and continues to change, and No. 2, that in a limited dollar environment, with great pressure on our budget, with millions of American people feeling pain, with our children dying in the streets of America, with unemployment, with inadequately educated people, with a whole range of problems, the homeless, et cetera, that we ought to begin to redirect much of our resources to deal with the fundamental reality of human misery in this country. Whatever the political party or position, people came together in enormous numbers to accept that position.

What that says is that there needs to be fundamental change. And Mr. Speaker, make no mistake, whether we agree with everything in this budget, there has now begun the process of fundamental rethinking. This gentleman is pleased, because in future years there is going to be even bolder steps.

But the reason I stand in opposition to the bill is not because I do not think good work has been done. There have been some excellent decisions made. Not because I think we have not turned the corner. But Mr. Speaker, I stand here saying that I think our strokes must be bolder. The changes in the world are enormous. The Berlin Wall is down. The cold war is over. We are talking about theater threats.

If we could wreak such great havoc on the third largest force in the world, why are we building all of this magnificent capability to go against Third World countries that only have a mi-

croscopic degree of the incredible military capacity of this country, but there are millions of American people unemployed, millions of American people homeless, millions of American people hungry, millions of our children who are not adequately educated? If we can be honest with ourselves, we are about the business of losing an entire generation of our children.

So I stand here saying we should be bolder. In this bill, brilliant positions taken notwithstanding, Mr. Speaker, we are still building nuclear weapons in this budget that have no other function but to destroy all human life on this planet.

As I have said over and over for 20 years on this floor and in this debate, for the rational mind there is no useful function for a nuclear weapon.

Yes, we have made changes, but they are not bold enough. Mr. Speaker, what are the alternatives?

The alternative is arms control, test ban treaties and nonproliferation treaties, moving our resources to deal with the human misery of our people and the tragedies around the world. Those are the changes.

This military budget has turned the corner, but not bold enough. So in summary, I applaud my colleagues for their actions. They have taken some major steps here.

So I think one could argue in support of the bill. I cannot argue that. Yes, we have made some rearrangements, but the dollar figure is roughly the same. I think that spending close to $300 billion in a world with such great human misery is still obscene, Mr. Speaker.

So I feel that I would be derelict in my responsibility, derelict in my responsibility to represent a constituency in California and a constituency that goes beyond the border of the Eighth Congressional District in California that believe that spending this kind of money makes no sense. And for these reasons, I will stand in opposition.

The day that RON DELLUMS votes for a military budget is not the day when it just turned the corner, but the day that it got to where it should be, peace in the world and dealing with domestic issues.

The SPEAKER pro tempore (Mr. GIBBONS). Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. DICKINSON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 268, nays 161, answered not voting 2, as follows:

[Roll No. 110]

YEAS—268

Abercrombie
Ackerman
Alexander
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Aspin
Atkins
AuCoin
Bacchus
Barnard
Barton
Beilenson
Bennett
Berman
Bevill
Bilbray
Bonior
Borski
Boucher
Boxer
Brewster
Brooks
Browder
Brown
Bruce
Bryant
Bustamante
Byron
Camp
Campbell (CO)
Cardin
Carper
Carr
Chapman
Clement
Coleman (TX)
Condit
Conyers
Cooper
Costello
Coughlin
Cox (IL)
Coyne
Cramer
Darden
de la Garza
DeFazio
DeLauro
Derrick
Dicks
Dingell
Dixon
Donnelly
Dooley
Dorgan (ND)
Downey
Duncan
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (TX)
Engel
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Frost
Gaydos
Gejdenson
Gephardt
Geren
Gibbons
Gilman
Glickman
Gonzalez
Gordon
Gray
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Harris
Hatcher
Hayes (LA)
Hefner
Henry
Hertel
Hoagland
Hochbrueckner
Horn
Horton
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Jacobs
James
Jefferson
Jenkins
Johnson (CT)
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kasich
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kopetski
Kostmayer
LaFalce
Lancaster
Lantos
LaRocco
Laughlin
Lehman (CA)
Lent
Levin (MI)
Levine (CA)
Lipinski
Lloyd
Long
Lowey (NY)
Luken
Machtley
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDermott
McGrath
McHugh
McMillen (MD)
McNulty
Miller (CA)
Mineta
Mink
Moakley
Mollohan
Montgomery
Moody
Moran
Morella
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal (MA)
Neal (NC)
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (UT)
Oxley
Pallone
Panetta
Parker
Patterson
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Pickett
Pickle
Porter
Poshard
Price
Rahall
Ravenel
Ray
Reed
Regula
Richardson
Ridge
Roe
Roemer
Rose
Rostenkowski
Roukema
Rowland
Russo
Sabo
Sangmeister
Sarpalius
Sawyer
Scheuer
Schroeder
Schumer
Sharp
Shays
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Snowe
Solarz
Spratt
Staggers
Stallings
Stark
Stenholm
Studds
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Taylor (MS)
Thomas (GA)
Thornton
Torres
Torricelli
Traxler
Unsoeld
Upton
Valentine
Vento
Visclosky
Waxman
Weiss
Weldon
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron

NAYS—161

Allard
Applegate
Archer
Armey
Baker
Ballenger
Barrett
Bateman
Bentley
Bereuter
Billirakis
Bliley
Boehlert
Boehner
Broomfield
Bunning
Burton
Callahan
Campbell (CA)
Chandler
Clay
Clinger
Coble
Coleman (MO)
Collins (IL)
Collins (MI)
Combest
Cox (CA)
Crane
Cunningham
Dannemeyer
Davis
DeLay
Dellums
Dickinson
Doolittle
Dornan (CA)
Dreier
Edwards (CA)
Edwards (OK)
Emerson
Fawell
Fields
Fish
Franks (CT)
Gallegly
Gallo
Gekas
Gilchrest
Gillmor
Gingrich
Goodling
Goss
Gradison
Grandy
Hammerschmidt
Hancock
Hansen
Hastert
Hayes (IL)
Hefley
Herger
Hobson
Holloway
Houghton
Hunter
Hyde
Inhofe
Ireland
Johnson (TX)
Klug
Kolbe
Kyl
Lagomarsino
Leach
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Livingston
Lowery (CA)
Marlenee
Martin
McCandless
McCollum
McCrery
McDade
McEwen
McMillan (NC)
Meyers
Mfume
Michel
Miller (OH)
Miller (WA)
Molinari
Moorhead
Morrison
Myers
Nichols
Nussle
Orton
Owens (NY)
Packard
Paxon
Payne (NJ)
Petri
Pursell
Quillen
Ramstad
Rangel
Rhodes
Riggs
Rinaldo
Ritter
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roybal
Sanders
Santorum
Savage
Saxton
Schaefer
Schiff
Schulze
Sensenbrenner
Serrano
Shaw
Shuster
Skeen
Slaughter (VA)
Smith (NJ)
Smith (OR)
Smith (TX)
Solomon
Spence
Stearns
Stokes
Stump
Sundquist
Taylor (NC)
Thomas (CA)
Thomas (WY)
Towns
Traficant
Vander Jagt
Volkmer
Vucanovich
Walker
Walsh
Washington
Waters
Weber
Wolf
Wylie
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—2

Hopkins
Lehman (FL)

□ 1525

Messrs. MCCANDLESS, RANGEL, and PACKARD, and Mrs. COLLINS of Michigan changed their vote from "yea" to "nay."

Messrs. LEHMAN of California, MCDERMOTT, and PEASE, and Mrs. UNSOELD changed their vote from "nay" to "yea."

So the bill was passed.

The result of the vote was announced as above recorded.

The title of the bill was amended so as to read: "A bill to authorize appropriations for fiscal years 1992 and 1993 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year

for the Armed Forces, and for other purposes.".

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ASPIN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 2100, the bill just passed, and that Members who had amendments considered en bloc have permission to insert statements in the CONGRESSIONAL RECORD immediately before the disposition of those amendments.

The SPEAKER pro tempore (Mr. THORNTON). Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 2100, NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEARS 1992 AND 1993

Mr. ASPIN. Mr. Speaker, I ask unanimous consent that in the engrossment of the bill, H.R. 2100, as amended, the Clerk be authorized to make such clerical and technical corrections, including corrections in the table of contents, title and section numbers, and cross references, as may be necessary.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

PERMISSION TO INCLUDE IN THE RECORD CORRECTIONS TO COMMITTEE REPORT ON H.R. 2100, NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEARS 1992 AND 1993

Mr. ASPIN. Mr. Speaker, I ask unanimous consent to include in the RECORD at this point a list of technical corrections to the report on H.R. 2100, the DOD authorization bill for fiscal year 1992, Report No. 102-60.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The list of corrections is as follows:

On page 127 of the report under the heading "Vectored thrust combat agility demonstrator program"—"recommends a deferral or elimination of the" should read "recommends that the Army not defer or eliminate the * * *."

On page 145 of the report under the heading "V-22 Osprey aircraft"—"Defense Appropriations Act for Fiscal Year 1991" should read "Defense Appropriations Act for Fiscal Year 1989."

On page 163-164 of the report under the heading "Advanced submarine technology" insert "nickel-cadmium batteries" so that it reads "* * * associated with integrated hull coatings, nickel-cadmium batteries, and integrated composite nonpressure hull sections."

On page 138 of the report under the heading "Industrial preparedness" insert "and for Metal Spray Forming" so that it reads "* * * Metalworking and Composite Centers and for Metal Spray Forming. The committee also recommends $10 million * * *."

On page 239 of the report under the heading "Review of Port Chicago Court Martial Cases," the reference to "section 512" should read "section 511."

REPORT ON HOUSE RESOLUTIONS RELATING TO FAST-TRACK PROCEDURES

Mr. DERRICK, from the Committee on Rules, submitted a privileged report (Rept. No. 102-72) on the resolution (H. Res. 158) providing for consideration of two resolutions on the subject of fast track procedures for consideration of bills to implement trade agreements which was referred to the House Calendar and ordered to be printed.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. McCathran, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and joint resolutions of the House of the following titles:

On January 14, 1991:

H.J. Res. 77. Joint resolution to authorize the use of U.S. Armed Forces pursuant to U.N. Security Council Resolution 678.

On January 30, 1991:

H.R. 4. An act to extend the time for performing certain acts under the Internal Revenue laws for individuals performing services as part of the Desert Shield Operation.

On February 6, 1991:

H.R. 3. An act to amend title 38, United States Code, to revise, effective as of January 1, 1991, the rates of disability compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for survivors of such veterans.

H.R. 556. An act to provide for the Secretary of Veterans Affairs to obtain independent scientific review of the available scientific evidence regarding associations between diseases and exposure to dioxin and other chemical compounds in herbicides, and for other purposes.

On February 15, 1991:

H.J. Res. 30. Joint resolution to designate February 7, 1991, as "National Girls and Women in Sports Day".

On March 18, 1991:

H.J. Res. 98. Joint resolution designating March 4 through 10, 1991, as "National School Breakfast Week".

H.R. 555. An act to amend the Soldiers' and Sailors' Civil Relief Act of 1940 to improve and clarify the protections provided by that Act; to amend title 38, United States Code, to clarify veterans' reemployment rights and to improve veterans' rights to reinstatement of health insurance, and for other purposes.

On March 20, 1991:

H.J. Res. 104. Joint resolution to designate March 26, 1991, as "Education Day, U.S.A.".

On March 21, 1991:

H.J. Res. 133. Joint resolution authorizing and requesting the President to designate the second full week in March 1991 as "National Employ the Older Worker Week".

On March 22, 1991:

H.J. Res. 167. Joint resolution designating June 14, 1991, and June 14, 1992, each as "Baltic Freedom Day".

H.R. 180. An act to amend title 38, United States Code, with respect to veterans education and employment programs and for other purposes.

On March 27, 1991:

H.R. 1176. An act to provide authorizations for supplemental appropriations for fiscal year 1991 for the Department of State and the Agency for International Development for certain emergency costs associated with the Persian Gulf conflict, and for other purposes.

On March 28, 1991:

H.R. 1284. An act to authorize emergency supplemental assistance for Israel for additional costs incurred as a result of the Persian Gulf conflict.

H.R. 1316. An act to amend chapter 54 of title 5, United States Code, to extend and improve the Performance Management and Recognition System, and for other purposes.

On April 9, 1991:

H.R. 1285. An act to resolve legal and technical issues relating to Federal postsecondary student assistance programs and to prevent undue burdens on participants in Operation Desert Storm, and for other purposes.

On April 10, 1991:

H.R. 1281. An act making dire emergency supplemental appropriations for the consequences of Operation Desert Shield/Desert Storm, food stamps, unemployment compensation administration, veterans compensation and pensions, and other urgent needs for the fiscal year ending September 30, 1991, and for other purposes.

H.R. 1282. An act making supplemental appropriations and transfers for "Operation Desert Shield/Desert Storm" for the fiscal year ending September 30, 1991, and for other purposes.

On April 18, 1991:

H.J. Res. 134. Joint resolution to designate the weeks of April 14 through 21, 1991, and May 3 through 10, 1992, as "Jewish Heritage Week".

H.J. Res. 197. Joint resolution to designate the week of April 15 through 21, 1991, as "National Education First Week".

H.J. Res. 222. Joint resolution to provide for a settlement of the railroad labor-management disputes between certain railroads represented by the National Carriers' Conference Committee of the National Railway Labor Conference and certain of their employees.

On April 26, 1991:

H.J. Res. 218. Joint resolution to designate the week beginning April 21, 1991, and the week beginning April 19, 1992, each as "National Organ and Tissue Donor Awareness Week".

On May 7, 1991:

H.R. 598. An act to amend title 38, United States Code, to improve the capability of the Department of Veterans Affairs to recruit and retain physicians and dentists through increases in special pay authorities, to authorize collective bargaining over conditions

of employment for health-care employees of the Department of Veterans Affairs, and for other purposes.

On May 8, 1991:

H.J. Res. 214. Joint resolution recognizing the Astronauts Memorial at the John F. Kennedy Space Center as the national memorial to astronauts who die in the line of duty.

On May 14, 1991:

H.J. Res. 173. Joint resolution to designate May 1991 and May 1992 as "Asian/Pacific American Heritage Month."

H.J. Res. 194. Joint resolution designating May 12, 1991, as "Infant Mortality Awareness Day."

On May 15, 1991:

H.J. Res. 109. Joint resolution designating each of the weeks beginning May 12, 1991, and May 10, 1992, as "Emergency Medical Services Week."

On May 17, 1991:

H.R. 2122. An act to authorize emergency humanitarian assistance for fiscal year 1991 for Iraqi refugees and other persons in and around Iraq who are displaced as a result of the Persian Gulf conflict.

On May 20, 1991:

H.J. Res. 154. Joint resolution designating the month of May 1991, as "National Foster Care Month."

□ 1530

WAIVING ALL POINTS OF ORDER AGAINST CONFERENCE REPORT ON HOUSE CONCURRENT RESOLUTION 121, CONCURRENT RESOLUTION ON THE BUDGET—FISCAL YEAR 1992

Mr. DERRICK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 157 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 157

Resolved, That upon adoption of this resolution it shall be in order to consider the conference report on the concurrent resolution (H. Con. Res. 121) revising the congressional budget for the United States Government for the fiscal year 1991 and setting forth the congressional budget for the United States Government for the fiscal year 1992, 1993, 1994, 1995, and 1996, and all points of order against the conference report and against its consideration are hereby waived. The conference report shall be considered as having been read when called up for consideration. Debate on the conference report shall be limited to not more than one hour, equally divided and controlled by the chairman and ranking minority member of the Committee on the Budget.

SEC. 2. Rule XLIX shall not apply with respect to the adoption by the Congress of the conference report on the concurrent resolution (H. Con. Res. 121).

The SPEAKER pro tempore. (Mr. THORNTON). The gentleman from South Carolina [Mr. DERRICK] is recognized for 1 hour.

Mr. DERRICK. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from New York [Mr. SOLOMON], pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, House Resolution 157 waives all points of order against the conference report for House Concurrent Resolution 121, the budget resolution for fiscal year 1992, and against its consideration. Specifically, the conference report needs a waiver of clause 2 of rule 28. Clause 2 requires that a conference report layover for 3 days prior to its consideration. Since the Appropriations Committee is meeting today and consideration of several appropriations bills is expected early next week, we need to facilitate an orderly budget process and to ensure that the budget resolution conference report will be considered prior to the appropriations bills.

In addition, the conference agreement requires a waiver of clause 3 of rule 28 because it contains several outyear numbers that are beyond the scope of the conference. It also requires a waiver of germaneness, clause 4 of rule 28, because the conference agreement contains sense of Senate language that would have violated the germaneness rule, if offered as an amendment in the house.

The rule further provides that debate on the conference report shall be limited to not more than 1 hour, equally divided and controlled by the chairman and ranking minority member of the Committee on the Budget.

Mr. Speaker, the conference report for House Concurrent Resolution 121 revises the congressional budget for fiscal year 1991 and sets forth the congressional budget for fiscal years 1992, 1993, 1994, 1995, and 1996. The conference report proposes a budget which strictly observes the terms of the "budget summit agreement" reached last year between Congress and the President. Discretionary appropriations for the defense, domestic, and international categories are all within their appropriate spending caps. The resolution calls for no additional taxes and assumes that any tax cuts or entitlement expansions Congress might enact for the fiscal year will conform to the pay-as-you-go requirements of the budget agreement.

Finally Mr. Speaker, the rule states that rule 49 will not apply. Rule 49 requires the enrolling clerk, upon adoption of the budget resolution conference report, to prepare a joint resolution changing the statutory limit on the public debt if necessary to conform to amounts in the budget resolution. There is no need for debt limit legislation this year because last year's reconciliation bill included a sufficient increase.

The committee made some tough choices in formulating this package, which freezes spending in numerous accounts at 1991 levels or below in order to enable us to increase funding in the areas I have mentioned.

Mr. Speaker, this budget will serve the needs of America, and especially those of America's working families, in the coming fiscal year and beyond. I urge all Members to support the rule and the conference report for the budget resolution.

Mr. SOLOMON. Mr. Speaker, I yield myself such time as I might consume.

Mr. Speaker, I thank the gentleman for yielding me half the time.

Mr. Speaker, I rise in strong opposition to this rule. Notwithstanding the fact that our weekly Whip notices indicate that conference reports may be brought up at any time, the fact is we still have a little House rule around here that prohibits the consideration of conference reports until the third calendar day after they are filed. That rule is rule 28, clause 2, in case anybody is interested.

The budget resolution conference report was just filed yesterday noontime. The minority members of the Budget Committee and the Rules Committee did not see it prior to yesterday. And if we were to observe House rules around here this would not be eligible for consideration until after tomorrow; so I would ask the question, Mr. Speaker, what is the rush?

Well, the chairman of the Budget Committee tells us we have deadlines to observe and that we should take this up on the floor before we consider appropriation bills.

Let me respond to that, Mr. Speaker. You know, Will Rogers once said that he never met a man he did not like. Well, the Budget Committee has never met a deadline it had to meet, either, not since I have been here for 13 years.

In this case, this budget resolution is already 37 days past its April 15 deadline for final action.

In the second place, under last year's budget summit agreement, the Appropriations Committee was given authority to move forward with its bills after May 15, even if a final budget resolution was not in place; so that argument just does not hold any water.

Third, Mr. Speaker, even if we observed the normal 3-day layover, we could take this up next Tuesday or Wednesday before we begin consideration of the first appropriations bills that are going to come on the floor sometime next week. So the fact is there is no compelling reason to violate the 3-day lay over rule unless, of course, it is the clear intention of the Budget Committee majority to rush this conference report through before Members even know what is in it.

Mr. Speaker, I would bet that there are not 15 Members in this House of 435 Members who have any idea of what is in this budget conference report now before us.

The inability of Members to study this report before they vote on it is not the only problem we have around here, however. This rule waives all points of

order against the budget resolution conference report and its consideration.

Let me repeat that. It waives all points of order. We do not even know which ones. It just waives them all.

Now, why would the Budget Committee need a blanket waiver unless it is to hide under the blanket? I do not know. How many House rules or Budget Act provisions are actually being violated by this conference report? I do not think there is anybody here who knows. I certainly do not know.

It is my understanding that they have violated both the scope and the germaneness provisions of House rule 28 which applies to conference reports, not to mention the 3-day layover rule that I mentioned before.

Mr. Speaker, a scope violation is the most serious violation that can be committed by a conference report, because it involves including something that is beyond the limits of what was committed to conference by either House. We have always abided by that. We know that if we pass a bill and the Senate passes a bill, the conference report has to be somewhere between the two.

Mr. Speaker, this rule also limits debate time on the conference report to just 1 hour, even through the Budget Act provides for up to 5 hours, as we all know, of debate on a budget conference report. This rule underscores our suspicions that the majority doesn't want the House to have sufficient time to study and debate this matter.

Just think of that, 1 hour to discuss a $1½ trillion budget which has a $300 billion deficit—1 hour for 435 Members to consider this—here on the floor this afternoon.

Mr. Speaker, I am sure the argument will be made by the supporters of this rule and this conference report that the minority is only blowing off steam about mere procedural or process objections to what is being done on this floor today.

Well, you're darn right we are, and such objections should not be trivialized or minimized. After all, what we are talking about here is a process in itself—the congressional budget process.

If that process is to retain any respect and credibility, we should either adhere to the requirements of that process, and the House rules that surround it, or we should scuttle the whole thing.

Let's not come in here at the last minute before floor consideration and say it's necessary to waive all the procedural rules of the House and Budget Act in order to consider the budget resolution.

Mr. Speaker, that is absurd on its face and an insult to every Member of this House.

I resent the fact that our Republican Members were completely shut out of the negotiations on this conference report. I told them, every single Republican in this House on the Budget Committee, was shut out completely. Every single Senator on the Republican side was shut out.

Mr. Speaker, we have a sunshine rule for conference committees that says all meetings should be public, unless otherwise closed by an action of this House. We did not do that; as far as I can determine, the only public session held by the conferees at all was a photo opportunity at which no substantive discussions were allowed. So much for Congress and so much for the sunshine law.

Mr. Speaker, the budget chairman indicated before the Rules Committee yesterday that he thought there were other matters complicating his task—and he normally does a good job at his task—he had other matters relating to other legislation for which he had no responsibility.

Quite frankly, that certainly has contributed to our anger on this side of the aisle over the quickie scheduling of this conference report by waiving all the rules of the House, and especially the 3-day layover.

But again, this is an important process issue that should be aired as long as we are on this subject.

The scheduling of legislation by the majority has turned this House topsy-turvy, and Members are very frustrated by the on-again off-again announcements we are getting on matters like fast track and civil rights and what is going to be the final versions of those bills when they are finally brought to the floor.

□ 1540

Someone once said that the process of democracy depends on an informed electorate, Mr. Speaker. I would just suggest that first of all it depends on an informed legislature and an informed Congress, and most Members on both sides of the aisle are either being misinformed or not informed at all as to what is going on both procedurally and substantially. This House is in a state of disarray, Mr. Speaker, as far as I am concerned.

For that we are going to pay, we are going to pay. We are going to pay with bigger and bigger and bigger deficits. The price we pay for being misinformed and uninformed will be bad bills and bad laws, and it will be the American people who will suffer in the long run.

So let us get back on track, Mr. Speaker, let us get our act together, let us put our House back in order so that we know what is going on and when it is going on.

Getting back to the rule at hand, Mr. Speaker, I urge a "no" vote on this rule. Let us observe the normal 3-day layover and take this up early next week after we have had a chance to comprehend 1.5 trillion dollars' worth of spending and a $300 billion deficit.

What are we doing to the American people?

Mr. Speaker, I reserve the balance of my time.

Mr. DERRICK. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to say one word before I give up my time. For my dear friend who is the ranking member of the Committee on Rules, I have served in this Congress for his entire term with Mr. PANETTA on the Committee on the Budget, when I was a member of the Committee on the Budget; I have worked with him as chairman.

These things that the gentleman has credited to him I think are outrageous. You know, I have never known anyone to accuse him of freezing anyone out or not allowing someone to be a part of the process.

Although I was not there, I rather think that the reverse is true. It was not that he froze anyone out, it was that possibly they would not come into the process. And if in fact these were—does the gentleman plan on supporting the conference report if we could hold it off a day or two? Does the gentleman plan on supporting the conference report if we could hold it off a day or two?

Mr. SOLOMON. If the gentleman is asking me a question, will the gentleman yield?

Mr. DERRICK. I am asking the gentleman a question.

Mr. SOLOMON. I thank the gentleman for yielding.

Mr. Speaker, I am going to fight this rule tooth and nail because it is unfair. You treat us fairly, and we will vote with you probably 9 times out of 10. Especially on a rule, we will vote with you 100 times out of 100.

But when the gentleman is saying, and I have the deepest respect for the chairman——

Mr. DERRICK. I am glad to hear the gentleman say that. I would have not thought so after listening to the gentleman.

Mr. SOLOMON. We were not impugning his character, but something went awry here. What was it? Mr. Speaker, I yield to the ranking Republican on the Committee on the Budget for his observations.

Mr. DERRICK. Mr. Speaker, the time was mine.

The SPEAKER pro tempore. The gentleman from South Carolina [Mr. DERRICK] has the time, and it is his to yield.

The Chair recognizes the gentleman from South Carolina [Mr. DERRICK].

Mr. DERRICK. I am glad to get that straight. Of course, that was the main reason that I stood up to find out how the gentleman felt about Mr. PANETTA. I am glad to hear that you hold him in

such high esteem. I would not have known it had I not pressed the matter.

Mr. SOLOMON. Mr. PANETTA knows how I feel about him. I have the deepest respect for him.

The SPEAKER pro tempore. The gentleman from South Carolina [Mr. DERRICK] has 25 minutes remaining.

Mr. SOLOMON. Yes, Mr. Speaker, I would really like to get to the bottom of this disarray.

With all due respect to everybody on both sides of the aisle, every Member of the House——

Mr. DERRICK. Mr. Speaker, will the gentleman yield?

Mr. SOLOMON. I yield to the gentleman from South Carolina.

Mr. DERRICK. I thank the gentleman for yielding.

Mr. Speaker, I want to assure the gentleman there is no disarray on this side of the aisle. If there is any disarray, it is on the other side of the aisle.

Mr. SOLOMON. Mr. Speaker, I yield such time as he may consume to the gentleman from Ohio [Mr. GRADISON].

Mr. GRADISON. I thank the gentleman for yielding.

I know the great interest of the House in getting to the bottom of this very serious matter. Let me assure my colleagues that all of the members of the Committee on the Budget, including the Republican members, were fully advised and invited to attend and permitted to attend and participate in the one public meeting which was held as an acknowledged photo opportunity for the budget.

Prior to that session, and subsequent to that session, a number of meetings took place involving Democratic staff and members from both sides of the Capitol; Republican staff and Republican members did not participate in any of those meetings. I was never invited, I would say to my friend from New York, to any meeting other than the very delightful and terribly constructive session which we had for the benefit of the public and the press in order to show the great progress that was being made.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. GRADISON. I yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding.

Mr. Speaker, do I understand the gentleman to say that the only session of the budget conference that the Republicans were invited to was a photo opportunity?

Mr. GRADISON. Well, I would go further: We were able to speak briefly, and we are grateful for crumbs whenever they come our way.

Mr. WALKER. But in essence what the gentleman was invited to was a photo opportunity; the substantive work on the budget took place with no Republicans in the room.

Mr. GRADISON. I believe the gentleman has reached the heart of the issue.

Mr. SOLOMON. Mr. Speaker, I yield such time as he may consume to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. I thank the gentleman for yielding to me.

Mr. Speaker, I have a few questions about the rule. The first question is: What is being waived? We have these massive waivers in the rule. Can someone explain to me what it is we are waiving?

Mr. SOLOMON. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I yield to the gentleman.

Mr. SOLOMON. I thank the gentleman for yielding.

Mr. Speaker, I would just respond that we are waiving everything, every House rule there is.

Mr. WALKER. Specifically what is down in this thing? I have this tome in front of me now, and I would be happy to know what is waived.

Mr. DERRICK. Is the question directed to me?

Mr. WALKER. Anybody who can answer it.

Mr. DERRICK. Well, I will attempt to answer it, Mr. WALKER. I doubt I would answer it to the gentleman's satisfaction, however.

Specifically, the conference report needs a waiver of clause 2 of rule XXVIII. Clause 2 requires a conference report layover for 3 days prior to being considered.

Mr. WALKER. So the 3-day rule is being waived. What else?

Mr. DERRICK. Since the Committee on Appropriations is meeting today and consideration of several appropriations bills is expected early next week, we need to facilitate an orderly budget process and to ensure that the budget—and I am answering the gentleman's question.

Mr. WALKER. If I may reclaim my time.

Mr. DERRICK. Would the gentleman allow me to answer his question?

Mr. WALKER. If I may reclaim my time Mr. Speaker.

The SPEAKER pro tempore. The gentleman from Pennsylvania has the time.

Mr. WALKER. I understand the 3-day rule is being waived. The gentleman is being very helpful.

Mr. DERRICK. Mr. Speaker, in addition to that, the conference agreement requires a waiver of clause 3 of rule XXVIII because it contains several out-year numbers that are beyond the scope of the conference. It also requires a waiver of germaneness of clause 4 of rule XXVIII because the conference agreement contains a sense-of-Senate language that would have violated the germaneness rule if offered as an amendment in the House.

Mr. WALKER. I see. In other words, the out-year figures in this bill in several places exceed the scope of the conference. In other words, the conference has gone over the amount of money that are assured in the out years.

Now, are any of those figures beyond the scope of the budget agreement last year? I understand that some of the figures in this bill have exceeded what the budget agreement was last year. So, in other words, the rule that we are bringing to the floor here is not only a trampling on the processes of the House, it is also a trampling on last year's budget agreement that was supposedly entered in good faith. At least there is a little bit of suspicion.

The gentleman from California is telling me that is not true. I understand just for this year it is over by $1.8 billion.

Mr. PANETTA. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from California.

Mr. PANETTA. I thank the gentleman for yielding.

The answer is that it is not true.

Mr. WALKER. OK.

Mr. PANETTA. We stay within the budget caps and within the numbers that were in the House resolution.

The only difference here is with regard to some out-year numbers that were raised because of CBO's projections.

Mr. WALKER. I see. So we are now violating the process that said OMB should make some of these determinations. We are now taking CBO's figures and CBO's figures in the out years are different. So we have now exceeded the scope of the conference, and we have now come to the floor with a rule to allow the gentleman to exceed the scope of the conference. Is that right?

□ 1550

Mr. PANETTA. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from California.

Mr. PANETTA. Mr. Speaker, I thank the gentleman from Pennsylvania [Mr. WALKER] for yielding.

Mr. Speaker, I might point out that seven of the last eight budget conferences have used this waiver and have also used the waivers that are included in this rule.

Mr. WALKER. OK; well, have seven of the eight previous conferences also excluded the Republicans from deliberations?

Mr. PANETTA. Mr. Speaker, Republicans were not excluded.

Mr. WALKER. Mr. Speaker, I just heard the gentleman from Ohio, who is the ranking Republican on the committee, who says that the only time he was allowed to show up was for a photo opportunity.

Mr. PANETTA. Mr. Speaker, if the gentleman will yield, I will respond to these arguments in my response.

Mr. WALKER. I would thank the gentleman. I am wondering a little bit about the document itself. I go to the back of the document, and I find out a whole bunch of names have been crossed out.

Are those Republican names that were crossed off the document?

Mr. PANETTA. I am not familiar.

Mr. WALKER. Mr. Speaker, this is his document. This is his conference report, and on the back of it there are no——

Mr. PANETTA. The gentleman from Pennsylvania [Mr. WALKER] is asking whether the Republicans signed the conference agreement. The answer to that is: No.

Mr. WALKER. OK; and the names that were typed in that evidently were crossed off, are those the Republican names?

Mr. PANETTA. I believe that the purpose of that is to avoid them being printed so that it appears that they supported the conference. That, too, is normal procedure.

Mr. WALKER. Mr. Speaker, there must have been some reason why there were no Republicans on this. It may be because they were not included in the deliberation.

But, as my colleagues know, it is kind of an odd conference report. What is all this scribbling that we have got on all these pages as I go through here? There are a whole bunch of pages here that are scribbled, and stuff is knocked out. We have handwritten notes throughout the budget.

What is all that scribbling? Can the gentleman tell me?

Mr. PANETTA. Mr. Speaker, if the gentleman will yield, we have a printed conference report that is rather clean and avoids the gentleman's concerns.

Mr. WALKER. I am glad the majority side has it. When I went back here to the minority side to find the copies which were given to us, this is what we were given, and what the minority side has; I am glad the gentleman got one in print; what we have is one with a whole bunch of scribbling on it that is a little difficult to decipher.

Mr. DERRICK. Mr. Speaker, the gentleman received those so that they could receive it at the very earliest second that it was available.

Mr. WALKER. And, Mr. Speaker, as I understand it, the very earliest second that it was available was yesterday.

Mr. DERRICK. And I would add that that is the same copy that the Committee on Rules received.

Mr. WALKER. Mr. Speaker, I am pleased to know that, and the Committee on Rules, despite the fact what they had is a bunch of scribbling, decided to give this atrocious rule.

Mr. Speaker, I would say that raises question about whether or not the Committee on Rules understood exactly what was in the bill.

Let me just say this about the substance of the budget before us. This is the budget, folks, that helped kill space station the other day in the Committee on Appropriations. As my colleagues know, the chairman came to the floor here a few weeks ago and told us how his budget protected science, space, and technology. We are now finding out that his budget is what is killing off the ability of this country to compete in high technology, and so his budget is partially responsible for the fact that down in the Committee on Appropriations they are killing off one of the high-tech projects in this country, and I would suggest to the people in the Congress that, first of all, this budget has some major problems in it, and one of those major problems is that it is a budget aimed at protecting the welfare state while killing off the entrepreneurial economy of the future, and I thank the gentleman for yielding the time.

Mr. SOLOMON. Mr. Speaker, I yield such time as he may consume to the distinguished minority leader, the gentleman from Illinois [Mr. MICHEL].

Mr. MICHEL. Mr. Speaker, I have to rise today in opposition to the rule providing for consideration of this conference report on the fiscal year 1992 budget resolution.

As have been pointed out, the rule provides a blanket waiver of all points of order, including the requirement that the conference report be made available to House Members for 3 days.

The distinguished gentleman from Pennsylvania [Mr. WALKER] who just preceded me and made a very eloquent case for this point of view, and I certainly subscribed to the thoughts that he has expressed so well.

Mr. Speaker, I realize that in the past we have criticized the Committee on the Budget for missing deadlines, and, again this year the April 15 deadline for adopting the budget resolution has not been met. But I would have to ask: What would be the harm in permitting Members to read the conference report before having to actually cast their vote?

Mr. Speaker, the budget resolution will not affect the 602(a) allocation of discretionary spending authority already made to the Committee on Appropriations except that it will now be called the 302(a) allocation. I seriously doubt that the appropriators will reshuffle their 602(b) subcommittee allocations based on their conference report.

Mr. Speaker, it is my understanding that the first two appropriations bills will move to the floor next week. This indicates that the budget resolution will have no further impact on the discretionary priorities already set by the appropriators.

I realize this is the democratic majority budget resolution which reflects the priorities of their party, but it disturbs me the Republicans were not included in the process of the conference between the two bodies except, as has been shown so vividly here, in a ceremonial kickoff meeting.

Mr. Speaker, this is just another indication that the majority party in this House will disregard the rights of the minority anytime that they feel they can get away with it. Now I understand for a Member, in my case, a Member of the House for 35 years, never once having been a Member of the majority party, that it is very difficult for those in the majority to have any kind of empathy or feelings for us that are struck with this plight of being in the minority. However, Mr. Speaker, I am not going to argue this case other than it seems to me we are not a proliferation of parties in the House. We are a majority party and a minority party. It ought not to be all that difficult to at least keep one of the two parties informed as to exactly what is going on at any given time. We will play our role. We lose more than we win. But we have a role of play.

In terms of priorities set by this resolution, I have got to repeat my earlier statement: This budget remains a mystery budget. Discretionary spending for many programs is assumed at levels far higher than the President's budget. Many of us would like to see higher spending, maybe for education and other important programs. It all sounds great, but how are these increases paid for?

Mr. Speaker, the Democrat majority has a $1.8 billion plug in function 950, undistributed offsetting receipts. So, the heavy lifting of actually setting priorities will be left again to the appropriators.

The majority also indicates that there may be legislation to increase various entitlement programs later this year. Well, we have report language and Senate reserve funds which foreshadow such legislation.

But the questions remain: How will these new programs be paid for and will we be faced with a major tax bill this year? There are legitimate questions to ask. We certainly cannot tell from this resolution. It is a riddle wrapped in a mystery inside an enigma enveloped by assumptions.

A budget is meant to set priorities. This budget resolution does not do that.

Therefore, Mr. Speaker, I have to vote against the budget resolution, and, yes, I would urge, as the distinguished gentleman from New York has pointed out, that our colleagues ought to oppose this rule because the rule itself infringes on the rights of the Members of this House.

Mr. SOLOMON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I will not belabor the point, because we want to get on with the vote. But let me just say that it is too bad that we could not have a rule before us, a fair rule that we could all support. We just finished debating the defense authorization bill for this country. It was a fair rule and a fair bill. We sat down. We worked it out in a workshop environment where everyone agreed, even though we did not get all that we wanted. We did not get the Cheney-Schwarzkopf-Powell budget, but, nevertheless, it was a fair fight, and we lost.

However, as my colleagues know, and I am going to say it to them once again across the aisle, "You're not going to be fair to us on Monday and Tuesday on some significant things, and then be unfair on Wednesday, Thursday and Friday. You just are not going to get away with it. We're not going to let you."

I just want everybody to remember that in the budget last year we voted for defense reductions and a $165 billion tax increase in the promise that this Congress would act responsibly in fiscal matters and get its house in order to try to control the growth of spending.

Now I am going to tell my colleagues that in this conference report there is a hidden tax increase. Let me just read from the committee report. It says, and this is the committee's language, I say to the budgeteers over there on the other side of the aisle:

> This budget Resolution does not assume specific pay-as-you-go legislation. Instead, a number of proposals have been identified by the Committee as potential initiatives which address pressing national needs. The Committee expects additional pay-as-you-go proposals to be developed by the House during the 102nd Congress.

□ 1600

As I read that, one could expect some offsets to be made by Congress, but do not count on it.

Members can take this conference report home and read throught it and tell us where the tax increase is. And when Members find it, come back here and complain about it.

Mr. Speaker, I yield 3 minutes to the gentleman from Ohio [Mr. KASICH].

Mr. KASICH. Mr. Speaker, I thank the gentleman for yielding time to me.

I just want, without a great amount of emotion here, to speak on this conference report. I think everybody in the House should know my feelings. This whole budget process and our ability to set the limits and everything else is a fiasco, and this whole budget agreement, I think, was a ripoff to the American taxpayer. But let us put that behind us just for a second and look at the conference report.

It is hard for me to believe that we were not able to get any real negotiating in the conference and that Members like the gentleman from Cincinnati [Mr. GRADISON] were not included. It was really not a very broad participation, but let us forget the question of participation and get down to the fact that it is absolutely mind-boggling to me that in this conference report, I hope Republicans are listening, the discretionary spending exceeds the caps and contains a $1.8 billion budget authority and $500 million outlay plug to bring the numbers in line.

Discretionary spending is out of the roof in the budget agreement, and we still could not stay within the spending caps by violating it by $1.8 billion in budget authority. There is a $2.6 billion plug to handle differences between CBO and OMB.

I heard the chairman of the Committee on the Budget say that we waive this thing all the time. We have been losing this fight. We said we were going to do scoring on the basis of OMB. That was the budget agreement. Now we have got a bill that plays off $2.6 billion more in deficits. It is a phony number here based on CBO's scoring. It is not what we agreed to. We broke that part of the deal.

Then we say we found $10 billion in entitlement spending due to different estimates.

I must talk to the Republicans because the budget game around this Congress has become one of the partisan back and forth and bickering between us and the Democrats and the White House and everybody else. I want to speak to Republicans now. Please do not come to this floor and vote for this conference report. This is not to cast aspersions on my friend, the gentleman from California [Mr. PANETTA], who does the best job he can do in monitoring and bringing together all the different interests within his party. He has got a tough job to do because he has to put together a collection of people who really differ.

But in our party, if you support the President or you support those people who differed with the President last time around on the great budget debate of last year, every Republican ought to come to this floor and vote against this conference report because this exceeds even the agreement that we agreed to that many of us thought was too much. We are breaking the deal.

Nobody ought to come to this floor and vote for this thing in either party who believes that that deal ought to be honored. The only place where we seem to be able to honor the deal and agree to the budget caps is in defense spending, where we keep going below them. The only reason we do not get more amendments to go below that is because we cannot add on the others because we violate those spending caps.

I say to my colleagues on the democratic side who want to honor the sanctity of this agreement, come to the floor and vote no to the conference report. To my Republican colleagues, not one of you ought to be voting for this thing, no matter how you feel in terms of our overall deal, because it breaks the deal, and this is a terrible deal.

Mr. SOLOMON. Mr. Speaker, I would urge all Members of the House to vote no on this rule and then to vote no on the conference report with the hidden tax increase.

Mr. DERRICK. Mr. Speaker, I yield such time as he may consume to the distinguished chairman of the Budget Committee, the gentleman from California [Mr. PANETTA].

Mr. PANETTA. Mr. Speaker, I urge Members to support this rule and I regret that the minority is taking the position of opposing this rule. It is very similar to the same kind of rules that we adopt with regard to the budget resolution conference each time we have taken it up.

I think it is particularly important that we endorse the agreement, that both the President and the Congress agreed to, and put it in place as soon as possible.

The reason that we tried to expedite this now is because next week the Senate is off. And if we do not take it up today, it means that there will be that much more time lost before we actually have a conference in place and will be taking up appropriations bills.

If we complete action on the conference report, it will be the second fastest time that we have put a budget conference in place in the last 10 years. The minority has constantly criticized the majority for not meeting its schedule. Here we are at the point of getting a conference adopted, meeting our schedule as close as possible, and the minority argues for delay.

I am reminded of the advice that lawyers often get which is, if facts are not with you, you argue the law. If the law is not with you, you argue the facts. If the law and the facts are not with you, you take off your shoe and pound the table.

What the minority is doing right now is taking off their shoe and pounding the table. There are many Members that have in fact voted against the budget agreement that was made between the President and the Congress, voted against the President's own budget resolution, voted against the House budget resolution. Suddenly, after doing that, the argument is, gosh, after having knifed these resolutions in the back, why are we not included in the operating room in trying to deal with the patient?

Credibility is somewhat strained. The facts are the following: The facts are that this budget conference is very close to the House budget resolution. Out of 17 functions, 15 are the House numbers or slightly higher. Two were basically splits with the Senate, which is normally done in the conference. That is clear to everyone.

In terms of the language that was adopted, the bulk of the language applies to the Senate as sense of the Senate language applying to the Senate only. So in terms of the resolution, if one supported the House budget resolution, this essentially implements the same priorities.

Let me make clear with regard to informing the minority that last Thursday, on May 16, every House conferee was invited to a 1:30 p.m. meeting to discuss the budget conference agreement, the outline. I sat down with members of the conference, both Republicans and Democrats, and went over in great detail the recommendations of the conference agreement that had been worked out by Chairman SASSER, myself, and our staffs. The numbers, budget authority and outlays, were distributed to the Members on both sides of the aisle. Staff walked through each of the 17 key budget functions, described the tentative agreement on budget authority and outlays and the rationale for each of the numbers. The committee's chief counsel explained how the language differences were going to be resolved, including those items which were only going to be sense of the Senate items.

The key issue, practically the only issue that was debated at all, was with regard to the amendment dealing with pay-as-you-go, which the Senate has now dropped.

Six days ago we did this, 6 days ago. The minority had in their hands the essence of the conference agreement. Not one number has been changed from our discussion last Thursday. Not one change in language has been made since our discussion last Thursday. And no one said at last Thursday's meeting that we were going too fast or that we were not included or that something is wrong here. None of that was heard.

For that reason, we proceeded to file the conference report and provided a copy to the minority. We sent out a "Dear Colleague" yesterday and have responded to any questions with regard to the elements of the conference report. So we have provided full information here to the Members with regard to the essence of this conference report.

With regards to the law, the law is that we ought to abide by the budget agreement. That is the deal. We now have the opportunity to stay within the caps and to enforce pay-as-you-go. This conference agreement does that.

The worst thing we can do is back away from that commitment. The bottom line is simply this, there is very little change here from the House budget resolution. If Members voted for the House budget resolution, then Members should vote for the conference. If Members voted against the Gradison motion to instruct, then Members should vote for the conference because that has been eliminated from the Senate's version. So if Members care about this agreement, if Members care about sticking to a schedule, please vote for this rule and the conference.

□ 1610

Mr. SOLOMON. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. DERRICK. Mr. Speaker, I have no further requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore (Mr. THORNTON). The question is on the resolution.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. SOLOMON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 257, nays 164, not voting 10, as follows:

[Roll No. 111]

YEAS—257

Abercrombie
Ackerman
Alexander
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Bacchus
Barnard
Beilenson
Bennett
Berman
Bevill
Bilbray
Bonior
Borski
Boucher
Boxer
Brewster
Brooks
Browder
Brown
Bruce
Bryant
Bustamante
Byron
Campbell (CO)
Cardin
Carper
Carr
Chapman
Clay
Clement
Coleman (TX)
Collins (IL)
Collins (MI)
Condit
Conyers
Cooper
Costello
Cox (IL)
Coyne
Cramer
Darden
de la Garza
DeFazio
DeLauro
Dellums
Derrick
Dicks
Dixon
Donnelly
Dooley
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Edwards (TX)
Engel
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Flake
Foglietta
Ford (MI)
Frank (MA)
Frost
Gaydos
Gejdenson
Gephardt
Geren
Gibbons
Glickman
Gonzalez
Gordon
Gray
Guarini
Hall (OH)
Hall (TX)
Hamilton
Harris
Hatcher
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hoagland
Hochbrueckner
Horn
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Jacobs
Jenkins
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kopetski
Kostmayer
LaFalce
Lancaster
Lantos
LaRocco
Laughlin
Lehman (CA)
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lloyd
Long
Lowey (NY)
Luken
Manton
Markey
Matsui
Mazzoli
McCloskey
McCurdy
McDermott
McHugh
McMillen (MD)
McNulty
Mfume
Miller (CA)
Mineta
Mink
Mollohan
Montgomery
Moody
Moran
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal (NC)
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Orton
Owens (NY)
Owens (UT)
Pallone
Panetta
Parker
Patterson
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Pickett
Pickle
Poshard
Price
Rahall
Rangel
Ray
Reed
Richardson
Roe
Roemer
Rose
Rostenkowski
Rowland
Roybal
Russo
Sabo
Sanders
Sangmeister
Sarpalius
Savage
Sawyer
Scheuer
Schroeder
Schumer
Serrano
Sharp
Sikorski
Sisisky
Skaggs
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Solarz
Spratt
Staggers
Stallings
Stark
Stenholm
Stokes
Studds
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Taylor (MS)
Thomas (GA)
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Valentine
Vento
Visclosky
Volkmer
Washington
Waters
Waxman
Weiss
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron

NAYS—164

Allard
Archer
Armey
Baker
Ballenger
Barrett
Barton
Bateman
Bentley
Bereuter
Bilirakis
Bliley
Boehlert
Boehner
Broomfield
Bunning
Burton
Callahan
Camp
Campbell (CA)
Chandler
Clinger
Coble
Coleman (MO)
Combest
Coughlin
Cox (CA)
Crane
Cunningham
Dannemeyer
Davis
DeLay
Dickinson
Doolittle
Dornan (CA)
Dreier
Duncan
Edwards (OK)
Emerson
Fawell
Fields
Fish
Franks (CT)
Gallegly
Gallo
Gekas
Gilchrest
Gillmor
Gilman
Gingrich
Goodling
Goss
Gradison
Grandy
Green
Gunderson
Hammerschmidt
Hancock
Hansen
Hastert
Hefley
Henry
Herger
Hobson
Holloway
Horton
Houghton
Hunter
Hyde
Inhofe
Ireland
James
Johnson (CT)
Johnson (TX)
Kasich
Klug
Kolbe
Kyl
Lagomarsino
Leach
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lowery (CA)
Machtley
Marlenee
Martin
McCandless
McCollum
McCrery
McDade
McEwen
McGrath
McMillan (NC)
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Moorhead
Morella
Morrison
Myers
Nichols
Nussle
Oxley
Packard
Paxon
Petri
Porter
Pursell
Quillen
Ramstad
Ravenel
Regula
Rhodes
Ridge
Riggs
Rinaldo
Ritter
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Santorum
Saxton
Schaefer
Schiff
Schulze
Sensenbrenner
Shaw
Shays
Shuster
Skeen
Slaughter (VA)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Stearns
Stump
Sundquist
Taylor (NC)
Thomas (CA)
Thomas (WY)
Upton
Vander Jagt
Vucanovich
Walker
Walsh
Weber
Weldon
Wolf
Wylie
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—10

Dingell	Lehman (FL)	Neal (MA)
Ford (TN)	Martinez	Skelton
Hopkins	Mavroules	
Jefferson	Moakley	

□ 1630

Mr. WEBER changed his vote from "yea" to "nay."

Mr. JENKINS and Mr. TORRES changed their vote from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 960

Mr. HATCHER. Mr. Speaker, I ask unanimous consent that my name be removed from the list of cosponsors of H.R. 960.

The SPEAKER pro tempore (Mr. THORNTON). Is there objection to the request of the gentleman from Georgia?

There was no objection.

CONFERENCE REPORT ON HOUSE CONCURRENT RESOLUTION 121, CONCURRENT RESOLUTION ON THE BUDGET—FISCAL YEAR 1992

Mr. PANETTA. Mr. Speaker, pursuant to the order of the House, I call up the conference report on the concurrent resolution (H. Con. Res. 121) revising the congressional budget for the U.S. Government for the fiscal year 1991 and setting forth the congressional budget for the U.S. Government for the fiscal years 1992, 1993, 1994, 1995, and 1996, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to House Resolution 157, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of May 21, 1991, at page 11605.)

The SPEAKER pro tempore. The gentleman from California [Mr. PANETTA] will be recognized for 30 minutes, and the gentleman from Ohio [Mr. GRADISON] will be recognized for 30 minutes.

The Chair recognizes the gentleman from California [Mr. PANETTA].

Mr. PANETTA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the conference report before the House complies with the 1990 budget agreement between the President and the Congress and preserves the central purposes of the House-passed budget resolution to try to target additional resources to the needs of working families.

It continues the House priority of investing in children through increased funding for nutrition, education, health, and antidrug programs, and provides for economic strength through additional investments in competitiveness, energy programs, transportation, and other infrastructure. It promotes fairness for all Americans by rejecting the proposed cuts of the administration in Medicare, veterans' programs, student loans, and foster care, and by providing additional resources for rural programs, the working poor, and the homeless.

In sum, in the 17 key functions, the House level was either protected or increased slightly in 15, and in 2 of the functions we basically split the difference between the House and Senate levels.

The House position was agreed to in the energy, transportation, community development, health, Medicare, Social Security, veterans, international affairs, and general government functions. Additional funding above the House-passed levels was agreed to in the education, natural resources, agriculture, and commerce functions.

Compromise levels were agreed to with the Senate in the space and science and in the administration of justice functions.

I will provide for the RECORD a specific in each of these functional areas, but I do want to summarize some of the key functions.

On 050 in defense, both the House and Senate resolutions met the cap for defense set in last year's budget agreement. The conference report sets spending levels exactly at that cap. On international affairs, the Senate receded to the House-passed level. On science and space, the House and Senate agreed on a level midway between the two resolutions. On energy, the Senate receded to the House-passed level. On natural resources, the House agreed to an additional $100 million in this function equaling the higher Senate-passed level. In agriculture, the House agreed to an additional $100 million in this function. On commerce and housing, the House agreed to the Senate-passed level allowing additional funding for the revenue-forgone payment to the Postal Service. On transportation, the Senate receded to the House level which provided additional spending for highways, aviation, and mass transit. In community development, the Senate receded to the House-passed level. In education and training, the House-passed level is increased by $2 billion in the conference agreement. In health care, the Senate receded to the House-passed level. In Medicare, the Senate receded to the House-passed level. In income security, an additional $400 million above the House-passed level was agreed to by the conferees. In Social Security, the Senate receded to the House-passed level. In veterans, the Senate- and House-passed levels were almost identical, and we accepted that level for this function. In the administration of justice, a level midway between the House- and Senate-passed levels was agreed to by the conferees. On general government, the Senate receded to the House-passed level. On 950, the conferees agreed to an unallocated reduction of $1.8 billion in budget authority and $500 million in outlays across all functions within the domestic discretionary cap.

The purpose of this $1.8 billion was to include that part of it would be achieved through development of user fees. The House-passed budget had $300 million in user fees. The President's budget, incidentally, had $2.3 billion in user fees, and that was not included here.

Part of this amount could be achieved as well through decisions made by the Committee on Appropriations as they go through the process of refining the priorities in the domestic discretionary portion of the budget.

In addition, I want to point out to the Members on the pay-as-you-go process, we have here abided by the pay-as-you-go requirements of the budget agreement. The House rejected last week by a vote of 284 to 132 the motion to instruct House conferees to accept Senate language imposing restrictions on what type of pay-as-you-go measures could be considered in the Senate.

The conferees followed the will of the House by rejecting the original Senate approach and replacing it with language which conforms to the 1990 budget agreement and paves the way for consideration of initiatives in the areas of health, nutrition, early childhood development, economic recovery, health care, and transportation, but it must be paid for, and it must be on a deficit-neutral basis.

In summary, I believe the House conferees did a superb job of protecting the priorities set by the House in its fiscal year 1992 budget resolution, and I urge the Members to support this conference report.

If we do, this will be the second-fastest time that we have put a budget conference report in place in the last 10 years. We will be meeting our schedule, but, more importantly, we will be meeting our obligations under the budget agreement agreed to with the President.

Mr. Speaker, I reserve the balance of my time.

Mr. GRADISON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the Democrats in the House and Senate faced a dilemma in putting together this conference agreement. Having excluded Republicans from the negotiations, they had to put together a budget that could pass with Democratic votes. They had two possible avenues.

The first was to craft a realistic budget—one that actually made choices and tradeoffs within the available resources. That would have been

interesting, but would also have revealed that the Democratic promises were nothing more than that: just promises without the funding needed to make them come true.

The second choice was simply to offer a budget that could pass, because it pretended to fund the various Democratic priorities and initiatives we've all heard so much about. Doing so, however, would demonstrate the irrelevance of this process.

Our Democratic friends took the second of these two avenues—and are offering an irrelevant budget that can, and will, pass with Democratic votes.

Some have argued that passage of a congressional budget will make the Budget Committee relevant and give it clout. I believe the result will be precisely the opposite. The Budget Committee derives its clout solely from its credibility, not from its power. Because this conference report is so sorely lacking in credibility, it will reduce the Budget Committee's clout rather than enhance it.

THE HIDDEN AGENDA

The first time this House debated the budget for fiscal year 1992, the committee's chairman, Mr. PANETTA, argued that a budget is not just numbers and dollar signs, it is priorities and directions.[1] You might call it the Democrats' vision thing. I agree with the chairman's view. But I would go on to say that a true budget does also consist of numbers—numbers that explain how you get to where you are going, how you will achieve your priorities, and how you will stay within your resources. That is what the President laid out in full detail last February. That's what budgets are for.

But this Democratic budget is not on the level. It masks a hidden agenda, and doesn't explain—by the numbers, as it should—how that agenda will be achieved. In that sense the Democrats have chosen irrelevancy for themselves and the Budget Committees.

Let me be a bit more specific.

First, look at the domestic discretionary accounts. During the budget debate in the House last month, it was obvious that when it came to new themes and priorities, funding levels could not begin to match rhetorical levels. There simply was not enough room within the domestic discretionary cap to make good on all the promises. No surprise that when the "bidding war" began to see who could promise the most for education, the funds had to be stolen from other areas—environmental protection, fighting drug abuse, tax enforcement.

PLUGGING THE GAP

First the House, then the Senate, shifted funds toward attractive priorities at the expense of basic, but boring, government activities.

When the Democratic conferees—no Republicans were invited to decision-making meetings—tried to compromise House and Senate versions against the budget agreement cap, they found they had promised too much. Their solution? Pretend that funds were available for the attractive new initiatives as well as the necessary but unexciting day-to-day functions of government. Then, to squash the total back down to the cap level, they inserted a huge mystery minus of $1.8 billion in Budget authority. This is called a plug. It has nothing to do with different scoring by OMB and CBO. It is a cover-up, pure and simple, for the fact that there is not enough money under the domestic cap to pay for both exciting new promises and old, boring government without breaking the budget agreement.

This cover-up has made the Democratic budget irrelevant. This is not a budget; it is a wish list. The people who make the tough decisions on carving that $1.8 billion overhang out of domestic discretionary spending will be the ones who are relevant; not the people who put together the wish list. To add insult to injury, apportioning the $1.8 billion cut already has been decided. The House Appropriations Committee last week informally agreed to an allocation of discretionary spending among the 13 appropriations subcommittees. They did what the budget conferees could not do. They made tough decisions. They are relevant.

MORE ENTITLEMENT SPENDING?

Unfortunately, the discretionary mess is only half the picture. On the mandatory side of the budget, there is another mismatch between wishes and reality.

The Democratic majorities in both Houses have a raft of spending initiatives they want to pursue. They are hinted at in report language in the House bill and through the reserve fund provisions in the Senate bill. They are entitlements, such as children's health and nutrition, unemployment compensation, early childhood development, and so on. Consequently, they fall on the pay-as-you-go scorecard, meaning they must be financed by restraint in other entitlements or tax increases.

There are moments when the House budget report language comes dangerously close to being specific about these plans. It mentions, for example, H.R. 1202, modeled on the Mickey Leland bill, or "legislation similar to the Family Preservation Act introduced in the last Congress." But the report waffles on whether the Budget Committee Democrats are serious about these.

DUCKING THE PAYGO DECISION

Consider this passage from the House report: "This budget Resolution does not assume specific pay-as-you-go legislation. Instead, a number of proposals have been identified by the committee as potential initiatives which address pressing national needs. The committee expects additional pay-as-you-go proposals to be developed by the House during the 102d Congress."[2]

If I read this passage correctly, we expect some paygo bills in this Congress, but we're not planning for them.

Neither of the Democratic budget resolutions tells us how much these paygo initiatives will cost or how they will be paid for—another feature common to good budgeting. There are some numbers floating around concerning some of the House Democrats' proposals—the low bid is about $32 billion over 5 years. Where that money will come from is anyone's guess, but I guarantee you a millionaire's tax will not pay for it.

Indeed, for almost the first time anyone can remember, the House bill doesn't really speak about revenues, except to say that it does not preclude revenue-neutral changes in the Tax Code. Meanwhile, all around us there is very public discussion of tax extenders, another nickel or dime increase in the gasoline tax, a millionaire's tax, a new top tax bracket, increased payroll taxes for unemployment, and so on.

"FLEXIBILITY" MEANS TAXES

Before the conference, the Senate bill was slightly better on this score. It insisted that any additional spending in these reserve fund areas be offset by savings in other areas, unless, of course, the Senate could round up a supermajority to support a tax increase. In other words, the Senate resolution as adopted would not propose that we rush back to the taxpayers to finance new entitlement programs. Instead, it would have had us readjust spending priorities to accommodate the new goals. Such an effort would have been what budgeting means—weighing priorities against available resources, instead of just running out to get more resources.[3]

It has been interesting to observe the Democratic efforts to strip this provision—efforts that finally succeeded.

Two weeks ago on this floor, we Republicans tried to get a vote on the issue. The Democrats went out of their way to avoid that vote, applying their formidable numerical majority to procedural maneuvers to effectively duck the issue.[4] The conference committee was even more clever: The Democrats there settled the issue behind closed doors.

Consequently, there will never be a direct vote on this question.

The Democrats have said they opposed the Senate restriction on higher taxes because they wanted to maintain

[1] As Chairman PANETTA said on the House floor: "Budgets are not just dollar signs—they are not just numbers—they set our priorities for the Nation, a direction for the Nation." See the CONGRESSIONAL RECORD, April 16, 1991, p. 8161.

[2] See the report on House Concurrent Resolution 121 (Report 102-32), the Concurrent Resolution on the Budget—fiscal year 1992, pp. 114-116.

[3] See section 9 of Senate Concurrent Resolution 29.

[4] See the CONGRESSIONAL RECORD, May 9, 1991, pp. 10384-10393.

"flexibility" in dealing with these high priority issues. They apparently need this flexibility because they do not really believe they could find any savings in 700 billion dollars' worth of mandatory spending in the budget. I can only conclude that if you're a Democrat, the way you spell "flexibility" is t-a-x-e-s.

This conference report asks us to endorse a black box of spending proposals. We don't know which proposals; we do not know the numbers; we do not know how these things will be paid for. This is not budgeting. As I said before, it is not on the level. It is meaningless. If you ask whether the Budget Committees are relevant these days, the answer provided by this conference report is a resounding "no".

BACKGROUND

THE DISAPPEARING DEFICIT

(Or the Magical Mystery Minus)

When the Democratic conferees tried to compromise House and Senate versions against the budget agreement cap, they found they had promised too much. So they pretended that funds were available for their attractive new initiatives as well as the necessary but unexciting day-to-day functions of government. Then, to squash the total back down to the cap level, they inserted a huge "mystery minus" of $1.8 billion. This is called a "plug." It has nothing to do with different scoring by OMB and CBO. It simply covers up the fact that there is not enough money under the domestic cap to pay for both exciting new promises and old, boring government without breaking the budget agreement.

Table 1 below shows how the conference numbers developed and why the $1.8 billion plug was necessary.

TABLE 1.—THE $1.8 BILLION MYSTERY MINUS

[Dollars in millions]

Function	House	Senate	Conference
Domestic discretionary totals functions 250–920:			
BA	$200,279	$199,979	$201,779
Outlays	212,207	211,910	212,407
Domestic discretionary cap:			
BA	199,978	199,978	199,978

TABLE 1.—THE $1.8 BILLION MYSTERY MINUS—Continued

[Dollars in millions]

Function	House	Senate	Conference
Outlays	211,909	211,909	211,909
Totals compared to domestic cap:			
BA	+301	+1	+1,801
Outlays	+298	+1	+498
THE MYSTERY PLUG			
Function 950 (undistributed offsetting receipts):			
BA	−300	0	−1,800
Outlays	−300	0	−500
Totals compared to domestic cap (with plug):			
BA	+1	0	+1
Outlays	−2	+1	−2

THE DEMOCRATS' HIDDEN AGENDA

Report language in the House Budget Resolution, as adopted, lists the following as potential pay-as-you-go initiatives that could be considered this year (see page 114–116 of the Report on H. Con. Res. 121, the Concurrent Resolution on the Budget—Fiscal Year 1992, Report 102–32).

1. Expanded nutrition assistance to low-income families.

2. Furnishing dairy surpluses to the WIC program.

3. Expansion of Foster Care, Child Welfare, and Title XX Social Services Block Grant Programs.

4. Extended unemployment insurance benefits. (The report also says: "An improvement in unemployment insurance coverage could be offset by an increase in the tax already dedicated to this program. A delay in the implementation of such a tax increase would be appropriate during a period of economic recession.")

5. Access to health insurance for the uninsured.

6. Long-term care coverage.

7. Liberalized Medicare coverage.

8. A variety of Medicaid expansions, including:

Mandatory coverage of pregnant women and infants up to 185 percent of the poverty level.

Optional coverage of all children up to 185 percent of poverty.

Early intervention for AIDS patients.

Residential treatment for pregnant drug abusers.

Mandatory mammography and pap smears.

Increased matching rates for states with high unemployment rates.

Increased payments to Puerto Rico.

9. Additional funding for infrastructure improvements and energy-related programs such as conservation, the Strategic Petroleum Reserve, and research and development.

10. A proposal to create a mandatory, trust-fund supported transportation infrastructure program.

The Senate Budget Resolution establishes five reserve funds for its initiatives. Under Senate rules, these reserve funds are necessary to avoid a 60-vote requirement for passage of entitlement expansions after adoption of the Budget Resolution. The reserve funds (see in section 9 of S. Con. Res. 29, Report 102–40, pp. 49–55) are the following:

1. To improve health and nutrition of children and to provide for services to protect children and strengthen families.

2. Economic recovery initiatives for unemployment compensation or other related programs.

3. Continuing improvements in ongoing health care programs and phasing in of health insurance coverage for all Americans.

4. Expand access to early childhood development services for low-income preschoolers.

5. Fund surface transportation initiatives.

Neither resolution discusses how much these initiatives would cost. The House bill makes no suggestions about how to finance them. The Senate resolution, as adopted, said these initiatives could be financed when "another committee or committees of the Senate or a committee of conference have reported legislation that will, if enacted, reduce budget authority and outlays in an amount that is equal to or exceeds the funding necessary" for the proposed initiative. This would have meant that 60 votes would have been necessary in the Senate to adopt tax increase, rather than offsetting spending restraint, to finance these initiatives. The Democratic conferees stripped out this limitation.

MANDATORY PRESSURES

The House Budget Committee Democrats have distributed a document called "Major Mandatory Pressures," indicating the costs of some of their proposals (see Table 2 below). This information is not included in the House Budget Resolution.

TABLE 2.—DEMOCRATS' "MAJOR MANDATORY PRESSURES"

[Changes from CBO baseline, in millions of dollars]

	Fiscal year—					5-Yr. Total
	1992	1993	1994	1995	1996	
Education (Downey) direct spending:						
BA	670	923	1,134	1,582	1,642	6,131
Outlays	546	888	1,241	1,523	1,632	5,830
Appropriated:						
BA	(263)	(261)	(262)	(322)	(322)	(1,430)
Outlays	(212)	(261)	(262)	(307)	(322)	(1,365)
Net:						
BA	407	662	1,052	1,260	1,320	4,701
Outlays	333	627	979	1,216	1,310	4,465
Medicaid:						
BA	20	80	125	245	280	750
Outlays	20	80	125	245	280	750
UI extended benefits:						
BA	5,785	4,040	5,195	2,980	2,890	20,890
Outlays	5,785	4,040	5,195	2,980	2,890	20,890
Food stamps:						
BA	289	846	1,127	1,387	1,633	5,282
Outlays	289	846	1,127	1,387	1,633	5,282
Total mandatory:						
BA	6,501	5,628	7,499	5,827	6,123	31,623
Outlays	6,427	5,593	7,426	5,828	6,113	31,387

Source: Democratic Staff, House Budget Committee.

TAXES

In the five-year budget-and-tax adopted last year, $160 billion of the $500 billion in deficit reduction came from higher taxes. That is in addition to the $361 billion in revenue growth—an average of 6.1 percent a year—that would have occurred without last year's tax increases.

These were not entirely taxes on the wealthy. Among them were $27 billion from raising the cap on wages subject to the Medicare payroll tax; $25 billion from an additional gasoline tax; and $41 billion from raising or imposing excise taxes on telephone service, tobacco, alcohol, airline travel, and some luxury goods. Another $40 billion came from bursting the tax bubble that the Democratic majority created in 1986. It is interesting that some tax proposals are flying around now that call for yet another tax bracket.

The table below show how much revenues would have increased without the tax rate changes in last year's agreement, and how much they are expected to increase with those changes.

TABLE 3.—PROJECTED REVENUE GROWTH WITHOUT 1990 AGREEMENT

[Dollars in billions]

	1991	1992	1993	1994	1995
Revenue growth (dollars)	61	60	75	81	84
Precent growth from year before	5.9	5.5	6.5	6.6	6.4

Source: Congressional Budget Office.

TABLE 4.—PROJECTED REVENUE GROWTH WITH 1990 AGREEMENT

[Dollars in billions]

	1991	1992	1993	1994	1995
Revenue growth (dollars)	79	75	73	86	85
Percent growth from year before	7.6	6.8	6.2	6.8	6.3

Source: Congressional Budget Office.

Federal taxes this year are expected to equal 19.4 percent of Gross National Product. Over the next five years, under current law, they are projected to continue rising, reaching a full 20 percent by the middle of the 1990s. This means we will have had a decade of federal taxes at 19 percent of GNP or higher, something our nation has never experienced before.

□ 1640

Mr. PANETTA. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Minnesota [Mr. OBERSTAR].

Mr. OBERSTAR. Mr. Speaker, I thank the gentleman from California [Mr. PANETTA] for yielding me this time. I want to compliment the chairman on bringing back from conference a very fine budget resolution and conference report which does reflect and preserve the priorities that the House undertook in the resolution that this body first adopted and improved upon, in many respects, in the conference. I think that we have something to be very, very proud of, something we can be very proud of and take back to our constituencies and to the Appropriations Committees, with great satisfaction.

□ 1650

In one of those areas that I particularly have a concern about, the transportation function, I want to point out to my colleagues that the conference report not only preserves the House numbers, but in fact improves marginally upon them, which is very difficult to do in this budget resolution. We will have budget authority of $14.5 billion and outlays of $33.4 billion, a slight improvement over the House number, but a welcome improvement because that number translates into a lot of investment in upgrading the Nation's transportation infrastructure.

In the field of aviation, the conference report will allow us to continue the modernization of the air traffic control system upon which we embarked last year with enactment of the aviation safety and capacity enhancement legislation. In the highway section, it will continue the forward movement of our expansion of improvements in the Nation's transportation infrastructure, roads and bridges, and set the stage for the Public Works and Transportation Committee to continue the authorization process already begun for the highway and transit legislation needed to guide our Nation's infrastructure through the balance of this decade. With $2 billion above the 1991 freeze levels for the budget authority portion and a billion dollar increase above freeze in outlays provided in this budget resolution, we are $200 million above the President's numbers and we translate that into significant impact on highways, bridges, and new initiatives on roadways that we need to continue the support system for the national economy.

In mass transit, the budget resolution $3.54 billion for fiscal year 1992. That is an increase of $281 million over the freeze level, not an inconsiderable achievement given the budget restrictions of caps and walls, and the fact we have been doing this whole process taking from Peter to pay Peter, we have a very solid piece of legislation that set the stage for the authorization committee to chart a progressive course for transportation enhancement through the balance of this decade.

Mr. GRADISON. Mr. Speaker, I yield 6 minutes to the distinguished gentleman from North Carolina [Mr. MCMILLAN], a member of the Budget Committee.

Mr. McMILLAN of North Carolina. Mr. Speaker, let us face it, writing and passing budgets is dirty work. We never make everyone happy and usually we do not make anyone happy.

I know what it is like to make the tough decisions and to set forth a budget, since I did it for almost 20 years in the business world before coming to Congress.

The pain and suffering of the budget agreement we passed last year was as close as we as a body have come to acting like a budget decisionmaker in my 6 years in Congress. That is because we were making real enforceable, we thought, spending and revenue decisions. Like in the business world, we did not make everyone happy in the short run and probably the only people we made happy were those who could see 5 years into the future and see a balanced budget. That can happen, assuming Congress has the self-discipline to live within its own terms and to make it happen, like we are trying to do now.

This budget, although I question some of its priorities, does conform by and large to the discretionary spending caps, despite what has been said, except for that $1.8 billion plug in the authorization section, which amounts to about half a billion dollars in outlays. It remains to be seen whether we have the discipline to allocate that plug and live within the spending caps and to honor the PAYGO provisions on entitlement programs.

I respect the distinguished chairman of the committee, the gentleman from California [Mr. PANETTA], and the ranking Republican, the gentleman from Ohio [Mr. GRADISON], as well as what is a very strong Budget Committee; but it this conference report is any indication of where this committee is going in the next 4 years, we have got a lot of work cut out for us.

First, the Budget Committee must be alert to authorization bills, particularly entitlements that would bust the paygo provisions.

Second, we must be alert to every appropriations bill to make sure they stay within the caps.

Third, we must begin to work now on ways to deal with the causes driving up costs of programs like medical care and to take action, recommend action to reserve them, in order to find the funds to meet the unmet needs that exist out there.

The chairman has expressed his strong commitment to that effort and I hope that we are prepared to undertake that work in the very near future.

However, getting back to the conference resolution itself, I do not think I have ever seen a serious budget in the business world that had a $1.8 billion "plug" stuck in it to reconcile the numbers. In the corporate world, a chief executive officer would be fired for submitting a budget with that kind of evasion in it. Somebody is going to have to figure out where those funds are coming from, or cut some other program that is not laid out in these numbers.

For another thing, one of the first steps toward bankruptcy in the corporate world is to propose initiatives for new spending programs without coming up with ways to pay for them; and yet we have this conference report with a long list of highly touted domestic initiatives that "may" be consid-

ered this year under the paygo mechanism without saying exactly where the money is going to come from in advance. Real budgets do a better job of spelling out the pain as well as the pleasure.

Finally, there appears to be significant sentiment on the Democratic side to try to shift some domestic discretionary programs out from under the domestic caps into the entitlement area as "new" entitlements. Under the paygo discipline, that would mean that someone else's entitlements would have to be chopped to make way for the new programs, but we do not lay those out, or maybe someone else's taxes will have to be raised to pay for them. These are not laid out.

Or, wait a minute, maybe a discretionary program will simply be made an entitlement and the deficit will go up, and nobody will pay any attention. Even the Democrats have admitted that mandatory entitlement spending is the major problem in the budget deficit; yet this conference report implies more of the same. That is what has been going on around here for years, and why we have a $300 billion deficit.

What Member in his or her right mind will vote against an "entitlement" program in broad daylight on C-SPAN when they do not have to specify who is going to pay for it?

I think the conference Budget resolution could have been more explicit in its details and more ample in its presentation and more timely.

The truth about this Budget resolution should be written to the people back home as follows:

DEAR AMERICAN PEOPLE: There is no more money to pay for any major new programs for the next five years. We are at the bottom of a financial hole and only last year did we have the courage to start climbing out of it. Please forgive us if we don't sound as noble or as great as we used to, but balancing the budget is crucial to our economic health. If we want to meet new or expanded needs, we are going to have to eliminate the waste and excess in the programs we now have.

When we balance the budget in 1996, we will then have more flexibility; but until then, we are going to fully support what we passed in 1990 with no net new taxes.

Sincerely,

THE UNITED STATES CONGRESS.

Mr. Speaker, I will vote no on the conference report, primarily because of misplaced priorities, unallocated plugs, and unspecified entitlement expectations, and I urge my colleagues to do likewise.

Mr. PANETTA. Mr. Speaker, I yield 4 minutes to the gentleman from Michigan [Mr. FORD], the distinguished chairman of the Committee on Education and Labor.

Mr. FORD of Michigan. Mr. Speaker, I rise today in support of the conference report on the budget resolution for fiscal year 1992. The totals assumed for function 500 reflect the adoption of the homefront budget initiative that I proposed earlier this year. That initiative assumed a $3.1 billion level as well as an additional $1.3 billion for Head Start, child care, JTPA, and related programs.

The Budget Committees are to be congratulated for achieving a conference agreement that establishes education and related children's programs and clear priorities for this Congress. The issue, however, is whether this expression of support for education programs will be adopted by the Appropriations Committee when it reallocates domestic discretionary spending among the relevant subcommittees. Thus far, it appears that the preliminary allocations of the Appropriations Committee do not track the allocations assumed in the budget conference agreement.

Indeed, it seems that the allocation to Chairman NATCHER's subcommittee on Labor-HHS-Education was $1.2 billion below the House-passed budget resolution and approximately $3 billion below the assumption in the pending conference agreement.

On April 17, 261 Members, including a majority of members on the Appropriations Committee, voted on a bipartisan basis for the Ford amendment that added $400 million for education programs to the budget resolution reported by the House Budget Committee. When they voted, Members presumably thought that their votes would favorably affect the appropriations process. Apparently, that vote has been ignored.

This raises several troublesome questions that Members should consider as we proceed through the budget process. First, if the priorities included in the budget resolution do not guide the Appropriations Committee, what productive purpose does it serve to fight over the budget resolution? Second, what is the remedy available to Members if their priorities are ignored? Third, what is the impact on the public when it learns that policy choices made in the budget resolution do not materialize?

I believe, Mr. Speaker, that it would be enlightening to hear from Members of both the Budget and Appropriations Committees to learn how they view this troubling situation.

□ 1700

Mr. GRADISON. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from New York [Mr. HOUGHTON], a member of the Committee on the Budget.

Mr. HOUGHTON. I thank the gentleman for yielding.

Mr. Speaker, I am going to vote against this conference report, and I do not want to do it. I want to have a budget, I want to support the chairman, I want to support Mr. GRADISON, I want to support the honorable men and women who have done an enormous amount of work trying to stay within the guidelines that were set last year in the budget summit. But there is something funny, something fishy here, and it bothers me, not necessarily for this year but really our outlook for the future, because the big savings, the big opportunities to bring our deficit down are in the last 2 years of this budget cycle.

Now, for this year we are really on automatic pilot because of the constraints of last year. Now, there are differences between the Republicans and Democrats. They are not very much. I would have preferred going the Republican route because it invested in the future rather than spend this year. But that is not to be.

The entitlement savings, there are about $12 billion, and there is $33 billion in new taxes; I am not wild about that, but that is in place.

I guess the thing that bothers me most is we are up to our old tricks. In other words, we are using words to cover up numbers. We are missing phraseology to cover up the arithmetic. We are using our targets, we are not only not balancing our budget, but we are not doing what we said we would do, and if we do not do that, where do we come out?

We have four areas: Are we going to touch interest? We have got to pay our interest. Are we going to touch our Department of Defense? We just voted on that.

Are we going to cut even more entitlement programs? Certainly not. The only way to do it is to control our discretionary expenses. That is what we are not doing, and it bothers me. I want to record that, and therefore I am going to vote against this conference report.

Mr. PANETTA. Mr. Speaker, I yield 5 minutes to the gentleman from West Virginia [Mr. WISE].

Mr. WISE. I thank the gentleman for yielding.

Mr. Speaker, I want to express my appreciation to him and to the ranking minority member, the gentleman from Ohio [Mr. GRADISON], for their cooperation and willingness to work together through this process as we kind of sometimes banged heads on. As the gentleman before us said, quite frankly, there has not been much to bank heads about, sometimes, given the constraints of the budget agreement.

I do think this is a good budget report, though. I think the House position persevered in most situations. I think that to the extent it was possible under the constraints of this budget, it does provide for working families to get some of the assistance they need and, more importantly, not to lose some of the assistance they need. That is, investments in student loan programs, for instance, in infrastructure, in energy programs, in competitive initiatives, in rejecting cuts in Medicare

and in veterans' programs. Once again, student loans, I cannot stress enough the importance of that, since I consider the student loan program and the Pell Grant Program to be the greatest ticket for upward mobility in our society that we have.

That has been proven time and time again since World War II, that education, giving people the opportunity to further their education, provides the opportunities that we need so desperately to build our society.

Infrastructure is a particular interest of mine. I was pleased that the House position basically prevailed in the areas of highways and aviation, roads and bridges, in the area of infrastructure research.

It is important to note that infrastructure spending in the highway area, for instance, the obligational authority over a 3-year period will have been increased about $5 billion from what it was just a year ago. That, I think, is an important statement alone in this budget process.

Productivity, we hear so much about productivity, yet productivity does not increase. The studies are coming in more and more conclusively every day on that. Productivity increases largely is a function of infrastructure. If you are putting your money into public investment, your productivity goes up in a corresponding fashion. If you are not putting your money in, it goes down. Some people wonder why our overall productivity has been running at basically a flat line. That is the reason why. Yet you take Japan, with half the population, half the gross national product, they are investing more in absolute dollars in infrastructure than the United States is, and you see the productivity there is in a definite upward trend. Germany, much the same situation.

So I think that much has been done in the area of energy. I was delighted to see that the Senate receded to the House-passed level. That means that the assumption that the House made hopefully can it be enacted, that is, restoration of phase 5 of the clean coal technology program, increased funding for renewable fuel, solar, photovoltaics, fossil fuel, energy research, all of those areas that go toward creating a national energy policy that we so badly need in this country.

The same is true as to natural resources, another important area.

Community development, very little community development actually is left any more, but that which there is, happily the Senate agreed to the House position.

Finally, in health I was delighted to see not only the Medicare cuts defeated, of course, but as significant, I think, particularly for rural areas, the money, the dollar figure was kept intact, which can lead to increased funding in certain areas of research at the National Institutes of Health, the National Institute of Mental Health, and also an increase that many of us fought for, those particularly from rural areas, for an increase in the National Health Service Corps of Physicians. Hopefully, more of these very valuable personnel will be able to be sent to medically underserved areas in the next year as a result of our budget.

Veterans' programs, I think it is important to note that the House and the Senate are in basic agreement on that issue.

So I would urge adoption of this budget.

The appropriations process is under way, as it should be. The budget gives the final guidelines that are necessary, and it is a budget that meets the budget agreement and at the same time provides for working families what they need.

Mr. GRADISON. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. SANTORUM], a member of the Committee on the Budget.

Mr. SANTORUM. I thank the gentleman for yielding.

Mr. Speaker, I rise in opposition to this conference report, not because there are not some attractive things in it, as the gentleman from West Virginia [Mr. WISE] just spoke to. There are some very good initiatives in here in the area of education, student loans, certainly what we have done for the veterans, which is something that I supported and am glad to see in here.

But I do rise in opposition, in part, because of the enormous deficit that it causes. With this budget agreement, we cannot run away from the fact that it calls for over $300 billion in more deficits that we are going to be piling onto my children and my children's children.

I rise in opposition, in part, because it is irresponsible, it does not provide for how we are going to pay for some of these things that we would like to do.

I rise in opposition, in part, because of the decisions of where and how this money is being spent. Maybe, just as importantly, is because how we came about the decisions on where the money is spent. That really goes to process. One of the things that I have been speaking out about in the Budget Committee and in the committee report was the budget process.

□ 1710

Mr. Speaker, as a freshman Member, a new member, to the Committee on the Budget, I did something rather unusual. I decided to read the Budget Act that created the Budget Committee in 1974 to see what my job would be on this committee, and I read that we are to set the priorities in the Committee on the Budget. We are to set the priorities on how we are to spend money in the Congress, and, in title VII of that act, that we are actually supposed to do program review and evaluation, to gather information and to make intelligent decisions on the national scene and how we are going to set our priorities for the future.

I think, sadly to say, while it may be our intent to set those priorities, that we are not doing that in the Committee on the Budget, and I am saddened by that fact, and I challenge the members of that committee to join with me.

Mr. Speaker, I asked the members of the Committee on the Budget to join with me in trying to work on that committee to gather the kind of information that is necessary, to do the program evaluation, to set national goals, to determine where we are going to take this country and what this budget really means, not to go about nickle and diming between the President's budget and the budget here, but to sit back and take a look at what is important to the future of this country, to make the tough decisions.

Mr. Speaker, that is what we were constituted to do, that is what we have the authority to do, and that is what I would like to see done, and I certainly appreciate the time that I am given here and certainly would hope that the members of the Committee on the Budget would join with me in my efforts to do so.

I came to Congress to focus on the future. When I joined the House Budget Committee, I expected to debate priorities, evaluate programs, and review scenarios. These procedures are required to make the budget process more efficient and to reduce wasteful Government spending. We are just finishing our consideration of the budget resolution. During this review we did not take the time to review and analyze most Government programs or set goals and priorities. Nor did we have the program, tax, or tax expenditure information and evaluation to formulate a precise budget.

The budget committees are little more than gatekeepers legitimizing the short term view. By my estimate we are losing $100 to $300 million per day because we did not perform a business-like review of the budget. See attached, "Costs of Not Raising Level of Budget Debate." Congress needs a system that will facilitate review of how policies affect the future.

Five major initiatives are needed to make the budget process more effective and save the taxpayers billions of dollars. This pentad will help us to raise our level of debate. A summary of the legs of the pentad follow:

ACCOUNTING SYSTEM

We need an online computerized budget accounting system. The system would include the budgets of the Office of Management and Budget, Congressional Budget Office, and committee budgets, as projected for 5 years. The information is currently only available in printed form from a number of sources. The online accounting system would provide comprehensive budget information in electronic form. With personal computers available in every congressional office, we have the technological capacity to review the budget in electronic form but presently do not have infor-

mation available in this way. The online budget accounting system would help raise the level of debate by allowing each committee and congressional office to have immediate access to budget data and develop their own scenarios across budget categories.

REVENUE, PROGRAM, AND TAX EXPENDITURE ESTIMATES

Nothing is more frustrating than to have a new program presented to you and not know what it will cost. It is widely recognized that Congress has a need for program, revenue and tax expenditure estimation assistance. It is not uncommon for Members of Congress to wait for weeks, even months for cost estimates of new programs. A quick response, perhaps no longer than 2 working days, of tax, tax expenditures, and program impact estimates is one of the obvious budgetary needs of Congress.

EVALUATION "GREEN BOOK"

We need to collect program, tax, and tax expenditure reviews and evaluations, including Government-sponsored evaluations as well as private studies of program and regulatory costs. The Evaluation Green Book would be modeled on a similar green book produced by the Ways and Means Committee that focuses on entitlement programs. The Evaluation Green Book would provide for the first time in one place the evaluations of all Government programs, taxes, and tax expenditures. The Evaluation Green Book should be nonpartisan and include evaluations done by the premier evaluators in the United States.

SETTING PRIORITIES

One of the most important functions of the Budget Committee is to set priorities. To do a better job of setting priorities, we need help in identifying goals for Government spending, taxes, and tax expenditures. For example, Oregon has identified 160 benchmarks in three categories—people, quality of life, and economy. The Oregon benchmarks spell out in measurable terms what needs to be accomplished by the years 1995, 2000, and 2010. For instance one benchmark is to reduce the pregnancy rate per 1,000 females ages 10 to 17 from 19.5 in 1990 to 9.8 by 1995. Congressional goals/benchmarks should serve as the basis for determining priorities during our consideration of the fiscal year 1993 budget.

THE SCHWARZKOPF SOLUTION

During the Persian Gulf war, General Schwarzkopf made us aware of the importance of looking at major military options before engaging in battle. Domestic budget battles deserve no less. We need support for modeling and scenario development. This would include data gathering, model installation, modeling, and scenario simulation.

Before arriving in Washington, I expected that the House and Senate Budget Committees would have access to the products mentioned above. Unfortunately, no one seems to be performing the tasks necessary to manufacture these products.

We must make the budget process work better. The basics of what we have to do include:

First our mission should be to collect program performance, regulatory, and evaluation studies of Federal Government programs, taxes, and tax expenditures; to provide Federal budget data, program review, evaluation, regulatory studies to House and Senate Budget Committees; to collect goals and objectives for major subject areas for use in setting priorities during the budget process; to develop and use models—economic, social, and psychological—to describe budgetary consequences of major program proposals and to formulate scenarios; and to provide timely estimates of program and tax costs/revenues.

The products, as noted below, would include information in easily usable form. The products should be provided in both printed and electronic spreadsheet and data base formats. Sample products would be:

National budget data handbook.—The handbook would be a compilation of budget data from OMB, CBO, GAO, congressional committees, and other Federal and private sources. Included in the handbook would be 5-year projections for outlays, receipts, debt, taxes, and tax expenditures.

Budget crosswalks: Program, function, agency, and account.—The crosswalks would allow comparisons by congressional authorization committee, by Appropriation Subcommittee, by Government department or agency, and by subject.

Cost estimates: Current and alternative programs, tax and tax expenditures.—A hotline would provide immediate cost estimates for legislative initiatives and other programs and revenue proposals.

Scenarios: Presentation of major budgetary options.—The scenarios would include comparisons of the various options such as tax alternatives, education options, housing proposals, and energy solutions.

A program evaluation green book.—A nonpartisan "Green Book," based on the best professional analysis, which lists evaluations for all Government programs will be produced. This book should be patterned after the Committee on Ways and Means, "Overview of Entitlement Programs," Green Book.

Four options are available for realizing my proposals. They include implementation either by the House and Senate Budget Committees and related agencies—including the Congressional Budget Office, Congressional Research Service, General Accounting Office; by a private/congressional/executive partnership; or by an institute on the budget; or by a combination of the above.

Progress is beginning on at least one of the Pentad. I am pleased to announce that the National Taxpayers Union has made available their "Balanced Budget Tracking System" to help with tallying spending and tax estimates. This state of the art computerized information system is designed to provide for each Member of Congress a running tally of the cost of every major spending initiative the member has sponsored, cosponsored, or voted for. A description of this system follows my statement. See, "The Balanced Budget Tracking System Leveling the Political Playing Field for the Fiscally Responsible."

Hopefully, by this time next year we will have available the budget making tools that are mentioned above. Much of the information is currently available, but is not readily accessible. Each authorization and Appropriations Subcommittee will continue to substantiate Woodrow Wilson's observation over 100 years ago that "Congress in committees is Congress at work." The budget committees' role should be provided a framework for debate. The framework proposed above utilizes the latest in technological advances as well as encouraging a high level of debate.

We will not need thousands of staff persons to put into operation my proposals. We need the will to seek: the Jeffersonian grand vision; to work with others in the private and governmental sectors to make available budgetary tools; and to raise the level of congressional debate by adopting the initiatives noted above.

Costs of not raising level of budget debate

[In billions of dollars]

	Yearly estimates costs/savings
Program proposal:	
Means testing Government programs	70
Tax expenditures	500
Risk reduction, public sector debt	1
Potential loss (1929 Depression)	300
User fees	5
Tax simplification	2
Pork barrel	50

Mr. PANETTA. Mr. Speaker, I yield 2 minutes to the gentleman from Mississippi [Mr. ESPY].

Mr. ESPY. Mr. Speaker, I am pleased to stand in support of the conference report on this fiscal year 1992 budget resolution. I think though that the relative smoothness of this year's budget process; that is, the lack of major conflict and controversy, really belies the significance of this resolution. It is true that in the defense of international affairs categories the differences are largely undisturbed, but there are some very significant differences in the domestic categories to promote the needs which I believe have been drastically neglected in the recent past. Strong steps were taken in this year's budget process to increase spending priorities such as education, job training, health care, nutritional assistance, veterans benefits, the administration of justice, and energy security. Increases of over $4 billion are recommended for education and training programs; nearly $3 billion of increases are suggested for programs to assure the income security of our citizens; about $1.4 billion increases are recommended for health programs; and more than $1 billion of increases are set aside for the veterans.

In providing for these categories of these priorities, Mr. Speaker, budget discipline was maintained. Offsetting reductions are proposed in areas with lesser needs and lower priorities. So, deficit reduction is still in focus and can be achieved within the funding limits set.

So, Mr. Speaker, I urge passage of the conference report, but, more importantly, I urge the authorizing and appropriations committees of the Congress to follow the plan and the scene set forth in this conference report. This is a very difficult period, but it is a very good budget, so I ask the Members to support it.

Mr. GRADISON. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. UPTON].

Mr. UPTON. Mr. Speaker, last month I voted for the budget alternative proposed by the gentleman from California [Mr. DANNEMEYER], the gentleman from Ohio [Mr. KASICH], and the gentleman from Ohio [Mr. GRADISON] because they complied with the Budget Enforcement Act and spent less than the proposal of the Committee on the Budget. I ultimately voted for the committee bill as well, even though the spending levels were still a little too high, because it, too, complied with the budget agreement, and it also shifted some dollars from the space program toward domestic needs.

However, Mr. Speaker, the conference committee has returned a budget that I cannot support. This budget surreptitiously violates the budget process amendment using smoke and mirrors that I have long fought against. It does not identify how we will fund a host of entitlement increases, and it hides the fact that it exceeds the domestic discretionary cap by $1.8 billion. How? By assuming that the Government will mystically receive the same amount in undistributed offsetting receipts.

Mr. Speaker, undistributed offsetting receipts. We have replaced priorities and responsible choices with arcane budget terms and wizardry, and I cannot support this budget chicanery and must vote "no".

Mr. GRADISON. Mr. Speaker, I yield 3 minutes to the gentleman from Texas [Mr. DELAY].

Mr. DELAY. Mr. Speaker, I thank the gentleman from Ohio [Mr. GRADISON], who has done an incredible job under very difficult circumstances, and I just say, Mr. Speaker, that this once and for all is the Democrats' budget. We have nothing to do with it. We were not included in it. We did not even get to read it.

This is the Democrats' budget. They put it together, and they are responsible for it. Those that claim that we were responsible a little bit for the budget agreement of last year, they may have claims to that, but as of today, when this conference report passes, and I think it will pass, the American people can understand that this is the Democrats' budget. This is the way the Democrats want to run our Government.

Mr. Speaker, I opposed that budget agreement last October which increased taxes and increased spending and increased the deficit, plunging our economy into a recession. In April, I opposed the budget resolution for fiscal year 1992 because it ratified the budget agreement in October and continued the tax-and-spend binge of this House. Now I take the well to let my colleagues know that I continue to reject the belief of the Democrats that the American people need to send more money to Washington to waste on a fat and bloated government.

Mr. Speaker, the American people must understand that this year, in 1991, for the first time since 1946, we will be spending 25 percent of GNP by the Federal Government, and for the first time in the history of this country by this agreement we will be projecting by 1994 to be raising taxes to the tune of 20 percent of GNP for consecutive years. Every time we have hit 20 percent of GNP, and only twice in recent history, we have plunged deeply into deep, deep recessions, yet the Democrats continue on their road of these kinds of policies. In fact, they have totally busted the agreement by switching scoring by OMB to CBO. They have dropped the Senate language requiring that specified pay-go bills be spending neutral rather than deficit neutral. Who knows how they busted the agreement because they bring it out of the closed room, and bring it down to this floor and waive all points of order. We do not know what points of order could have been brought by this bill.

Mr. Speaker, this is the Democrats' budget, and the Democrats should be responsible for this budget.

Mr. GRADISON. Mr. Speaker, I yield 3 minutes to the gentleman from Iowa [Mr. NUSSLE].

Mr. NUSSLE. Mr. Speaker, I have had an opportunity for the past few minutes to listen to some of the debate here today, and I have heard a lot of back-slapping and a lot of praising going on for the people that have done such hard work on this budget.

Mr. Speaker, I would like to report through you to the American people what they have done. Last year's budget, which affects this year, was $299.9 billion in deficits. What we are about to vote on is $351.2 billion of deficit. That is an increase to the deficit of $51.2 billion.

I ask myself, "Is that a good job of budgeting?"

I am a new Member of this body, and last year I had an opportunity to listen to the debate on the floor during a budget crisis. That is what I heard: a budget crisis, and yet from last year to this year they have increased the deficit.

My wife and I were blessed 12 weeks ago with the birth of my new son, Mark. Mr. Speaker, I did some easy addition, and some subtraction and some division to find out what Mark Nussle owed the Federal Government with all of this debt.

□ 1720

I took the national debt, which is $3.9 trillion. I took the deficit on budget, which is going to be now $351 billion, the off-budget that you hear about, which is the savings and loan, the war, the foreign aid, about $100 billion, $100 billion of deficit. Take the new census figures, which is 248,709,873, plus one for Mark Nussle, and divide it all out. Do you know what my son owes the Federal Government today? $17,760. That is every man, woman and child in America, because of the debt and deficit that we continue to add in this country.

I ask my colleagues, do they think we are doing a good job?

I had the opportunity to address some high school students and I asked them, I said, "Do you have a checkbook?" One of them said, "Yes."

I said, "How much money do you have?" He said, "Thirty bucks." I said, "Can you spend $35?" He said, "No." I said, "Can you spend $40?" He said, "No." I said, "How much can you spend?" He said, "$30." I said, "Please, run for Congress. We need you here."

Mr. GRADISON. Mr. Speaker, I yield myself my remaining time.

Mr. Speaker, in my opening statement I stressed the irrelevance of this budget. I made the point that it is a wish list and that as a practical matter it is not being implemented by the Democrats working through their own Appropriations Committee. I could have saved my words because this was said much better by the gentleman from Michigan [Mr. FORD].

He pointed out that the tentative allocation by the House Appropriations Committee does not track the allocations made by the House Budget Committee or by the House. He pointed out that the favorable vote by the House on his own amendment, the Ford amendment, has been ignored up to this time.

Mr. Speaker, what we have before us is a gigantic shell game. Now you see it; now you don't. Somewhere there is a cut of $1.8 billion in budget authority. And I dare say, when all the smoke clears, this is a mixed metaphor, we are going to find out that what we are seeing paraded before us today is a great statement of initiatives and priorities but it is nothing more than empty promises.

Mr. PANETTA. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, the budget conference that is before the House is important because it is when we fail to pass a budget resolution that the budget process becomes irrelevant. It is when we fail to pass a budget conference that we become irrelevant. It is when we fail to identify priorities that we think are important that we become irrelevant.

It is when we fail to enforce the budget agreement that was agreed to between the President and the Congress that we become irrelevant.

The fact is that this budget conference is the only way we enforce the budget agreement that was agreed to. For those who say we need to stick to the budget agreement, you cannot say that and then vote against the conference report that does exactly that, because this budget conference sticks

to the caps established by the budget agreement on defense, on international spending, on discretionary spending. It sticks to those caps and requires that the Appropriations Committee stand by those limits.

It also requires pay-as-you-go. If we want an initiative, if we want to spend more, if we want to cut taxes and it involves the loss of revenue, we have to pay for it. That is exactly what we include in this budget conference.

We set priorities in this budget conference. They are always advisory. They have always been advisory when it comes to a budget resolution. But the reality is that the Appropriations Committee largely follows the outlines that we provide. In every instance, no. They have their own discretion. Nobody said that a budget resolution mandates what the Appropriations Committee in fact will do. We provide guidance. We provide advice to them. And in most instances, including this year, they have abided by those levels in each area.

The important thing is that we set an overall cap in terms of spending. That is our endorsement tool and that is what the budget process is here to do.

What is irrelevant is not the budget resolution or the budget process. What is irrelevant are those who disagree with the priorities in this budget resolution and who use the term irrelevance to cover that opposition. If a Member is for working people, if a Member is for investing in education, in infrastructure, in health care, if a Member is for trying to provide help to children in this country, if a Member is for those issues, then that Member is for this budget resolution.

If a Member is not for those issues, then, yes, it is irrelevant to your priorities. What is irrelevant is not the budget resolution but those who like to vote no on everything, who like to vote no on the budget agreement because it does not fit all of their outlines, it is not enough on taxes or its is too much on taxes. It is not enough on spending or it is too much on spending. So I am going to vote no. I am going to vote the easy way out.

What is irrelevant are those who vote no on every budget resolution because that is the easy way out, too. What is irrelevant are those who vote no on every budget conference because that is the easy way out as well.

Our responsibility here is not to the nay-sayers and those who like to duck every tough vote. That is how we got in the trouble we are in today. Our responsibility is to the American people. The only discipline we have today is the budget agreement. There is nothing else. There is nothing else but the agreement that was confirmed by both the President of the United States and the leadership of the Congress.

The only way to enforce that agreement is not to reject this conference report but to support it. If we fail to do that, ask yourselves what the consequences will be if we fail? If we fail to do that, what kind of signal do we send to an already weak economy? What kind of signal do we send to the world about the United States and our willingness to stand by the only discipline that we have put in place?

If we vote for this budget resolution and for this conference, then we will send a clear signal, not only to this country but the rest of the world, that what we agree to we will stick by, and that means enforcing this budget agreement.

I urge support for this budget conference.

The SPEAKER pro tempore. (Mr. THORNTON) All time has expired.

Without objection, the previous question is ordered on the conference report.

There was no objection.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. GRADISON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant-at-Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 239, nays 181, not voting 11, as follows:

[Roll No. 112]

YEAS—239

Abercrombie
Ackerman
Anderson
Andrews (ME)
Andrews (TX)
Annunzio
Anthony
Aspin
Atkins
AuCoin
Bacchus
Barnard
Beilenson
Bennett
Berman
Bevill
Bilbray
Boehlert
Bonior
Borski
Boucher
Boxer
Brewster
Brooks
Browder
Bruce
Bustamante
Byron
Cardin
Carper
Chapman
Clay
Clement
Coleman (TX)
Collins (IL)
Conyers
Cooper
Costello
Cox (IL)
Coyne
Cramer
Darden
Davis
de la Garza
DeFazio
DeLauro
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dooley
Downey
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Edwards (TX)
Engel
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Frost
Gaydos
Gejdenson
Gephardt
Geren
Gibbons
Gilman
Glickman
Gonzalez
Gordon
Guarini
Hall (OH)
Hamilton
Harris
Hatcher
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hoagland
Hochbrueckner
Horn
Horton
Hoyer
Huckaby
Hutto
Jefferson
Jenkins
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kopetski
Kostmayer
LaFalce
Lancaster
Lantos
LaRocco
Laughlin
Lehman (CA)
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lloyd
Long
Lowey (NY)
Luken
Manton
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCrery
McCurdy
McDermott
McHugh
McMillen (MD)
McNulty
Mfume
Miller (CA)
Mineta
Mink
Moakley
Mollohan
Montgomery
Moody
Moran
Morella
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal (MA)
Neal (NC)
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Panetta
Parker
Patterson
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Pickett
Pickle
Poshard
Price
Rahall
Rangel
Ray
Reed
Richardson
Roe
Rose
Rostenkowski
Roukema
Rowland
Roybal
Russo
Sabo
Sangmeister
Savage
Scheuer
Schroeder
Schumer
Serrano
Sharp
Shays
Sikorski
Sisisky
Skaggs
Slaughter (NY)
Smith (FL)
Solarz
Spratt
Staggers
Stallings
Stark
Stenholm
Stokes
Studds
Swift
Synar
Tallon
Tanner
Tauzin
Thomas (GA)
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Valentine
Vento
Volkmer
Washington
Waxman
Weiss
Wheat
Whitten
Wilson
Wise
Wolpe
Wyden
Yatron

NAYS—181

Allard
Andrews (NJ)
Applegate
Archer
Armey
Baker
Ballenger
Barrett
Barton
Bateman
Bentley
Bereuter
Bilirakis
Bliley
Boehner
Broomfield
Brown
Bryant
Bunning
Burton
Callahan
Camp
Campbell (CA)
Campbell (CO)
Carr
Chandler
Clinger
Coble
Coleman (MO)
Combest
Condit
Coughlin
Cox (CA)
Crane
Cunningham
Dannemeyer
DeLay
Dickinson
Doolittle
Dorgan (ND)
Dornan (CA)
Dreier
Duncan
Edwards (OK)
Emerson
English
Fawell
Fields
Fish
Franks (CT)
Gallegly
Gallo
Gekas
Gilchrest
Gillmor
Gingrich
Goodling
Goss
Gradison
Grandy
Green
Gunderson
Hall (TX)
Hammerschmidt
Hancock
Hansen
Hastert
Hefley
Henry
Herger
Hobson
Holloway
Houghton
Hubbard
Hughes
Hunter
Hyde
Inhofe
Ireland
Jacobs
James
Johnson (CT)
Johnson (TX)
Kasich
Klug
Kolbe
Kyl
Lagomarsino
Leach
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lowery (CA)
Machtley
Marlenee
Martin
McCandless
McCollum
McDade
McEwen
McGrath
McMillan (NC)
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Moorhead
Morrison
Myers
Nichols
Nussle
Orton
Owens (UT)
Oxley
Packard
Pallone
Paxon
Petri
Porter
Pursell
Quillen
Ramstad
Ravenel
Regula
Rhodes
Ridge
Riggs
Rinaldo
Ritter
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Sanders
Santorum
Sarpalius
Saxton
Schaefer
Schiff
Schulze
Sensenbrenner
Shaw
Shuster
Skeen
Slattery
Slaughter (VA)
Smith (IA)
Smith (NJ)
Smith (OR)
Snowe
Solomon
Spence
Stearns
Stump

Sundquist	Visclosky	Wylie
Swett	Vucanovich	Yates
Taylor (MS)	Walker	Young (AK)
Taylor (NC)	Walsh	Young (FL)
Thomas (CA)	Weber	Zeliff
Thomas (WY)	Weldon	Zimmer
Upton	Williams	
Vander Jagt	Wolf	

NOT VOTING—11

Alexander	Lehman (FL)	Skelton
Collins (MI)	Markey	Smith (TX)
Gray	Owens (NY)	Waters
Hopkins	Sawyer	

□ 1747

The Clerk announced the following pair:

On this vote:

Mr. Owens of New York for, with Mr. Smith of Texas against.

Mr. CLINGER, Mr. SMITH of Oregon, and Mrs. MEYERS of Kansas changed their vote from "yea" to "nay."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. ALEXANDER. Mr. Speaker, the CONGRESSIONAL RECORD erroneously records me as not having voted on rollcall No. 112 on House Concurrent Resolution 121. In fact, I did vote on rollcall 112, House Concurrent Resolution 121, and my vote was yes.

I ask unanimous consent that my statement appear in the permanent RECORD immediately following the vote.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

PERSONAL EXPLANATION

Mrs. COLLINS of Michigan. Mr. Speaker, during rollcall vote No. 112 on House Concurrent Resolution 121 I was unavoidably detained. Had I been present I would have voted "yes."

GENERAL LEAVE

Mr. PANETTA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks, and include extraneous material, on the conference report on House Concurrent Resolution 121, the conference report just agreed to.

The SPEAKER pro tempore. (Mr. VOLKMER). Is there objection to the request of the gentleman from California?

There was no objection.

□ 1750

CONFERENCE REPORT ON H.R. 2251, DIRE EMERGENCY SUPPLEMENTAL APPROPRIATIONS FROM CONTRIBUTIONS OF FOREIGN GOVERNMENTS AND/OR INTEREST FOR HUMANITARIAN ASSISTANCE TO REFUGEES AND DISPLACED PERSONS IN AND AROUND IRAQ AS A RESULT OF THE RECENT INVASION OF KUWAIT AND FOR PEACEKEEPING ACTIVITIES AND OTHER URGENT NEEDS ACT OF 1991

Mr. WHITTEN. Mr. Speaker, pursuant to the order of the House, I call up the conference report on the bill (H.R. 2251) making dire emergency supplemental appropriations from contributions of foreign governments and/or interest for humanitarian assistance to refugees and displaced persons in and around Iraq as a result of the recent invasion of Kuwait and for peacekeeping activities, and for other urgent needs for the fiscal year ending September 30, 1991, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore. (Mr. VOLKMER). Pursuant to the order of the House of today, the conference report is considered as read.

The gentleman from Mississippi [Mr. WHITTEN] will be recognized for 30 minutes, and the gentleman from Pennsylvania [Mr. MCDADE] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Mississippi [Mr. WHITTEN].

GENERAL LEAVE

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report to accompany the bill (H.R. 2251) making dire emergency supplemental appropriations from contributions of foreign governments and/or interest for humanitarian assistance to refugees and displaced persons in and around Iraq as a result of the recent invasion of Kuwait and for peacekeeping activities, and for other urgent needs for the fiscal year ending September 30, 1991, and for other purposes, and that I may include tabular and extraneous material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WHITTEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today we present to our colleagues the conference agreement on H.R. 2251, which provides aid to people who have become refugees or displaced persons, in and around Iraq. The need for this comes about because of the invasion of Kuwait and resulting war. In this agreement, as in the House bill, we provide for this assistance to come from contributions, and/or interest on those contributions, made by foreign governments to support the effort to free Kuwait.

Mr. Speaker, these funds were requested by the President on April 25. The House passed the bill on May 9, the Senate requested a conference on May 15 and conference was concluded yesterday. Once again, we are providing timely help to those affected by a disaster. And, as I said before, it is from contributions to the defense cooperation fund and/or interest on those contributions.

It is important to meet humanitarian needs in other countries resulting from the war, but we must not forget the needs of disaster victims in the United States who deserve equal treatment.

Mr. Speaker, since October 1990, over 26 disasters in the United States have been declared by the President for which funds are not available or requested. The bill before us requires the Director of the Office of Management and Budget to prepare a report on the unfunded costs of dire emergencies in the United States because of natural disasters, including crop losses, floods, droughts, tornadoes, unemployment, and other disasters, such as freezes. He is to submit that report within 10 days of enactment of this bill, pending our receipt of a budget request.

The bill also directs OMB to prepare reports on the unfunded costs of international disaster emergencies due to national disasters including floods and cyclones and on the threats to oil supply, human health, and the environment that the Kuwait oil fires might pose, and to submit those reports within 10 days, pending receipt of a budget estimate.

Mr. Speaker, H.R. 2251 includes:

The sum of $235,500,000 derived by transfer from defense cooperation contributions and/or interest for emergency international disaster assistance, emergency refugee assistance, and emergency peacekeeping activities in and around the Persian Gulf needed as a result of Operation Desert Storm and for other international disaster assistance and refugee assistance outside the Persian Gulf.

The sum of $320,500,000 for DOD humanitarian refugee relief efforts in and around the Persian Gulf needed as a result of Operation Desert Storm derived by transfer from the Persian Gulf Regional Defense Fund.

The sum of $16,000,000 for military relief societies derived by transfer from the Defense Cooperation Account.

FUNDING WITHIN BUDGET ALLOCATIONS

All funds appropriated in the bill are either incremental costs of Operation Desert Storm, dire emergencies, or are offset and therefore would not result in any sequestration.

Mr. Speaker, I urge adoption of the report.

Mr. Speaker, I reserve the balance of my time.

Mr. McDADE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to rise in support of this conference report. We ought to be able to approve this conference report quickly, because it resolves fairly minor differences between the Houses. Unlike other appropriations bills, which can entail hundreds of amendments, there were only seven points of difference between the House and the Senate, none of them major.

The conference report comes back to the House looking remarkably similar to the bill passed by the House on May 9 by a vote of 384 to 25. It deals almost exclusively with the costs of the relief effort underway for the Kurds and other refugees expelled from their homes through the atrocities of Saddam Hussein, as well as other recent disasters around the world.

As in the House passed bill, none of the funding in the bill entails new money—instead the money comes out of interest on the Defense cooperation account, the Persian Gulf regional defense fund, and prior appropriations.

The major conference issue was whether to fund the $85 million increase over the request for refugee assistance from interest on the Defense cooperation account or from rescissions of fiscal year 1991 foreign aid appropriations. The administration preferred that it all come from interest, and that is what is in the conference report, although I still have some reservations on that one.

The actual language states that the funds can come from contributions from foreign allies and/or interest, but it allows complete flexibility to the administration to take it all out of interest, which is what they are expected to do.

The conference report restores the $16 million for defense service organizations.

It reinserts burden-sharing language, which was deleted here on the House floor due to a misunderstanding of the Senate's intentions.

It includes the Senate amendment to assure that all of the money appropriated for the International Trade Administration can be spent.

It does not include the Senate language allowing transfers of Public Law 480 money for humanitarian relief, but my understanding is that such language was included in the Kurdish relief authorization bill that has cleared the Congress.

Finally, it contains the instruction to OMB to come up with a list of unfunded domestic and international disaster relief needs within 10 days, and in statements on the floor, much has been made of that provision.

There's a certain amount of expectation building up for another supplemental that will include both disaster relief and crop disaster assistance.

Let me simply say that if people are serious about trying to push for crop disaster assistance, which will be a billion dollar enterprise, let them not forget about the plight of the dairy farmer, who is experiencing an economic disaster as serious as any other farmer in the country.

But all in all, Mr. Speaker, this is a good conference report, it takes care of the immediate needs for refugee assistance, and I urge its adoption.

Mr. SYNAR. Mr. Speaker, I appreciate this time to urge passage of H.R. 2251 which relieves the suffering and deplorable conditions forced upon tired and helpless Iraqi refugees.

This action by Congress is in the best spirit of America, but not out of sight of our needs here at home. Mr. Chairman, in a floor statement yesterday, the gentlewoman from California, Mrs. BOXER, noted our remiss in failing immunizing America's babies. Currently, 15 Mississippi counties have been declared disaster areas by the President with 2 million acres under water, and no money in the disaster assistance accounts.

I am proud that we have the fortitude and compassion to help others around the world, but in order to continue our assistance abroad, we must keep-up our strength at home.

I urge passage of H.R. 2251.

Mr. MURTHA. Mr. Speaker, the Defense chapter of the refugee assistance supplemental conference agreement provides for the transfer of $320,500,000 from the Persian Gulf Regional Defense Fund to the military personnel and operation and maintenance accounts of the Defense Department in order to finance the defense costs of Operation Provide Comfort. These funds will cover the military personnel costs, supplies, transportation and other support costs associated with the relief effort for refugees and displaced persons in and around Iraq.

Also $16 million is appropriated from the interest earned on balances in the Defense Cooperation Account—gift fund—to the military relief societies. These funds will provide additional aid to members of our Armed Forces which have incurred added hardships based on the deployment relating to Operation Desert Shield/Desert Storm. These societies provide interest free loans or grants to military personnel and their dependents to help finance food, rent or utility expenses, emergency transportation expenses, vehicle repairs, funeral expenses, medical and dental expenses and other emergency assistance.

The supplemental conference agreement also includes a general provision which allows the Department of Defense to accept burdensharing contributions from Korea to pick up the costs of local Korean national employees of the Department of Defense.

Mr. McDADE. Mr. Speaker, I have no requests for time, and I yield back the balance of my time.

Mr. WHITTEN. Mr. Speaker, I have no further requests for time, and I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken, and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. WALKER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 387, nays 33, not voting 11, as follows:

[Roll No. 113]

YEAS—387

Abercrombie	Davis	Hefner
Ackerman	de la Garza	Henry
Alexander	DeFazio	Herger
Allard	DeLauro	Hertel
Anderson	DeLay	Hoagland
Andrews (ME)	Dellums	Hobson
Andrews (NJ)	Derrick	Hochbrueckner
Andrews (TX)	Dickinson	Holloway
Annunzio	Dicks	Horn
Anthony	Dingell	Horton
Applegate	Dixon	Houghton
Archer	Dooley	Hoyer
Armey	Doolittle	Hubbard
Aspin	Dorgan (ND)	Huckaby
Atkins	Dornan (CA)	Hughes
AuCoin	Downey	Hunter
Bacchus	Dreier	Hutto
Baker	Durbin	Hyde
Barnard	Dwyer	Inhofe
Barrett	Dymally	Ireland
Bateman	Eckart	James
Beilenson	Edwards (CA)	Jefferson
Bennett	Edwards (OK)	Jenkins
Bentley	Edwards (TX)	Johnson (CT)
Bereuter	Emerson	Johnson (SD)
Berman	Engel	Johnson (TX)
Bevill	English	Johnston
Bilbray	Erdreich	Jones (GA)
Bliley	Espy	Jones (NC)
Boehlert	Evans	Jontz
Boehner	Fascell	Kanjorski
Bonior	Fawell	Kaptur
Borski	Fazio	Kasich
Boucher	Feighan	Kennedy
Boxer	Fields	Kennelly
Brewster	Fish	Kildee
Brooks	Flake	Kleczka
Broomfield	Foglietta	Klug
Browder	Ford (MI)	Kolbe
Brown	Ford (TN)	Kopetski
Bruce	Frank (MA)	Kostmayer
Bryant	Franks (CT)	Kyl
Bunning	Frost	LaFalce
Burton	Gallegly	Lagomarsino
Bustamante	Gallo	Lancaster
Byron	Gaydos	Lantos
Callahan	Gejdenson	LaRocco
Camp	Gephardt	Laughlin
Campbell (CA)	Gibbons	Leach
Campbell (CO)	Gilchrest	Lehman (CA)
Cardin	Gillmor	Lent
Carper	Gilman	Levin (MI)
Carr	Gingrich	Levine (CA)
Chandler	Glickman	Lewis (CA)
Chapman	Gonzalez	Lewis (FL)
Clay	Goodling	Lewis (GA)
Clement	Gordon	Lightfoot
Clinger	Goss	Lipinski
Coleman (MO)	Gradison	Livingston
Coleman (TX)	Grandy	Lloyd
Collins (IL)	Gray	Long
Collins (MI)	Green	Lowery (CA)
Condit	Guarini	Luken
Conyers	Gunderson	Machtley
Cooper	Hall (OH)	Manton
Costello	Hamilton	Marlenee
Coughlin	Hammerschmidt	Martin
Cox (CA)	Hansen	Martinez
Cox (IL)	Harris	Matsui
Coyne	Hastert	Mavroules
Cramer	Hatcher	Mazzoli
Cunningham	Hayes (LA)	McCandless
Darden	Hefley	McCloskey

McCrery	Peterson (MN)	Smith (NJ)
McCurdy	Petri	Smith (OR)
McDade	Pickle	Smith (TX)
McDermott	Porter	Snowe
McEwen	Poshard	Solarz
McGrath	Price	Solomon
McHugh	Pursell	Spence
McMillan (NC)	Quillen	Spratt
McMillen (MD)	Rahall	Staggers
McNulty	Ramstad	Stallings
Meyers	Rangel	Stark
Mfume	Ravenel	Stokes
Michel	Reed	Studds
Miller (CA)	Regula	Sundquist
Miller (OH)	Rhodes	Swett
Miller (WA)	Richardson	Swift
Mineta	Ridge	Synar
Mink	Riggs	Tallon
Moakley	Rinaldo	Tanner
Molinari	Ritter	Tauzin
Mollohan	Roberts	Taylor (MS)
Montgomery	Roe	Taylor (NC)
Moody	Roemer	Thomas (CA)
Moran	Rogers	Thomas (GA)
Morrison	Ros-Lehtinen	Thornton
Mrazek	Rostenkowski	Torres
Murphy	Roukema	Torricelli
Murtha	Rowland	Towns
Myers	Roybal	Traxler
Nagle	Russo	Unsoeld
Natcher	Sabo	Upton
Neal (MA)	Sanders	Vander Jagt
Neal (NC)	Sangmeister	Vento
Nichols	Santorum	Volkmer
Nowak	Sarpalius	Vucanovich
Oakar	Saxton	Walsh
Oberstar	Schaefer	Washington
Obey	Scheuer	Waters
Olin	Schiff	Waxman
Ortiz	Schroeder	Weber
Orton	Schulze	Weiss
Owens (NY)	Schumer	Weldon
Owens (UT)	Serrano	Wheat
Oxley	Sharp	Whitten
Packard	Shaw	Wilson
Pallone	Shays	Wise
Panetta	Shuster	Wolf
Parker	Sikorski	Wolpe
Patterson	Sisisky	Wyden
Paxon	Skaggs	Wylie
Payne (NJ)	Skeen	Yates
Payne (VA)	Slattery	Yatron
Pease	Slaughter (NY)	Young (AK)
Pelosi	Slaughter (VA)	Young (FL)
Perkins	Smith (FL)	Zeliff
Peterson (FL)	Smith (IA)	Zimmer

NAYS—33

Barton	Hall (TX)	Savage
Billirakis	Hancock	Sensenbrenner
Coble	Hayes (IL)	Stearns
Combest	Jacobs	Stenholm
Crane	Kolter	Stump
Dannemeyer	Moorhead	Thomas (WY)
Donnelly	Nussle	Traficant
Duncan	Penny	Valentine
Early	Ray	Visclosky
Gekas	Rohrabacher	Walker
Geren	Roth	Williams

NOT VOTING—11

Ballenger	Markey	Rose
Hopkins	McCollum	Sawyer
Lehman (FL)	Morella	Skelton
Lowey (NY)	Pickett	

□ 1818

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AMENDMENTS IN DISAGREEMENT

The SPEAKER pro tempore (Mr. VOLKMER). Pursuant to the order of the House of today, the amendments in disagreement are considered as having been read.

The Clerk will designate the first amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 2: Page 5, strike out all after line 14 over to and including line 16 on page 9, and insert:

CHAPTER II

DEPARTMENT OF STATE

DEFENSE COOPERATION ACCOUNT

For a portion of the expenses associated with the provision of emergency assistance, pursuant to section 251(b)(2)(D)(i) of Public Law 99-177, as amended, for refugees and displaced persons in and around Iraq as a result of the recent invasion of Kuwait, and for peacekeeping activities and for international disaster assistance in the region, there is appropriated from the Defense Cooperation Account, $235,500,000, to be derived only from the interest payments deposited to the credit of such account, which shall be available only for transfer by the Secretary of Defense to "International Disaster Assistance", "Migration and Refugee Assistance", "United States Emergency Refugee and Migration Assistance", and "Contributions to International Peacekeeping Activities", as follows:

FUNDS APPROPRIATED TO THE PRESIDENT

BILATERAL ECONOMIC ASSISTANCE

INTERNATIONAL DISASTER ASSISTANCE

(TRANSFER OF FUNDS)

For an additional amount for "International Disaster Assistance", $67,000,000, to remain available until expended.

DEPARTMENT OF STATE

MIGRATION AND REFUGEE ASSISTANCE

(TRANSFER OF FUNDS)

For an additional amount for "Migration and Refugee Assistance", $75,000,000: Provided, That in addition to amounts otherwise available for such purposes, up to $250,000 of the funds appropriated under this heading may be made available for the administrative expenses of the Office of Refugee Programs of the Department of State: Provided further, That funds made available under this heading shall remain available until September 30, 1992.

UNITED STATES EMERGENCY REFUGEE AND MIGRATION ASSISTANCE FUND

(TRANSFER OF FUNDS)

For an additional amount for the "United States Emergency Refugee and Migration Assistance Fund", $68,000,000, to remain available until expended: Provided, That the funds made available under this heading are appropriated notwithstanding the provisions contained in section 2(c)(2) of the Migration and Refugee Assistance Act of 1962 that would limit the amount of funds that could be appropriated for this purpose.

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

CONTRIBUTIONS TO INTERNATIONAL PEACEKEEPING ACTIVITIES

(TRANSFER OF FUNDS)

For an additional amount for "Contributions to international peacekeeping activities", $25,500,000, to remain available until September 30, 1992.

GENERAL PROVISIONS—CHAPTER II

SEC. 201. The authority provided in this chapter to transfer funds from the Defense Cooperation Account is in addition to any other transfer authority contained in any other Act making appropriations for fiscal year 1991.

SEC. 202. Funds transferred or otherwise made available pursuant to this Act may be made available notwithstanding any provision of law that restricts assistance to particular countries.

SEC. 203. Funds transferred pursuant to this chapter for International Disaster Assistance and the United States Emergency Refugee and Migration Assistance Fund may also be used to replenish appropriations accounts from which assistance was provided prior to the enactment of this Act.

SEC. 204. Amounts obligated for fiscal year 1991 under the authority of section 492(b) of the Foreign Assistance Act of 1961 to provide international disaster assistance in connection with the Persian Gulf crisis shall not be counted against the ceiling limitation of such section.

SEC. 205. The value of any defense articles, defense services, and military education and training authorized as of April 20, 1991, to be drawn down by the President under the authority of section 506(a)(2) of the Foreign Assistance Act of 1961 shall not be counted against the ceiling limitation of such section.

SEC. 206. Funds made available under this chapter may be made available notwithstanding section 10 of Public Law 91-672 and section 15(a) of the State Department Basic Authorities Act of 1956.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 2, and concur therein with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert:

CHAPTER II

DEPARTMENT OF STATE

DEFENSE COOPERATION ACCOUNT

For a portion of the expenses associated with Operation Desert Storm and the provision of emergency assistance, pursuant to section 251(b)(2)(D)(i) of Public Law 99-177, as amended, for refugees and displaced persons in and around Iraq as a result of the recent invasion of Kuwait, and for peacekeeping activities and for international disaster assistance in the region, there is appropriated from the Defense Cooperation Account, $235,500,000, to be derived from any contributions of foreign governments and/or interest payments deposited to the credit of such account, which shall be available only for transfer by the Secretary of Defense to "International Disaster Assistance", "Migration and Refugee Assistance", "United States Emergency Refugee and Migration Assistance", and "Contributions to International Peacekeeping Activities", as follows:

FUNDS APPROPRIATED TO THE PRESIDENT

BILATERAL ECONOMIC ASSISTANCE

INTERNATIONAL DISASTER ASSISTANCE

(TRANSFER OF FUNDS)

For an additional amount for "International Disaster Assistance", $67,000,000, to remain available until expended: Provided, That in addition to amounts otherwise available for such purposes, up to $200,000 of the funds appropriated under this heading may be made available for the purpose of paying administrative expenses of the Agency for International Development in connection with carrying out its functions under this heading.

DEPARTMENT OF STATE

MIGRATION AND REFUGEE ASSISTANCE

(TRANSFER OF FUNDS)

For an additional amount for "Migration and Refugee Assistance", $75,000,000: Provided, That in addition to amounts otherwise available for such purposes, up to $250,000 of the funds appropriated under this heading may be made available for the administrative expenses of the Office of Refugee Programs of the Department of State: Provided further, That funds made available under this heading shall remain available until September 30, 1992.

UNITED STATES EMERGENCY REFUGEE AND MIGRATION ASSISTANCE FUND

(TRANSFER OF FUNDS)

For an additional amount for the "United States Emergency Refugee and Migration Assistance Fund", $68,000,000, to remain available until expended: Provided, That funds made available under this heading are appropriated notwithstanding the provisions contained in section 2(c)(2) of the Migration and Refugee Assistance Act of 1962 that would limit the amount of funds that could be appropriated for this purpose.

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

CONTRIBUTIONS TO INTERNATIONAL PEACEKEEPING ACTIVITIES

(TRANSFER OF FUNDS)

For an additional amount for "Contributions to international peacekeeping activities", $25,000,000, to remain available until September 30, 1992.

GENERAL PROVISIONS—CHAPTER II

SEC. 201. The authority provided in this chapter to transfer funds from the Defense Cooperation Account is in addition to any other transfer authority contained in any other Act making appropriations for fiscal year 1991.

SEC. 202. Funds transferred or otherwise made available pursuant to this Act may be made available notwithstanding any provision of law that restricts assistance to particular countries.

SEC. 203. Funds transferred pursuant to this chapter for International Disaster Assistance and the United States Emergency Refugee and Migration Assistance Fund may be used for any of the purposes for which funds are authorized under those accounts and may also be used to replenish appropriations accounts from which assistance was provided prior to the enactment of this Act, notwithstanding any other provision of this or any other Act.

SEC. 204. Amounts obligated for fiscal year 1991 under the authority of section 492(b) of the Foreign Assistance Act of 1961 to provide international disaster assistance in connection with the Persian Gulf crisis shall not be counted against the ceiling limitation of such section.

SEC. 205. The value of any defense articles, defense services, and military education and training authorized as of April 20, 1991, to be drawn down by the President under the authority of section 506(a)(2) of the Foreign Assistance Act of 1961 shall not be counted against the ceiling limitation of such section.

SEC. 206. Funds made available under this chapter may be made available notwithstanding section 10 of Public Law 91-672 and section 15(a) of the State Department Basic Authorities Act of 1956.

SEC. 207. None of the funds appropriated by the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1991 (Public Law 101-513), under the heading "Economic Support Fund", that were allocated for Pakistan may be made available for assistance for another country or purpose unless notification is provided in accordance with the regular notification procedures of the Committees on Appropriations.

Mr. McDADE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 3: Page 10, after line 15, insert:

CHAPTER IV

DEPARTMENT OF COMMERCE

INTERNATIONAL TRADE ADMINISTRATION

OPERATIONS AND ADMINISTRATION

Of the funds appropriated under this heading in Public Law 101-515 and Public Law 102-27, $159,325,000 shall be available to carry out export promotion programs notwithstanding the provisions of section 201 of Public Law 99-64.

THE JUDICIARY

COURTS OF APPEALS, DISTRICT COURTS AND OTHER JUDICIAL SERVICES

SALARIES AND EXPENSES

(RESCISSION)

Of the funds appropriated under this heading in Public Law 101-515, $8,262,000 is hereby rescinded.

DEFENDER SERVICES

For an additional amount for "Defender Services", $8,000,000, to remain available until expended.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 3, and concur therein.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi (Mr. WHITTEN).

The motion was agreed to.

□ 1820

The SPEAKER pro tempore (Mr. VOLKMER). The Clerk will designate the last amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 7: Page 11, line 2, strike out [are off budget.] and insert: are within the limits of the Budget Enforcement Act of 1990.

SEC. 503. Notwithstanding any other provision of law, not to exceed 15 per centum of the funds made available for any title of the Agricultural Trade Development and Assistance Act of 1954 by the Rural Development, Agriculture, and Related Agencies Appropriations Act, 1991, may be used for purposes of title II of the Agricultural Trade Development and Assistance Act of 1954.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 7, and concur therein with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following:

SEC. 503. During the current fiscal year, the Secretary of Defense may accept burdensharing contributions in the form of money from the Republic of Korea for the costs of local national employees of the Department of Defense to be credited to Department of Defense operation and maintenance appropriations available for the salaries and benefits of such Korean national employees to be merged with and to be available for the same purposes and time period as those appropriations to which credited: *Provided*, That not later than October 31, 1991, the Secretary of Defense shall submit a report on the contributions accepted by the Secretary under this provision.

Mr. McDADE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

PERSONAL EXPLANATION

Mrs. MORELLA. Mr. Speaker, I rise because by just moments I missed the last vote which was cast in this House on the conference report on H.R. 2251, the dire emergency supplemental appropriation.

I missed it, Mr. Speaker, because I was over on the Senate side testifying before the Base Closing and Consolidation Commission on behalf of White Oak Naval Warfare Center. If I had been here, I would have voted "aye."

PERSONAL EXPLANATION

Mr. BALLENGER. Mr. Speaker, I missed the rollcall vote on the conference report to H.R. 2251, making supplemental appropriations for Kurdish refugees. I would like the RECORD to show that had I been present, I would have voted "aye" on rollcall No. 113.

AMENDMENTS WITH RESPECT TO VETERANS PROGRAMS FOR HOUSING AND MEMORIAL AFFAIRS

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent to take from

the Speaker's table the bill (H.R. 232) to amend title 38, United States Code, with respect to veterans programs for housing and memorial affairs, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments as follows:

Senate amendments:

Page 2, line 1, strike out [fiscal year] and insert: *September 30,*

Page 2, lines 4 and 5, strike out [in fiscal year 1991 and continuing thereafter,] and insert: *on October 1, 1990,*

Page 2, line 8, strike out [recourse] and insert: *recourse,*

Page 2, line 21, strike out [1991] and insert: *1992*

Page 2, line 24, strike out [1991] and insert: *1992*

Page 2, after line 24, insert:

(c) REPORT RELATING TO APPRAISAL REVIEW.—Section 1831(f) of such title is further amended by adding at the end the following new paragraphs:

"(4) Not later than April 30 of each year following a year in which the Secretary authorizes lenders to determine reasonable value of property under this subsection, the Secretary shall submit to the Committees on Veterans' Affairs of the Senate and the House of Representatives a report relating to the exercise of that authority during the year in which the authority was exercised.

"(5) A report submitted pursuant to paragraph (4) of this subsection shall include, for the period covered by each report—

"(A) the number and value of loans made by lenders exercising the authority of this subsection;

"(B) the number and value of such loans reviewed by the appraisal-review monitors referred to in paragraph (2) of this subsection;

"(C) the number and value of loans made under this subsection of which the Secretary received notification of default;

"(D) the amount of guaranty paid by the Secretary to such lenders by reason of defaults on loans as to which reasonable value was determined under this subsection; and

"(E) such recommendations as the Secretary considers appropriate to improve the exercise of the authority provided for in this subsection and to protect the interests of the United States.".

Page 3, lines 13 and 14, strike out [for or receipts of Federal] and insert: *for, or receipts of, Federal*

Page 5, line 5, strike out [1991] and insert: *1992*

Page 7, line 17, strike out [paragraph] and insert: *subsection*

Page 13, line 5, strike out [when] and insert: *on the date*

Page 13, line 16, strike out [revolving fund] and insert: *special account referred to in subsection (c)*

Page 13, lines 21 and 22, strike out [and veterans in compensated work-therapy programs]

Page 13, line 24, strike out [acquire] and insert: *in acquiring*

Page 16, after line 20, insert:

SEC. 12. AUTHORITY OF THE SECRETARY OF VETERANS AFFAIRS TO CARRY OUT SPECIFIED ADMINISTRATIVE REORGANIZATION.

(a) AUTHORITY FOR ADMINISTRATIVE REORGANIZATION.—The Secretary of Veterans Affairs may carry out the administrative reorganization described in subsection (b) without regard to section 210(b)(2) of title 38, United States Code.

(b) SPECIFIED REORGANIZATION.—Subsection (a) applies to the organizational realignment of management responsibility for the Department of Veterans Affairs Data Processing Centers, together with the corresponding organizational realignment of associated Information Resources Management operational components and functions within the Department of Veterans Affairs central office, as such realignment was described in the detailed plan and justification submitted by the Secretary of Veterans Affairs in January 4, 1991, letters to the Chairmen of the Committees on Veterans' Affairs of the Senate and the House of Representatives.

SEC. 13. AMENDMENTS TO LAWS TO REFLECT THE CONVERSION OF THE VETERANS' ADMINISTRATION TO THE DEPARTMENT OF VETERANS AFFAIRS.

(a) LAWS CODIFIED IN TITLE 2, U.S.C.—Section 255 of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 905) is amended by striking out the last two items in subsection (g)(2) and inserting in lieu thereof the following:

"Department of Veterans Affairs, Loan guaranty revolving fund (36–4025–0–3–704); and

"Department of Veterans Affairs, Servicemen's group life insurance fund (36–4009–0–3–701).".

(b) TITLE 5, U.S.C.—

(1) The following sections of title 5, United States Code, are amended by striking out "Veterans' Administration" and inserting in lieu thereof "Department of Veterans Affairs": sections 2108(2), 5102(c)(14), 5342(a)(2)(C), 7103(a)(3), 8101(20), 8116(a)(3), 8311(2)(A), and 8311(3)(A).

(2) The following sections of such title are amended by striking out "Department of Medicine and Surgery, Veterans' Administration" and inserting in lieu thereof "Veterans Health Administration of the Department of Veterans Affairs": sections 4301(2)(C), 5102(c)(3), and 6301(2)(B)(v).

(3) Section 5355 of such title is amended by striking out "Administrator of Veterans' Affairs" and inserting in lieu thereof "Secretary of Veterans Affairs".

(4) Section 8339(g) of such title is amended by striking out "Veterans' Administration pension or compensation" in the second and third sentences and inserting in lieu thereof "pension or compensation from the Department of Veterans Affairs".

(5) Section 8347(m)(2) of such title is amended by striking out "Administrator" and inserting in lieu thereof "Secretary".

(6) Section 503 of the Supplemental Appropriations Act, 1987 (5 U.S.C. 7301 note), is amended by striking out "Veterans' Administration" in subsection (a)(2)(I) and inserting in lieu thereof "Department of Veterans Affairs".

(c) LAWS CODIFIED IN TITLE 7, U.S.C.—Section 202 of the Agricultural Act of 1949 (7 U.S.C. 1446a) is amended by striking out "Administrator of Veterans' Affairs" in the matter preceding subsection (a), in subsection (a), and in subsection (c) and inserting in lieu thereof "Secretary of Veterans Affairs".

(d) LAWS CODIFIED IN TITLE 12, U.S.C.—

(1) Section 912 of the Housing and Urban Development Act of 1970 (12 U.S.C. 1709–2) is amended by striking out "Veterans' Administration" both places it appears in paragraph (1) and inserting in lieu thereof "Department of Veterans Affairs".

(2) The National Housing Act (12 U.S.C. 1701 et seq.) is amended—

(A) by striking out "Veterans' Administration" in subsection (c)(2)(D) of section 302 (12 U.S.C. 1717) and inserting in lieu thereof "Department of Veterans Affairs"; and

(B) by striking out "Administrator of Veterans' Affairs" in section 512 (12 U.S.C. 1731a) and inserting in lieu thereof "Secretary of Veterans Affairs".

(3) Section 107 of the Housing and Urban Development Act of 1965 (12 U.S.C. 1735g) is amended—

(A) by striking out "Administrator of Veterans' Affairs" in subsection (a)(2)(B) and inserting in lieu thereof "Secretary of Veterans Affairs"; and

(B) by striking out "Administrator of Veterans' Affairs" both places it appears in subsection (e) and inserting in lieu thereof "Secretary of Veterans Affairs".

(4) Section 8 of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2607) is amended by striking out "Administrator of Veterans' Affairs" in subsection (c)(5) and inserting in lieu thereof "Secretary of Veterans Affairs".

(e) LAWS CODIFIED IN TITLE 15, U.S.C.—Section 718 of the Business Opportunity Development Reform Act of 1988 (Public Law 100–656; 15 U.S.C. 644 note) is amended by striking out "Veterans Administration" in subsection (b)(10) and inserting in lieu thereof "Department of Veterans Affairs".

(f) TITLE 18, U.S.C.—

(1) Section 289 of title 18, United States Code, is amended by striking out "Administrator of Veterans' Affairs" and inserting in lieu thereof "Secretary of Veterans Affairs".

(2) Section 1114 of such title is amended by striking out "Veterans' Administration" and inserting in lieu thereof "Department of Veterans Affairs".

(g) LAWS CODIFIED IN TITLE 20, U.S.C.—The Higher Education Act of 1965 (20 U.S.C. 1001 et seq.) is amended as follows:

(1) The following provisions are amended by striking out "Veterans' Administration" and inserting in lieu thereof "Department of Veterans Affairs":

(A) Subsection (a)(1)(E) of section 131 (20 U.S.C. 1017).

(B) Subsection (d)(1)(C) of section 411B (20 U.S.C. 1070a–2).

(C) Subsection (c)(1)(C) of section 411C (20 U.S.C. 1070a–3).

(D) Subsection (c)(1)(C) of section 411D (20 U.S.C. 1070a–4).

(2) Section 420A (20 U.S.C. 1070e–1) is amended—

(A) in subsection (b)(2)(B), by striking out "Administrator of Veterans' Affairs" and inserting in lieu thereof "Secretary of Veterans Affairs";

(B) in subsection (c)(2)—

(i) by striking out "Administrator of Veterans' Affairs (hereinafter referred to as the 'Administrator')" and inserting in lieu thereof "Secretary of Veterans Affairs"; and

(ii) by striking out "Administrator" each of the three succeeding places in which it appears and inserting in lieu thereof "Secretary of Veterans Affairs"; and

(C) in subsection (d), by striking out "Veterans' Administration" and "the Administrator" and inserting in lieu thereof "Secretary of Veterans Affairs" in both instances.

(h) REFERENCES IN TITLE 22, U.S.C.—

(1) LAWS CODIFIED IN TITLE 22.—Section 106 of the Mutual Educational and Cultural Exchange Act of 1961 (22 U.S.C. 2456) is amended by striking out "Veterans' Administration" in subsection (a)(1) and inserting in lieu thereof "Department of Veterans Affairs".

(2) REFERENCE PURSUANT TO LAW CODIFIED IN TITLE 22.—Any reference to the Veterans' Administration in any regulation prescribed or Executive order issued pursuant to section 827(a) of the Foreign Service Act of 1980 (22 U.S.C. 4067(a)) shall be deemed to be a reference to the Department of Veterans Affairs.

(i) LAWS CODIFIED IN TITLE 24, U.S.C.—

(1) The Naval Appropriation Act, 1946 (59 Stat. 201 et seq.), is amended in the first proviso in the fourth paragraph under the heading

"BUREAU OF SUPPLIES AND ACCOUNTS" (24 U.S.C. 16a; 59 Stat. 208) by striking out "United States Veterans Administration" and inserting in lieu thereof "Department of Veterans Affairs".

(2) Section 2 of the Act of March 22, 1906 (24 U.S.C. 152), is amended—

(A) by striking out "Board of Managers of the National Home for Disabled Volunteer Soldiers" and inserting in lieu thereof "Secretary of Veterans Affairs"; and

(B) by striking out "as they may deem necessary" and inserting in lieu thereof "as the Secretary may consider necessary".

(j) LAWS CODIFIED IN TITLE 25, U.S.C.—

(1) The Act of February 25, 1933 (25 U.S.C. 14), is amended—

(A) by striking out "Veterans' Administration" and inserting in lieu thereof "Department of Veterans Affairs"; and

(B) by striking out "Administrator of Veterans' Affairs" and inserting in lieu thereof "Secretary of Veterans Affairs".

(2) Section 716 of the Indian Health Care Improvement Act (25 U.S.C. 1680f) is amended—

(A) by striking out "Veterans' Administration" and inserting in lieu thereof "Department of Veterans Affairs" in each of the following subsections: subsections (a), (b)(3), (b)(4), (b)(6), (c)(1)(A), and (c)(1)(B);

(B) in subsection (c)(1), by striking out "Within 30 days" and all that follows through "directed to" and inserting in lieu thereof "Not later than December 23, 1988, the Director of the Indian Health Service and the Secretary of Veterans Affairs shall"; and

(C) in subsection (c)(2), by striking out "Not later than" and all that follows through "shall" and inserting in lieu thereof "Not later than November 23, 1990, the Secretary and the Secretary of Veterans Affairs shall".

(k) LAWS CODIFIED IN TITLE 29, U.S.C.—

(1) The Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.) is amended—

(A) by striking out "Veterans' Administration" in the following provisions and inserting in lieu thereof "Department of Veterans Affairs": subsection (a)(11) of section 101 (29 U.S.C. 721), subsection (i)(2) of section 202 (29 U.S.C. 761a), and subsection (a)(1)(B)(ix) of section 502 (29 U.S.C. 792); and

(B) by striking out "Administrator of Veterans' Affairs" in the following provisions and inserting in lieu thereof "Secretary of Veterans Affairs": subsection (a)(1) of section 203 (29 U.S.C. 761b) and subsection (a) of section 501 (29 U.S.C. 791).

(2) The Job Training Partnership Act (29 U.S.C. 1501 et seq.) is amended—

(A) by striking out "Veterans' Administration" in paragraph (27)(B) of section 4 (29 U.S.C. 1503) and inserting in lieu thereof "Secretary of Veterans Affairs";

(B) by striking out "Veterans' Administration programs" in subsection (c)(10) of section 121 (29 U.S.C. 1531) and inserting in lieu thereof "programs of the Department of Veterans Affairs"; and

(C) by striking out "Administrator of Veterans' Affairs" in subsection (b)(2)(B) of section 441 (29 U.S.C. 1721) and inserting in lieu thereof "Secretary of Veterans Affairs".

(l) TITLE 31, U.S.C.—Title 31, United States Code, is amended as follows:

(1) Paragraphs (45), (74), (82), and (83) of section 1321(a) are amended by striking out "Veterans' Administration" and inserting in lieu thereof "Department of Veterans Affairs".

(2) Section 3329(c)(1) is amended—

(A) by striking out "Administrator of Veterans' Affairs" and inserting in lieu thereof "Secretary of Veterans Affairs"; and

(B) by striking out "laws carried out by the Administrator" and inserting in lieu thereof "laws administered by the Secretary of Veterans Affairs".

(3) Section 3330 is amended—

(A) by striking out "Administrator of Veterans' Affairs" in subsection (a)(1)(B) and inserting in lieu thereof "Secretary of Veterans Affairs";

(B) by striking out "Administrator" in subsections (a)(2), (a)(3), and (d)(1)(A) and inserting in lieu thereof "Secretary of Veterans Affairs"; and

(C) by striking out "laws carried out by the Administrator" in subsections (b) and (c) and inserting in lieu thereof "laws administered by the Secretary of Veterans Affairs".

(4)(A) The heading of section 3330 is amended to read as follows:

"§ 3330. Payment of Department of Veterans Affairs checks for the benefit of individuals in foreign countries".

(B) The item relating to section 3330 in the table of sections at the beginning of chapter 33 is amended to read as follows:

"3330. Payment of Department of Veterans Affairs checks for the benefit of individuals in foreign countries.".

(m) LAWS CODIFIED IN TITLE 33, U.S.C.—

(1) Section 9 of the Coast and Geodetic Survey Commissioned Officers' Act of 1948 (33 U.S.C. 853h) is amended by striking out "Veterans' Administration" in subsection (e)(2) and inserting in lieu thereof "Secretary of Veterans Affairs".

(2) The second sentence of the second paragraph of section 16 of the Act of May 22, 1917 (33 U.S.C. 857) is amended by striking out "Veterans' Administration" and inserting in lieu thereof "Secretary of Veterans Affairs".

(3) Section 3 of Public Law 91-621 (33 U.S.C. 857-3) is amended by striking out "Veterans' Administration" in subsection (a)(1) and inserting in lieu thereof "Secretary of Veterans Affairs".

(n) LAWS CODIFIED IN TITLE 36, U.S.C.—

(1) The Act of July 23, 1947 (36 U.S.C. 67 et seq.) is amended by striking out "Veterans' Administration" in section 3(2) (36 U.S.C. 67b(2)) and in section 9 (36 U.S.C. 67h) and inserting in lieu thereof "Department of Veterans Affairs".

(2) Section 3 of the Act of June 17, 1932 (36 U.S.C. 90c) is amended by striking out "United States Veterans' Administration" and inserting in lieu thereof "Department of Veterans Affairs".

(3) Section 3 of Public Law 85-761 (36 U.S.C. 823) is amended by striking out "Veterans' Administration" in subsection (b)(5) and inserting in lieu thereof "Department of Veterans Affairs".

(4) Section 15 of Public Law 85-769 (36 U.S.C. 865) is amended by striking out "Veterans' Administration" and inserting in lieu thereof "Department of Veterans Affairs".

(5) Section 9 of Public Law 92-93 (36 U.S.C. 1159) is amended by striking out "Veterans' Administration" and inserting in lieu thereof "Department of Veterans Affairs".

(6) Section 3(d) of Public Law 98-314 (36 U.S.C. 2403(d)) is amended by striking out "Veterans' Administration" and inserting in lieu thereof "Department of Veterans Affairs".

(7) Section 3 of Public Law 98-584 (36 U.S.C. 3103) is amended by striking out "Veterans' Administration Hospitals" in paragraph (3) and inserting in lieu thereof "medical facilities of the Department of Veterans Affairs".

(8) Section 3 of Public Law 99-172 (36 U.S.C. 3703) is amended by striking out "Veterans' Administration" in paragraph (5) and inserting in lieu thereof "Department of Veterans Affairs".

(o) LAWS CODIFIED IN TITLE 40, U.S.C.—Section 13 of the Public Buildings Act of 1959 (40 U.S.C. 612) is amended by striking out "Veterans' Administration installations" in paragraph (1)(H) and inserting in lieu thereof "installations of the Department of Veterans Affairs".

(p) LAWS CODIFIED IN TITLE 41, U.S.C.—The first section of the Act of June 25, 1938 (41 U.S.C. 46), commonly referred to as the "Wagner-O'Day Act", is amended by striking out "Veterans' Administration" in subsection (a)(1) and inserting in lieu thereof "Department of Veterans Affairs".

(q) LAWS CODIFIED IN TITLE 42, U.S.C.—

(1) PUBLIC HEALTH SERVICE ACT.—The Public Health Service Act (42 U.S.C. 201 et seq.) is amended as follows:

(A) The following provisions are amended by striking out "Veterans' Administration" and inserting in lieu thereof "Department of Veterans Affairs":

(i) Subsection (k)(4)(C) of section 306 (42 U.S.C. 242k).

(ii) Subsection (e)(1) of section 544 (42 U.S.C. 290dd-3).

(iii) Subsection (e)(1) of section 548 (42 U.S.C. 290ee-3).

(B) The following provisions are amended by striking out "Administrator of Veterans' Affairs" and inserting in lieu thereof "Secretary of Veterans Affairs":

(i) Subsection (c) of section 341 (42 U.S.C. 257).

(ii) Subsection (g) of section 548 (42 U.S.C. 290ee-3).

(C) Section 212 (42 U.S.C. 213) is amended by striking out "Veterans' Administration" in subsection (d) and inserting in lieu thereof "Secretary of Veterans Affairs".

(D) Subsection (a)(2)(B) of section 314 (42 U.S.C. 246) is amended—

(i) by striking out "Veterans' Administration" and inserting in lieu thereof "Department of Veterans Affairs";

(ii) by striking out "Administrator of Veterans' Affairs" and inserting in lieu thereof "Secretary of Veterans Affairs"; and

(iii) by striking out "such Administration" and inserting in lieu thereof "such Department".

(E) Section 485 (42 U.S.C. 287c-2) is amended by striking out "Chief Nursing Officer of the Veterans' Administration" in subsection (b)(2)(A) and inserting in lieu thereof "chief nursing officer of the Department of Veterans Affairs".

(2) SAFE DRINKING WATER ACT AMENDMENTS OF 1986.—Section 109(c) of the Safe Drinking Water Act Amendments of 1986 (42 U.S.C. 300g-6 note) is amended by striking out "the Administrator of the Veterans' Administration" and inserting in lieu thereof "the Secretary of Veterans Affairs".

(3) SOCIAL SECURITY ACT.—The Social Security Act (42 U.S.C. 301 et seq.) is amended as follows:

(A) The following provisions are amended by striking out "Veterans' Administration" and inserting in lieu thereof "Department of Veterans Affairs":

(i) Subsections (a)(1)(B) and (e)(1)(B) of section 217 (42 U.S.C. 417).

(ii) Subsection (b)(5)(A) of section 1128 (42 U.S.C. 1320a-7).

(iii) Subsection (h)(1) of section 1814 (42 U.S.C. 1395f).

(iv) The heading of subsection (h) of section 1814.

(v) Subsection (a)(5)(F) of section 1928 (42 U.S.C. 1396s).

(B) The following provisions are amended by striking out "Veterans' Administration" each place it appears and inserting in lieu thereof "Secretary of Veterans Affairs":

(i) Subsection (h)(2) of section 228 (42 U.S.C. 428).

(ii) Subsection (f)(2) of section 462 (42 U.S.C. 662).

(iii) Subsection (a)(1) of section 1133 (42 U.S.C. 1320b-3).

(iv) Subsection (h)(2) of section 1814 (42 U.S.C. 1395f).

(C) Subparagraph (D) of section 202(t)(4) (42 U.S.C. 402(t)(4)) is amended—

(i) by striking out "Administrator of Veterans' Affairs" and inserting in lieu thereof "Secretary of Veterans Affairs"; and

(ii) by striking out "if the Administrator" both places it appears and inserting in lieu thereof "Secretary of Veterans Affairs".

(D) Subsection (b)(1) of section 217 (42 U.S.C. 417) is amended by striking out "Veterans' Administration to be payable by it" and inserting in lieu thereof "Secretary of Veterans Affairs to be payable by him".

(E) Subsection (b)(2) of section 217 (42 U.S.C. 417) is amended—

(i) in the first sentence—

(I) by striking out "Veterans' Administration" the first place it appears and inserting in lieu thereof "Secretary of Veterans Affairs"; and

(II) by striking out "the Veterans' Administration" the second place it appears and inserting in lieu thereof "that Secretary";

(ii) in the second sentence, by striking out "Veterans' Administration" and inserting in lieu thereof "Secretary of Veterans Affairs";

(iii) in the third sentence—

(I) by striking out "If the Veterans' Administration" and inserting in lieu thereof "If the Secretary of Veterans Affairs"; and

(II) by striking out "it shall" and inserting in lieu thereof "the Secretary of Veterans Affairs shall";

(iv) in the fourth sentence—

(I) by striking out "Veterans' Administration" and inserting in lieu thereof "Secretary of Veterans Affairs"; and

(II) by striking out "such Administration" and inserting in lieu thereof "that Secretary"; and

(v) in the fifth sentence, by striking out "Veterans' Administration" and inserting in lieu thereof "Secretary of Veterans Affairs".

(F) Subsection (a)(1)(L) of section 1866 (42 U.S.C. 1395cc) is amended by striking out "Administrator of Veterans' Affairs" and inserting in lieu thereof "Secretary of Veterans Affairs".

(4) OMNIBUS RECONCILIATION ACT OF 1980.—Section 966 of the Omnibus Reconciliation Act of 1980 (42 U.S.C. 632a) is amended—

(A) in subsection (c)(6)—

(i) by striking out "Veterans' Administration" both places it appears and inserting in lieu thereof "Department of Veterans Affairs"; and

(ii) by striking out "Administrator of Veterans' Affairs" and inserting in lieu thereof "Secretary of Veterans Affairs"; and

(B) in subsection (e)(1), by striking out "Veterans' Administration" and inserting in lieu thereof "Secretary of Veterans Affairs".

(5) HOUSING ACT OF 1949.—Section 535 of the Housing Act of 1949 (42 U.S.C. 1490o) is amended—

(A) in subsections (a) and (b), by striking out "Administrator of Veterans' Affairs" and inserting in lieu thereof "Secretary of Veterans Affairs"; and

(B) in subsection (c), by striking out "Veterans' Administration" and inserting in lieu thereof "Department of Veterans Affairs".

(6) LANHAM PUBLIC WAR HOUSING ACT.—The Act of October 14, 1940 (42 U.S.C. 1501 et seq.), popularly known as the "Lanham Public War Housing Act", is amended as follows:

(A) Section 601 (42 U.S.C. 1581) is amended by striking out "Veterans' Administration" each place it appears in subsection (d)(1) and inserting in lieu thereof "Secretary of Veterans Affairs".

(B) Section 607 (42 U.S.C. 1587) is amended by striking out "Veterans' Administration" in subsection (b) and inserting in lieu thereof "Secretary of Veterans Affairs".

(7) DEFENSE HOUSING AND COMMUNITY FACILITIES AND SERVICES ACT OF 1951.—The Defense Housing and Community Facilities and Services Act of 1951 is amended as follows:

(A) Section 302 (42 U.S.C. 1592a) is amended by striking out "Veterans' Administration" in subsections (a) and (c) and inserting in lieu thereof "Secretary of Veterans Affairs".

(B) Section 315(h) (42 U.S.C. 1592n(h)) is amended by striking out "Veterans' Administration" in the last sentence and inserting in lieu thereof "Secretary of Veterans Affairs".

(8) PUBLIC LAW 87-693.—The first section of Public Law 87-693 (42 U.S.C. 2651) is amended by striking out "Veterans' Administration" in subsection (c) and inserting in lieu thereof "Department of Veterans Affairs".

(9) OLDER AMERICANS ACT OF 1965.—The Older Americans Act of 1965 (42 U.S.C. 3001 et seq.) is amended as follows:

(A) Section 207 (42 U.S.C. 3018) is amended by striking out "Administrator of the Veterans' Administration" in subsection (b)(3)(D) and inserting in lieu thereof "Secretary of Veterans Affairs".

(B) Section 301 (42 U.S.C. 3021) is amended by striking out "Veterans' Administration" in subsection (b)(2) and inserting in lieu thereof "Department of Veterans Affairs".

(C) Section 402 (42 U.S.C. 3030bb) is amended by striking out "Veterans' Administration" in subsection (b) and inserting in lieu thereof "Department of Veterans Affairs".

(10) HOUSING AND COMMUNITY DEVELOPMENT AMENDMENTS OF 1978.—Section 905 of the Housing and Community Development Amendments of 1978 (42 U.S.C. 3541) is amended by striking out "Administrator of Veterans' Affairs" each place it appears in subsection (b) and inserting in lieu thereof "Secretary of Veterans Affairs".

(11) NATIONAL SCIENCE AND TECHNOLOGY POLICY, ORGANIZATION, AND PRIORITIES ACT OF 1976.—Section 401 of National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6651) is amended by striking out "Veterans' Administration" in subsection (b) and inserting in lieu thereof "Department of Veterans Affairs".

(12) NATIONAL ENERGY CONSERVATION POLICY ACT.—Section 253 of the National Energy Conservation Policy Act (42 U.S.C. 8232) is amended by striking out "Administrator of Veterans' Affairs" in subsection (a) and inserting in lieu thereof "Secretary of Veterans Affairs".

(13) CONSUMER-PATIENT RADIATION HEALTH AND SAFETY ACT OF 1981.—The Consumer-Patient Radiation Health and Safety Act of 1981 (42 U.S.C. 10001 et seq.) is amended as follows:

(A) Section 979 (42 U.S.C. 10004) is amended by striking out "Administrator of Veterans' Affairs" in subsections (a) and (b) and inserting in lieu thereof "Secretary of Veterans Affairs".

(B) Section 982 (42 U.S.C. 10007) is amended by striking out "Administrator of Veterans' Affairs" and inserting in lieu thereof "Secretary of Veterans Affairs".

(C) Section 983(b) (42 U.S.C. 10008(b))—

(i) by striking out "(1) The Administrator of Veterans' Affairs" and all that follows through "subtitle 38" and inserting in lieu thereof "The Secretary of Veterans Affairs, through the Chief Medical Director of the Department of Veterans Affairs, shall, to the maximum extent feasible consistent with the responsibilities of such Secretary and Chief Medical Director under title 38";

(ii) by striking out "over which the Administrator" and inserting in lieu thereof "over which that Secretary";

(iii) by striking out "Administrator" both places it appears in the second sentence and inserting in lieu thereof "Secretary of Veterans Affairs"; and

(iv) by striking out paragraphs (2) and (3).

(14) ALZHEIMERS'S DISEASE AND RELATED DEMENTIAS SERVICES RESEARCH ACT OF 1986.—The Alzheimers's Disease and Related Dementias Services Research Act of 1986 (42 U.S.C. 11201 et seq.) is amended as follows:

(A) Section 911 (42 U.S.C. 11211) is amended by striking out "Administrator of Veterans' Affairs (or the designee of such Administrator)" in subsection (a)(11) and inserting in lieu thereof "Secretary of Veterans Affairs (or the designee of such Secretary)".

(B) Section 934 (42 U.S.C. 11261) is amended by striking out "Veterans' Administration" in subsection (b)(1)(A) and inserting in lieu thereof "Department of Veterans Affairs".

(r) TITLE 44, U.S.C.—The text of section 503 of title 44, United States Code, is amended to read as follows:

"(a) Notwithstanding section 501 of this title, the Secretary of Veterans Affairs may use the equipment described in subsection (b) for printing and binding that the Secretary finds advisable for the use of the Department of Veterans Affairs.

"(b) The equipment referred to in subsection (a) is the printing and binding equipment that the various hospitals and homes of the Department of Veterans Affairs use for occupational therapy.".

(s) TITLE 49, U.S.C.—Section 10723 of title 49, United States Code, is amended by striking out "Veterans' Administration facility" in subsection (a)(1)(B)(i) and inserting in lieu thereof "facility of the Department of Veterans Affairs".

(t) LAWS CODIFIED IN TITLE 50, U.S.C. APPENDIX.—Section 11 of the Military Selective Service Act (50 U.S.C. App. 461) is amended by striking out "Administrator of Veterans' Affairs" and inserting in lieu thereof "Secretary of Veterans Affairs".

SEC. 14. TECHNICAL AMENDMENTS TO TITLE 38, UNITED STATES CODE.

(a) CHAPTERS 1 AND 3 OF TITLE 38.—Part I of title 38, United States Code, is amended as follows:

(1) Section 101(21)(C) is amended by redesignating subclauses (a), (b), and (c) of clause (ii) as subclauses (I), (II), and (III), respectively.

(2) Section 102 is amended by striking out "(C)" before "For the purposes of" and inserting in lieu thereof "(c)".

(b) CHAPTERS 11 THROUGH 24 OF TITLE 38.—Part II of such title is amended as follows:

(1) Section 354 is amended—

(A) by inserting a comma in the section heading after "place"; and

(B) by inserting "(Public Law 98-542; 98 Stat. 2727)" in subsection (a) before the period at the end.

(2) Section 402(d) is amended by striking out "Secretary of the Department" and inserting in lieu thereof "Secretary of the department".

(3) Section 412(a) is amended by striking out "201" and inserting in lieu thereof "401".

(4) Section 423 is amended—

(A) by striking out "or section 321(b) of title 32," in the first sentence; and

(B) by striking out "1476(a) or 321(b)" in the second sentence.

(5) Section 503(a) is amended—

(A) in paragraph (8), by striking out "per centum" and inserting in lieu thereof "percent"; and

(B) in paragraph (10)(A)—

(i) by striking out "Internal Revenue Code of 1954 (26 U.S.C. 6012(a))" and inserting in lieu thereof "Internal Revenue Code of 1986"; and

(ii) by striking out "section 143" and inserting in lieu thereof "section 7703".

(6) Section 508(b) is amended by striking out "per centum" and inserting in lieu thereof "percent".

(7) Sections 532(a) and 534(a) are amended—

(A) by striking out the semicolon at the end of paragraph (2) and inserting in lieu thereof a period; and

(B) by striking out the matter following paragraph (2).

(8) Section 601 is amended—

(A) in paragraph (2), by striking out "any veteran of the Indian Wars, or";

(B) by striking out paragraph (3);

(C) by redesignating paragraph (4) as paragraph (3);

(D) in paragraph (6)—

(i) by striking out "section 612(f)(1)(A)(i)" in subparagraph (A)(i) and inserting in lieu thereof "section 612(a)(5)(A)"; and

(ii) by striking out "section 612(f)(1)(A)(ii)" in subparagraph (B)(i)(II) and inserting in lieu thereof "section 612(a)(5)(B)"; and

(E) by transferring paragraph (9) within such section so as to appear before paragraph (5) and redesignating such paragraph as paragraph (4).

(9) Section 603 is amended—

(A) by striking out "section" before "paragraph" in subsection (a)(2)(B);

(B) by striking out "section 612(b)(1)(G)" in subsection (a)(7) and inserting in lieu thereof "section 612(b)(1)(F)"; and

(C) by inserting "(Public Law 100–322; 102 Stat. 501)" in subsection (c) before the period at the end.

(10) Section 610(a)(1)(H) is amended by striking out "the Spanish-American War, the Mexican border period," and inserting in lieu thereof "the Mexican border period".

(11) Section 612A(b)(1) is amended by striking out "paragraph (1)(A)(ii) of section 612(f)" and inserting in lieu thereof "section 612(a)(5)(B)".

(12) Section 618(c)(3) is amended by inserting "and" after "productivity".

(13) Section 620A(f)(1) is amended by striking out "during the period" before "beginning on".

(14) Section 628(a)(2)(D) is amended by striking out "is (i)" and inserting in lieu thereof "(i) is".

(15) Section 630(a) is amended—

(A) by striking out "(1)" after "(a)"; and

(B) by redesignating subparagraph (A), clause (i), clause (ii), and subparagraph (B) as paragraph (1), subparagraph (A), subparagraph (B), and paragraph (2), respectively.

(16) Section 765 is amended—

(A) in paragraph (4), by redesignating clauses (i) and (ii) as clauses (A) and (B), respectively; and

(B) in each of paragraphs (8) and (9), by redesignating clauses (a), (b), (c), (d), and (e) as clauses (A), (B), (C), (D), and (E), respectively.

(17) Section 770(g) is amended by striking out "the Internal Revenue Code of 1954" in clause (2) of the second sentence and inserting in lieu thereof "the Internal Revenue Code of 1986".

(18) The text of section 774 is amended to read as follows:

"(a) There is an Advisory Council on Servicemen's Group Life Insurance. The council consists of—

"(1) the Secretary of the Treasury, who is the chairman of the council;

"(2) the Secretary of Defense;

"(3) the Secretary of Commerce;

"(4) the Secretary of Health and Human Services;

"(5) the Secretary of Transportation; and

"(6) the Director of the Office of Management and Budget.

Members of the council shall serve without additional compensation.

"(b) The council shall meet at least once a year, or more often at the call of the Secretary of Veterans Affairs. The council shall review the operations of the Department under this subchapter and shall advise the Secretary on matters of policy relating to the Secretary's activities under this subchapter.".

(19) Section 783 is amended by striking out "section 14 of title 25," and inserting in lieu thereof "the Act of February 25, 1933 (25 U.S.C. 14),".

(20) Section 901(d) is amended—

(A) by striking out "deems" and inserting in lieu thereof "considers";

(B) by striking out the comma after "this section"; and

(C) by striking out ", United States Code".

(21) Section 1004(c)(2)(B) is amended by striking out "the date of the enactment of the Veterans' Benefits Improvement and Health-Care Authorization Act of 1986" and inserting in lieu thereof "October 28, 1986".

(22) Section 1010(b) is amended by striking out "the military departments" and inserting in lieu thereof "each military department".

(c) CHAPTERS 30 THROUGH 43 OF TITLE 38.—Part III of such title is amended as follows:

(1) Section 1415(c) is amended by striking out "the date of the enactment of the National Defense Authorization Act for Fiscal Years 1990 and 1991," and inserting in lieu thereof "November 29, 1989,".

(2) The item relating to section 1423 in the table of sections at the beginning of chapter 30 is amended by striking out "chapter" and inserting in lieu thereof "subchapter".

(3) Section 1504(b) is amended by striking out "(29 U.S.C. 796)" and inserting in lieu thereof "(29 U.S.C. 796a)".

(4) Section 1517(a) is amended—

(A) by inserting "(29 U.S.C. 701 et seq.)" in paragraph (1) after "the Rehabilitation Act of 1973"; and

(B) by striking out the second period at the end of paragraph (2)(C).

(5) Section 1521(a)(3) is amended by inserting "and Training" after "Veterans' Employment".

(6) Section 1602(1)(A) is amended by inserting a comma after "January 1, 1977" the last place it appears.

(7) Section 1792(a) is amended by inserting "and Training" after "Veterans' Employment".

(8) Section 1812 is amended—

(A) in subsection (c)(5), by striking out "under this section" and inserting in lieu thereof "for purposes specified in this section"; and

(B) in subsection (l), by striking out ", beginning 12 months following October 23, 1970,".

(9) Section 2011(2)(B) is amended by inserting a comma before "except for".

(10) Section 2013 is amended by striking out "the Comprehensive Employment and Training Act" and inserting in lieu thereof "the Job Training Partnership Act (29 U.S.C. 1501 et seq.)".

(d) CHAPTERS 51 THROUGH 61 OF TITLE 38.—Part IV of such title (as in effect immediately before the enactment of the Department of Veterans Affairs Health-Care Personnel Act of 1991) is amended as follows:

(1) Section 3004 is amended—

(A) by striking out "(1)" after "(a)";

(B) by striking out "(2)" and inserting in lieu thereof "(b)";

(C) by striking out "paragraph (1) of this subsection" and inserting in lieu thereof "subsection (a)"; and

(D) by striking out "(A)" and "(B)" and inserting in lieu thereof "(1)" and "(2)", respectively.

(2) Section 3101(d) is amended by striking out "the Internal Revenue Code of 1954" and inserting in lieu thereof "the Internal Revenue Code of 1986".

(3) Section 3116 is amended—

(A) by striking out "Within ninety days after the date of the enactment of this section, the" in subsection (a)(1) and inserting in lieu thereof "The";

(B) by striking out subsection (b); and

(C) by redesignating subsection (c) as subsection (b).

(4) Section 3305 is amended—

(A) in subsection (c), by striking out "the date of the enactment of this section," in paragraphs (1) and (2) and inserting in lieu thereof "October 7, 1980,"; and

(B) in subsection (d)—

(i) in the first sentence of paragraph (1), by striking out "Not later than 180 days after the date of the enactment of this section, the" and inserting in lieu thereof "The";

(ii) in the second sentence of paragraph (1), by striking out "such enactment date" and inserting in lieu thereof "October 7, 1980,";

(iii) in the third sentence of paragraph (1)—

(I) by striking out "existing"; and

(II) by inserting "in existence on October 7, 1980" after "such programs"; and

(iv) in paragraph (2), by striking out "After the date on which such regulations are first prescribed, no activity shall be considered" and inserting in lieu thereof "An activity may not be considered".

(5)(A) Section 3311 is amended to read as follows:

"§ 3311. Authority to issue subpoenas

"(a) For the purposes of the laws administered by the Secretary, the Secretary, and those employees to whom the Secretary may delegate such authority, to the extent of the authority so delegated, shall have the power to—

"(1) issue subpoenas for and compel the attendance of witnesses within a radius of 100 miles from the place of hearing;

"(2) require the production of books, papers, documents, and other evidence;

"(3) take affidavits and administer oaths and affirmations;

"(4) aid claimants in the preparation and presentation of claims; and

"(5) make investigations and examine witnesses upon any matter within the jurisdiction of the Department.

"(b) Any person required by such subpoena to attend as a witness shall be allowed and paid the same fees and mileage as are paid witnesses in the district courts of the United States.".

(B) The item relating to such section in the table of sections at the beginning of chapter 57 is amended to read as follows:

"3311. Authority to issue subpoenas.".

(6)(A) Section 3313 is amended by striking out "subpena" both places it appears in the text and inserting in lieu "subpoena".

(B) The heading of such section is amended to read as follows:

"§ 3313. Disobedience to subpoena".

(C) The item relating to such section in the table of sections at the beginning of chapter 57 is amended to read as follows:

"3313. Disobedience to subpoena.".

(7) Sections 3501(a), 3502(a), and 3502(b) are amended by striking out "not more than $2,000" and inserting in lieu thereof "in accordance with title 18".

(8) Section 3503 is amended—

(A) by adding at the end of subsection (b) the following: "An apportionment award under this subsection may not be made in any case after September 1, 1959."; and

(B) by striking out subsection (e).

(9) Section 3505(c) is amended—

(A) by striking out "clauses (1)," and inserting in lieu thereof "clauses (2),";

(B) by striking out "Secretary of the Treasury, as may be" and inserting in lieu thereof "Secretary of Transportation, as"; and

(C) by striking out "clause (2) of subsection (b) of this section" and inserting in lieu thereof "clause (1) of that subsection".

(e) CHAPTERS 71 THROUGH 76 OF TITLE 38.—Part V of such title (as in effect immediately before the enactment of the Department of Veter-

ans Affairs Health-Care Personnel Act of 1991) is amended as follows:

(1) The tables of chapters before part I and at the beginning of part V are each amended by inserting "United States" before "Court of Veterans Appeals".

(2) Section 4001(a) is amended—

(A) by striking out "There shall be" and inserting in lieu thereof "There is";

(B) by inserting a period after "Board')"; and

(C) by striking out "under the" and inserting in lieu thereof "The Board is under the".

(3) Section 4052(a) and 4061(c) are amended by striking out "court" and inserting in lieu thereof "Court".

(4) Section 4054 is amended by redesignating the second subsection (d) as subsection (e).

(5) Section 4092(c) is amended by striking out "United States Courts" and inserting in lieu thereof "United States Court".

(6) Section 4097(h)(1)(A)(i) is amended by striking out "subsection (1)" and inserting in lieu thereof "subsection (l)".

(7) Section 4202 is amended by striking out "section 5 of title 41" in paragraph (6) and inserting in lieu thereof "section 3709 of the Revised Statutes (41 U.S.C. 5)".

(8) Section 4209 is amended by striking out "child care" each place it appears and inserting in lieu thereof "child-care".

(9) Section 4322(d) is amended by inserting an open parenthesis before "adjusted in".

(10) Section 4331(b)(4) is amended by striking out "chapter 51" and inserting in lieu thereof "chapter 53".

(f) CHAPTERS 81 THROUGH 85 OF TITLE 38.—Part VI of such title (as in effect immediately before the enactment of the Department of Veterans Affairs Health-Care Personnel Act of 1991) is amended as follows:

(1) The table of sections at the beginning of chapter 81 is amended—

(A) by transferring the item relating to section 5016 (as added by section 205(b) of Public Law 100-322) so as to appear immediately after the item relating to section 5015; and

(B) by revising the item relating to section 5035 so that the initial letter of the last word is lower case.

(2) Section 5002(d) is amended by striking out "section 5001" and inserting in lieu thereof "section 5011".

(3) Section 5007(a)(2)(B) is amended by striking out the second comma before "are most in need of".

(4) Section 5011A is amended—

(A) by striking out "or (g)" in subsection (b)(2)(A); and

(B) by striking out subsection (d) and inserting in lieu thereof the following:

"(d)(1) The Secretary of Veterans Affairs and the Secretary of Defense shall jointly review plans for the implementation of this section not less often than annually.

"(2) Whenever a modification to such plans is agreed to, the Secretaries shall jointly submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report on such modification. Any such report shall be submitted within 30 days after the modification is agreed to.".

(5) Section 5022(a)(3)(A) is amended—

(A) by striking out "State home" and inserting in lieu thereof "State"; and

(B) by striking out "the paragraph" and inserting in lieu thereof "this paragraph".

(6) Section 5034 is amended—

(A) by inserting "(a)" before "Within six months";

(B) by striking out "this section or any amendment to it" and inserting in lieu thereof "any amendment to this section"; and

(C) by designating the sentence at the end of paragraph (3) as subsection (b), realigning such sentence so as to appear full measure and indented, and striking out "such standards" at the end of such sentence and inserting in lieu thereof "the standards prescribed under subsection (a)(3)".

(7) Section 5035(a) is amended by striking out "After regulations" and all that follows through "any State" in the first sentence and inserting in lieu thereof "Any State".

(8) Section 5052 is amended—

(A) by redesignating paragraphs (a), (b), and (c) as paragraphs (1), (2), and (3), respectively; and

(B) by realigning those paragraphs to be indented two ems.

(9) Section 5053 is amended by striking out "hereunder" at the end of subsection (c) and inserting in lieu thereof "under this section".

(10) Section 5070(e) is amended by striking out "section 5012(a)" and inserting in lieu thereof "section 5022(a)".

(11) Section 5202(b) is amended by inserting a comma in the second sentence before "namely,".

(g) TECHNICAL AMENDMENTS TO OTHER VETERANS STATUTES.—

(1) Effective as of May 20, 1988, section 415(b)(5)(C) of Public Law 100-322 (102 Stat. 551) is amended by striking out "paragraph (4)" and inserting in lieu thereof "paragraph (1)(D)".

(2) Effective as of November 18, 1988, the first quoted matter in section 101(b) of Public Law 100-687 (102 Stat. 4106) is amended by inserting "the" after "benefits under".

(3) Section 502 of Public Law 96-128 (93 Stat. 987) is amended by striking out "Internal Revenue Code of 1954" in the first sentence and the last sentence and inserting in lieu thereof "Internal Revenue Code of 1986".

Page 16, line 21, strike out [12. TECHNICAL CORRECTIONS.] and insert: *15. OTHER TECHNICAL CORRECTIONS TO TITLE 38, UNITED STATES CODE.*

Mr. MONTGOMERY (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The SPEAKER pro tempore. Is there objection to the initial request of the gentleman from Mississippi?

Mr. STUMP. Mr. Speaker, reserving the right to object, I will not object, but I do so in order to yield to the chairman of the Committee on Veterans' Affairs, the gentleman from Mississippi [Mr. MONTGOMERY] to explain the amendments as they came over from the other body.

Mr. MONTGOMERY. Mr. Speaker, will the gentleman yield?

Mr. STUMP. I yield to the gentleman from Mississippi.

Mr. MONTGOMERY. I thank the gentleman for yielding.

Mr. Speaker, as the gentleman will recall, on February 6 the House passed H.R. 232, that would, if enacted, expand VA's ability to provide housing and health care for homeless veterans.

The Senate has proposed some minor changes to the House-passed bill which do not alter the substance of the bill that passed the House.

The Senate has also incorporated a significant number of technical and conforming changes to title 38 proposed last year in H.R. 5093 and reported by our committee.

Mr. Speaker, I want to thank Mr. Robert Cover of the House Legislative Counsel's Office and the staff of that office for the countless hours they spent putting together the necessary amendments contained in the bill. We are very greatful for the timely assistance we always get from the legislative Counsel's Office, and I want to take the time to personally thank all of the people who work there for their service to our committee and the House.

I urge my colleagues to support the Senate amendments.

Mr. STUMP. Mr. Speaker, further reserving the right to object, I rise in support of H.R. 232, as amended, a bill to amend certain housing, homeless, and memorial affairs provisions. This bill unanimously passed the House on February 6, and passed by the other body on May 16.

Mr. Speaker, the amendment agreed to by the other body is largely technical in nature and updates the underlying legislation to reflect current events. The amendment extends provisions relating to default procedures and appraisals to December 31, 1992 and adds a report provision. It authorizes the Department of Veterans Affairs to reorganize administrative responsibility as described in a plan submitted by the Secretary on January 4, 1991. Further, it contains technical language to reflect the conversion of the Veterans' Administration to the Department of Veterans Affairs.

With H.R. 232, we hope to help some homeless veterans develop the skills necessary to live independently. It builds on existing DVA programs by providing therapy and work programs in a transitional housing environment. To help defray costs, residents would be required to pay rent monthly.

H.R. 232 also contains provisions to give the Secretary more flexibility in the disposition of properties acquired through the Loan Guaranty Program.

Mr. Speaker, this is a compromise measure that is the result of many hours of hard work. The chairman of the Committee on Veterans' Affairs should be commended for this leadership in moving this legislation promptly. I also want to complement the chairman of the Subcommittee on Housing and Memorial Affairs, Mr. STAGGERS, and the ranking member of the subcommittee, Mr. BURTON for their contributions.

I urge my colleagues to support H.R. 232, as amended, the Veterans Housing and Homeless Amendments of 1991.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the initial request of the gentleman from Mississippi [Mr. MONTGOMERY]?

There was no objection.

A motion to reconsider was laid on the table.

AMERICA 2000 EXCELLENCE IN EDUCATION ACT—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 102-91)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Education and Labor and ordered to be printed.

(For message, see proceedings of the Senate of today, Wednesday, May 22, 1991.)

COMMUNICATION FROM CHAIRMAN OF THE COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION

The SPEAKER pro tempore laid before the House the following communication from the chairman of the Committee on Public Works and Transportation:

COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION,
Washington, DC, May 21, 1991.

Hon. THOMAS S. FOLEY,
Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the provisions of the Public Buildings Act of 1959, I am transmitting herewith the resolutions (originals plus one copy) approved today by the Committee on Public Works and Transportation, as per the attached listing.

With all good wishes.

Sincerely,

ROBERT A. ROE,
Chairman.

COMMUNICATION FROM CHAIRMAN OF THE COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION

The SPEAKER pro tempore laid before the House the following communication from the chairman of the Committee on Public Works and Transportation, which was read, and, without objection, referred to the Committee on Appropriations:

COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION,
Washington, DC, May 21, 1991.

Hon. THOMAS S. FOLEY,
Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the provisions of the Public Buildings Act of 1959, I am transmitting herewith the resolutions (originals plus one copy) approved today by the Committee on Public Works and Transportation, as per the attached listing.

With all good wishes.

Sincerely,

ROBERT A. ROE,
Chairman.

There was no objection.

OUR ECONOMY SUFFERS FROM TOO MUCH REGULATION

(Mr. DUNCAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks and to include extraneous material.)

Mr. DUNCAN. Mr. Speaker, last year I took the floor to say that the best thing we could do for the millions of cable TV consumers around the Nation would be to allow the free market to operate and to allow more competition in this field. This past Sunday in its Outlook section the Washington Post said the same thing. In a lengthy article by John Merline, editor of Consumers' Research magazine, it says:

It is clear that cable TV suffers, not from too much deregulation, but from too little.

Mr. Merline quoted a recent statement by the FCC:

Robust competition will more effectively provide both a better safeguard against undue rate increases or service failings and a greater diversity and choice than any web of rules or regulations.

Mr. Speaker, Mr. Merline gave several examples of cable TV companies which charge higher prices where they have a monopoly, but much lower where they have competition.

Mr. Speaker, in many areas today we talk as if there has been some sort of deregulation, when in fact there has not been. Our overall economy suffers from far too much regulation. If we could get the government out of the way and let the free market work, this country could not only recover from the recession, but it could boom economically.

As the Washington Post said about cable TV, but which it could have said about most things, "When cable does manage to compete, the lesson is clear. The free market exerts downward pressure on prices and upward pressure on quality."

TUNING OUT CABLE TV MONOPOLIES—WITH COMPETITION, COSTS GET LOWER AND SERVICE GETS BETTER

(By John Merline)

Like most Americans who have cable television, residents of Alabama's state capital had grown accustomed to frequent, steep price increases. Storer Communications had raised its rates in Montgomery four times in as many years, with no expansion in service. By January 1990, subscribers were paying $18.25 for 29 channels of basic service.

Suddenly, last October, Storer slashed its monthly cable rate by almost two dollars while upgrading its basic system to provide 61 channels.

What caused this sudden drop in prices? Two weeks prior to Storer's price cut, a competing cable system—Montgomery Cablevision—began laying wires in the city. Until October, Storer had been the sole provider of cable in Montgomery.

As this and other examples suggest, simple competition, rather than a complex set of regulatory rules, can quickly and effectively answer consumer complaints about the high cost of cable television.

If Congress really wants to help cable consumers, it should encourage competition by forcing city governments to lower barriers to entry into local cable markets. Merely restoring cities' power to regulate rates, as the National League of Cities prefers, will not likely help consumers any time soon.

In 99.5 percent of U.S. cities that have cable, the service is provided on a monopoly basis. And since 1986—when Congress deregulated cable rates—these monopoly providers have been raising prices with zeal. According to the General Accounting Office, cable rates soared a total of 29 percent from 1987 to 1988, and in 1989 they climbed another 10 percent—all at a time when nationwide inflation was increasing at an average 5 percent a year.

Not surprisingly, consumers in cities with competitive cable have largely been spared these high prices. According to a survey of 52 markets by Consumers' Research magazine, prices for basic cable in competitive markets were about 18 percent lower than those in comparably-sized, noncompetitive markets ($14.23 per month in competitive markets vs. $17.32 in monopoly markets). Further, competitive markets offered more channels, lowering the per-channel price by about 30 percent.

In Alexandria, for example, Jones Intercable has a monopoly and charges $21.20 for 43 channels of basic cable. But in Anne Arundel County, where Jones competes with North Arundel Cable, Jones charges only $16.95 for 47 channels.

In many areas—including Vidalia, Ga.; Henderson, Tenn., and Troy and Montgomery, Ala.—the monopoly provider actually lowered its rates after a competitor entered the city. Henderson Mayor Eddy Patterson said that until 1988 its original provider, Multivision, charged $14.95 for a 17-channel basic service and ignored the city government's repeated pleas for lower rates or improved quality. But when CableAmerica began competing for Henderson customers, Multivision quickly lowered its rate to $9 and increased its channel capacity to 30. "All of a sudden," said Patterson. "Henderson is enjoying the cheapest rates probably in America."

But if cable companies can compete, why does so little competition exist? The most important factor is that city governments—with the encouragement of cable operators and cable programmers—have thrown up nearly insurmountable barriers to entry of more than one firm into each cable marketplace.

City administrators and many cable industry officials insist that cable TV is a "natural monopoly." The laws of economics, one is led to believe, forbid two or more cable companies from making a profit in a competitive environment.

But in truth, cable monopolies are created monopolies—resulting not from natural economic forces but from burdensome regulations imposed by city governments themselves. A little history will help.

The original rationale behind awarding a franchise to a single company may have made sense, since cable television requires the laying or stringing of many miles of wire. According to Sol Schildhause, president of the Competitive Cable Association, franchising was seen as "a permissible exercise of local power to protect its citizens—to keep the street from being impeded during rush traffic, to avoid unnecessary digging up of roads and walks, etc."

However, cities soon realized that franchises could be turned into moneymaking machines for the cities themselves—what

former New York City mayor John Lindsay described as "urban oil wells under our city streets." In exchange for what amounted to a local monopoly, cities began asking for and getting 5 percent of gross cable revenues as "franchise fees." Many franchise agreements also included requirements to build elaborate public-access facilities, provide free telecommunications for local government, meet requirements for minority ownership and so on. And the franchise winner usually had to agree to wire the entire city.

Simply bidding for the franchise could cost millions of dollars. In Denver, for example, three companies spent more than $1 million each in an attempt to win the coveted franchise.

Promises made in early bids were often unrealistic and had to be renegotiated once the franchise was awarded. In Washington, District Cablevision, the eventual franchise winner, promised a 78-channel system, a 226-mile, two-way communications network, eight studios for free public use and the capability to add 80 channels at a later date—all for the low, low price of $1.95 a month. Washington subscribers currently get 47 channels of basic cable at the not-so-low price of $20.95 a month.

That process in itself does not prevent competition. But since potential competitors would obviously have to match the winning franchise commitment in order to be considered seriously, few bother even trying. As James Mooney, president of the National Cable Television Association, points out competition almost never occurs because cities "require so many commitments that only one franchise could survive economically."

In addition, money generated by the franchise fees gives city governments a strong incentive to keep competitors out of the market. Mark Tauber, a lawyer who represents private cable companies, notes that cities "have attempted to curtail development of [competitive cable services] in order to ensure that the traditional franchised system, from which they receive a percentage of gross revenues in the form of franchise fees, controls the lion's share of the local market." When companies have tried to compete, city governments—including those in Dallas, Indianapolis, New York, Chicago, Los Angeles and Washington—have taken action against them.

The cities, to be sure, insist there is plenty of competition. A survey for the National League of Cities found that some 90 percent of cities with cable have open franchises, concluding that "needed competition . . . is not being stymied at the local level." But at the same time, according to economist Thomas Hazlett, the National League of Cities has "provided legal talent, conducted seminars, engaged in lobbying efforts [etc.], to squelch the asserted rights of unfranchised cable firms that have sought to compete in the marketplace."

Incumbent cable monopolies are only too happy to see their city fathers move against any potential competitive threat and, in fact, often lend a hand in the form of lawsuits and advertising campaigns. As one large cable operator put it: "When the city has held our feet to the fire and is taking 5 percent [in franchise fees] off the top, it infuriates you to see them not take action against someone who comes in [and] cuts into your business." In Cape Coral, Fla., Cablevision ran a series of advertisements in local newspapers claiming that competition from Telesat cable would mean that "600 to 700 trees would be damaged," that cable rates would be higher and that "competition rarely endures."

If this weren't bad enough, potential competitors face a final obstacle: getting quality programming. According to Gene Kimmelman, executive director of the Consumer Federation of America: "Virtually all of the major programmers deny access to or discriminate against [competitive] operators in provision of programming." A survey by Information Age Economics Inc. of 32 wireless cable companies in the United States bears this out: 25 of them were denied access to HBO, 14 were denied access to ESPN, 26 were denied the Sports Channel and 31 were denied TNT.

According to some industry analysts, programmers are reluctant to sell to competitive cable operators because they are owned outright by large "multiple system operators" (or MSOs, cable companies with franchises in several cities) or because the MSOs use their market power to convince programmers not to sell to smaller competitors. However, breaking down the other barriers to competition would likely resolve the programming problem.

From what has been shown, it is clear that cable TV suffers not from too much deregulation, but from too little. This is a lesson recognized by the Federal Communications Commission, which recently stated that: ". . . robust competition will more effectively provide both a better safeguard against undue rate increases or service failings and a greater diversity and choice than any web of rules or regulations designed to mimic competition or otherwise compensate for its absence."

What is needed, then, is a reversal of local government policies that prevent competitors from entering the marketplace. Rather than grant cities more control over cable, Congress should strip power away—especially the power to mandate the size and nature of cable franchises.

When cable does manage to compete, the lesson is clear: The free market exerts downward pressure on prices and upward pressure on quality.

RESTORE ABORTION RIGHTS TO TROOPS OVERSEAS

(Mr. REED asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. REED. Mr. Speaker, later today the House will consider an amendment offered by Representatives AUCOIN, MACHTLEY and FAZIO.

I would like to call the following editorial to the attention of my colleagues—an editorial in Saturday's Washington Post, titled "A Penalty for Serving Abroad," which points out that this amendment would simply give military families having abroad the same access to health care as private citizens.

In 1982 the Department of Defense prohibited the use of Federal funds to pay for abortions.

However, military woman serving in the United States—at private facilities—can use their own money to pay for this legal medical procedure.

This is not a discussion of whether or not abortion should be legal. It is a question of whether women in the military serving abroad will have access to the full range of health care services as their comrades in the United States do. This issue is critical because for women serving abroad military health care is their only realistic option.

I understand that the decision to have an abortion is not made lightly. I believe we must continue to work toward policies that offer women and families more options. But that is not the focus on today's debate.

We have heard a lot of debate in this body over who supports our American troops. The time has come to demonstrate that we do not consider American troops second class citizens.

They are entitled to the same rights, the same privileges as their comrades here at home.

The AuCoin amendment restores rights to troops who continue to serve us overseas every day.

I urge my colleagues to vote yes on the AuCoin amendment and I ask that this editorial be entered into the RECORD.

A PENALTY FOR SERVING ABROAD

In 1982 the Department of Defense prohibited the use of federal funds to pay for abortions. This policy is in conformity with the government's refusal to finance abortions for the poor through the Medicaid program, for government workers whose health insurance policies specifically exclude abortion and for those in desperate poverty in places overseas where the use of U.S. foreign assistance money is restricted. Americans living and working in this country, however, at least have access to safe abortions as long as they use their own funds to pay for them.

Not so for Americans serving their country in the armed forces abroad. Since 1988, members of the armed forces and their dependents have been barred from using military hospitals abroad for abortions even if they pay for the abortions privately. Many of them are stationed in countries where abortions are illegal. Others are in places where any kind of medical care in a local hospital is risky.

Congress did not require this wrongheaded regulation, and legislators can overturn it. An attempt will be made on Monday, when the House takes up the Defense Appropriations Bill. Last year, Senators Tim Wirth and John Glenn tried; they had 58 votes but not enough to stop a filibuster. In the House, the Les AuCoin-Ronald Machtley effort failed by only 16 votes. This year, the numbers look better. Servicewomen and military dependents abroad are not asking for special treatment, only the right to receive the kind of treatment—at their own expense—that is available in this country.

PHILADELPHIA NAVAL SHIPYARD: FURTHER INQUIRY ORDERED BY BASE CLOSURE COMMISSION

The SPEAKER pro tempore (Mr. RAY). Under a previous order of the House the gentleman from New Jersey [Mr. ANDREWS] is recognized for 5 minutes.

Mr. ANDREWS of New Jersey. Mr. Speaker, last year this body invested enormous authority in the Base Clo-

sure Commission to make decisions that affect the economy and the military structure of this country and that will affect that structure and this economy for many years to come.

I am pleased to report to you that this morning we have new evidence that the Base Closure Commission is taking its role very seriously and taking its legal responsibilities to heart. This morning, Mr. Speaker, here in Washington, there was a hearing pertaining to the Philadelphia Naval Shipyard, conducted by Chairman COURTER of the Base Closure Commission and Members of this body and the other body had the opportunity to present their case as to why they felt the Navy's analysis which would close the Philadelphia Naval Shipyard was wrong.

Mr. Speaker, I had the opportunity during that time to present some evidence that I feel shows that there are substantial reasons to believe that the Navy has backed into its recommendation to close the Philadelphia Naval Shipyard.

I am pleased to report that at the initiation of the commissioners of that commission, the commission has agreed to conduct a further inquiry into how the decision to close the Philadelphia Naval Shipyard was reached.

This morning, Mr. Speaker, we had an opportunity to present evidence which suggests that instead of fairly applying the legal criteria and reaching a fair decision, that what the Navy did was to reach their conclusion and then back into a rationalization for that decision.

I am very pleased, Mr. Speaker, that the commission has acted responsibly and has agreed to bring representatives of the Navy back under oath so questions can be asked about how that decision was reached.

Mr. Speaker, the way this decision was reached should be troubling to every Member of this body. The Navy decided, in its internal review process, that it would summarily exempt from closure analysis any shipyard in this country that was nuclear equipped.

Now, given the fact that 70 percent of our fleet in the year 2000 will be conventionally powered and given the fact that over 90 percent of our surface fleet in the year 2000 will be conventionally powered, that is a dubious assumption.

Beyond that, though, the way the Navy conducted its analysis was wrong. After they exempted 6 of the 8 public shipyards, there were two shipyards left: The Philadelphia Naval Shipyard and the Long Beach, California Naval Shipyard.

Mr. Speaker, let me preface my statements by saying I mean nothing to impugn Long Beach. It is not my position or my argument that it should close or that it does inferior work. I am not suggesting that at all. My criticism is of the process that reached this decision.

How did the process work? After exempting the six public nuclear shipyards, the Navy said, "We will have to take a look at the other two that are left." But miraculously, miraculously, during the period of the review, the Long Beach Naval Shipyard became nuclear-certified.

□ 1830

How could that happen?

On February 4, 1991, there was a request received by the comptroller of the Navy to appropriate a million dollars in capital upgrade for drydock No. 1 at the Long Beach Shipyard. Miraculously 19 days later the Chief of Naval Operations approved that request, 19 days later in violation of an internal Navy guideline that said no capital improvements will be done to any facility that is under consideration for base closure in the 1991 process.

What was the role played by the CNO, the Chief of Naval Operations, in that decision? Why was that decision made? Why was it made in the middle of the process, and why did it result in the situation that the only shipyard in the country that would be reviewed under the criteria was the Philadelphia Shipyard?

Long Beach can stand on its own merits. I am sure it is a fine shipyard. But there ought to be a fair process, there ought to be a fair process that follows the law, and I am pleased, Mr. Speaker, that the chairman of the Base Closure Commission and the commissioners of the Base Closure Commission have heard our case and agreed to have a separate hearing so we can bring the Navy forward and hear the facts.

Mr. Speaker, this morning thousands of people got up and went to work at the Philadelphia Naval Shipyard and worked hard and did their jobs today. I hope that the Base Closure Commission continues to do its job and gives us a process that is fair and not fixed.

COMMENTS ON THE 30TH ANNIVERSARY OF PRESIDENT KENNEDY'S MOON MISSION SPEECH AND THE DEMOCRATS' NEW CIVIL RIGHTS BILL

The SPEAKER pro tempore. Under a previous order of the House the gentleman from Pennsylvania [Mr. WALKER] is recognized for 5 minutes.

Mr. WALKER. Mr. Speaker, I have a couple of topics I would like to cover in my brief special order this evening. The first regards the 25th of May, a date which marks the 30th anniversary of President Kennedy's historical speech before a joint session of Congress in which he challenged the Nation to send a man to the Moon by the end of the decade.

Mr. Speaker, President Kennedy acknowledged that this task would be a demanding one, both in terms of financial commitment and national will. But, in one of the most important lines in that speech, he said, "If we are to go only half way, or reduce our sights in the face of difficulty, in my judgment it would be better not to go at all."

Mr. Speaker, as this anniversary draws near, I cannot help but reflect on the difference of attitude between then and now. Thirty years ago, we had social problems, 30 years ago, we had a budget deficit; 30 years ago, our national defense needs were a high priority. Yet, the Congress recognized the imperative of building a strong, manned space program. Today, in contrast, we find ourselves caught in a morass of our own making, unable and unwilling to do what is necessary to provide for our Nation's economic future. Instead of showing leadership and commitment to the next generation of Americans, by working toward the establishment of a permanent, American presence in space, the Congress has chosen to retreat to the safe confines of the past.

I urge my colleagues to rediscover the sense of excitment and anticipation we faced in 1961 at the prospect of tackling the unknown, if not for their own sakes, but for their children's.

Mr. Speaker, on the new civil rights bill that the Democrats have brought forward yesterday, a very interesting document if my colleagues look at it at all closely, some of the Democrats have claimed that this takes them out of the quota area and assures that their bill would be antiquota. Well, let me make three comments about that.

First is the fact that the new Democrat bill admits past transgressions. So much for the Democrats' claims that their previous bills contain no quotas. Now they admit quotas were there, and they have now corrected the problem.

Second, the new bill is a phony. The corrections are not real. All of the provisions of the previous legislation which require quotas are evidently still in place and are still backed by penalties. They now have this new so-called antiquota language, but that contains no penalties. Therefore, guess what happens. The businessman faced with tens of thousands of dollars in penalties for not having quotas or no penalty for having them chooses quotas.

Third, the question for the American people has to be: "Who do you trust?" The same folks who have been pushing the Nation steadily toward quotas now have a phony plan for stopping them. Americans need to ask the question of whether or not they are willing to bet their jobs and their future on that kind of program.

PRIVACY ACT AMENDMENTS OF 1991

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from West Virginia [Mr. WISE] is recognized for 5 minutes.

Mr. WISE. Mr. Speaker, I am today introducing the Privacy Act Amendments of 1991, a bill to amend the Privacy Act of 1974.

The Privacy Act of 1974 was a landmark. It was one of the first general purpose privacy laws passed anywhere in the world. Prof. David Flaherty, in his book "Protecting Privacy in Surveillance Societies," called it "innovative and influential in its time." The act, which applies principally to Federal agencies, establishes rules for the collection, maintenance, use, and disclosure of information about individuals.

But it became apparent quickly that the act fell short of its objectives. By 1977, the Privacy Protection Study Commission reached the following general conclusions:

First, the Privacy Act represents a large step forward, but it has not resulted in the general benefits to the public that either its legislative history or the prevailing opinion as to its accomplishments would lead one to expect;

Second, agency compliance with the act is difficult to assess because of the ambiguity of some of the act's requirements, but, on balance, it appears to be neither deplorable nor exemplary;

Third, the act ignores or only marginally addresses some personal data recordkeeping policy issues of major importance now and for the future.

The Commission recommended a major revision of the law, noting that agencies have taken advantage of the law's flexibility to contravene its spirit. Professor Flaherty suggests that the Privacy Act has failed in its primary goal, and he too calls for a rewrite.

Legislation to implement the recommendations of the Privacy Protection Study Commission was introduced during the 95th Congress and in several subsequent Congresses, but no action was ever taken. Since its passage, the Privacy Act has been amended a few times, but most of the amendments were minor. Only the Computer Matching and Privacy Protection Act of 1988 (Public Law 100–503) made significant substantive changes. But while the computer matching amendments provided some additional procedural protections for records used in computer matching, they did nothing to address the basic shortcomings of the Privacy Act itself.

I believe that the problems with the act have grown steadily worse. Changes in information technology have made the act's defects more critical. It is time for Congress to begin the amendment process. We need to modernize the Privacy Act and to make it effective.

The bill I am introducing today does not propose a comprehensive revision. Instead, I am offering a series of specific changes designed to address specific problems. A complete rewrite would take a long time to prepare. My immediate goal is to rekindle legislative discussions of the Privacy Act. I believe that a serious consideration of the act's shortcomings will ultimately lead to broader revision of the act and to improved privacy protections for all.

One important issue not addressed in my bill is administrative oversight. This responsibility now falls to the Office of Management and Budget. The weaknesses of OMB's Privacy Act oversight are well documented. A 1983 report from the Committee on Government Operations found that interest in the Privacy Act at OMB had diminished steadily. The report is "Who Cares About Privacy? Oversight of the Privacy Act of 1974 by the Office of Management and Budget and by the Congress" (House Report No. 98–455). Things have not improved since that report was issued.

I have already introduced separate legislation, H.R. 685, that would reassign Privacy Act responsibilities to a newly established Data Protection Board. While I am not repeating that proposal in the Privacy Act Amendments of 1991, I consider it to be an integral part of Privacy Act reform.

A second current problem for which I do not now propose a solution involves the act's exemptions. A principal effect of the misuse of the exemptions is to deny individuals the ability to see and correct agency records. The most abused exemption is the general exemption for law enforcement records, and offices of inspector general appear to be the most frequent violators. Better administrative oversight may be the best solution to this continuing problem.

The major changes proposed by my bill include the following:

First, the act currently gives rights only to citizens and resident aliens. Nonresident aliens cannot use the act's procedures to seek access to records or to amend records. While the Freedom of Information Act provides foreigners with the ability to seek access to records, it is an incomplete substitute. Access rights under the FOIA can be significantly narrower than the rights under the Privacy Act, and the FOIA lacks provisions permitting correction of erroneous records. There is simply no reason foreigners should continue to be denied basic privacy rights.

My amendment changes the definition of "individual" so that living individuals of all nationalities will have the same rights under the Privacy Act. Now that privacy has become a major international concern, the current restrictions on the rights of foreigners are an embarrassment. Our failure to provide basic rights to foreigners threatens the rights of Americans in other countries as well as the ability of American companies to do business in today's international business environment.

Second, I propose to amend the definition of "record" so that personal information will be subject to the act independent of the medium on which the information is maintained and regardless of physical form or characteristics. The purpose is to make it clear that computerized information is fully subject to the Privacy Act. While I think that this is the current intent of the law, questions have been raised about how records laws apply to computerized information. We need to modernize our laws so that fair information practices apply independently of the technology used to create and store information.

Third, I propose to tighten the definition of "routine use." A routine use is a permissible disclosure of personal information that an agency defines by regulation. The law currently provides that a routine use must be compatible with the purpose for which a record was collected. I want to require that a routine use be necessary for the purpose for which a record was collected.

This change is a response to persistent abuse of the routine use provision by Federal agencies. Agencies have used the routine use provision to authorize almost any kind of disclosure. In one recent instance, an agency proposed a routine use that would have effectively authorized the agency to disclose personal information to anyone at any time. Another agency implemented a routine use that permitted the agency to disclose personal information to the public while the agency retained the right to deny to the subject of the record access to that same information.

Broad routine uses that allow an agency wide discretion to make disclosures are inconsistent with the words and the policy of the Privacy Act. Nevertheless, agencies seem to believe that they can make any kind of disclosure that they want as long as the proper notice has been published in the Federal Register. The Privacy Act is principally viewed as a procedural and not a substantive barrier to disclosure. This belief has grown in the absence of firm central administrative oversight of the law.

The problem is compounded by the ability of agencies to create new routine uses at any time after the establishment of a system of records. Individuals receive no actual notice of new routine uses. The notice that is published in the Federal Register is hardly meaningful.

The inconsistency of agency policies is even more apparent by the way in which the Freedom of Information Act is applied to personal information. Agencies typically refuse to disclose personal information about third parties under the FOIA. But the same agencies reserve to themselves broad rights to disclose that same information through Privacy Act routine uses. Both judgments cannot be correct. It may be necessary at some point to tie together more expressly privacy decisions under the FOIA and the Privacy Act. Agencies that contend that personal information is exempt from disclosure under the FOIA should be judged in part by the breadth of the routine uses they have defined for that same information.

While I believe that some of today's routine uses are based on a misreading of current law, agencies persist in offering overly broad routine uses. As a result, a change in the law may be essential. My proposal would expressly eliminate these abuses by placing stricter substantive limits on the ability of agencies to define permissible disclosures.

Fourth, I propose to broaden the defintion of "system of records." This is a key concept under the Privacy Act because the act's requirements apply to all systems of records. A system of records is a group of records under the control of a Federal agency that is retrieved by individual identifier. The test is factual. If an agency determines that sensitive personal information is not actually retrieved

by individual identifier, then the principal protections of the Privacy Act do not apply.

This is a major loophole. There are vast repositories of personal information in the Federal Government that are not covered by the Privacy Act because they are not in systems of records. The Privacy Protection Study Commission strongly criticized reliance on the system of records definition as the sole basis for activating the Act's requirements.

Recently, the National Science Foundation was found to have improperly avoided the Privacy Act by relying on the fiction that some records were not retrieved by individual identifier because they were not filed by the name of the individual. After a 13-year period of noncompliance with the law, the agency finally applied the Privacy Act to this system of records.

A recent report by the General Accounting Office also documented similar problems at the National Oceanic and Atmospheric Administration and the Department of Energy. See "Peer Review: Compliance With the Privacy Act and Federal Advisory Committee Act" (GAO/GGD-91-48) (April 1991).

Another recent GAO report found evidence of significant noncompliance with Privacy Act requirements. See "Computers and Privacy: How this Government Obtains, Verifies, Uses, and Protects Personal Data" (GAP/IMTEC-90-70BR) (August 1990). A clearer and less discretionary definition of "system of records" might enhance agency compliance by removing any existing confusion.

Some have proposed dropping the system of records concept altogether. I suggest a different approach. Because of the ease with which computers can manipulate information, the factual retrievability test is no longer meaningful for computerized data. Instead, we should assume that any computerized information can be retrieved by identifier, whether or not the agency intends to do so.

My amendment would drop the factual test for all personal information maintained in a computer and make all computerized information subject to the Privacy Act. The current factual test would continue to apply to manual records. As more records become computerized, the importance of manual records will diminish.

Fifth, subsection (b) of the current act sets out 12 specific conditions under which agencies may disclose personal information. Eleven of these conditions authorize specific disclosures under specific terms. Under the 12th condition, agencies may define routine uses to authorize other disclosures. Occasionally, agencies have used the routine use authority to avoid some of the statutorily defined terms for other disclosures.

For example, the act authorizes the disclosure of personal information pursuant to a showing of compelling circumstances affecting health or safety. If a disclosure is made under this provision, an agency is required to notify the individual of the disclosure. Some agencies have proposed routine uses that lower the standard for emergency disclosure and that fail to include the notice requirement. This is an abuse of current law. I propose an amendment that would expressly prohibit agencies from modifying the conditions of disclosures set out in the law.

Sixth, if an agency denies an individual's Privacy Act request for access to records, the individual's only recourse is to sue in Federal court. There is no administrative appeal as is provided when a request for correction is denied or when a request for access is denied under the FOIA. I propose to provide for an administrative appeal of a denial of access. I also propose to establish clear statutes of limitation for administrative appeals.

Seventh, the Privacy Act requires that each agency publish in the Federal Register a notice describing each system of records. The specific contents of the notice are set out in the law. I propose to add a requirement that Privacy Act notices include a description of the purpose for which the records are maintained. This will help the public in understanding how records are used. Some agencies include a statement of purpose in their notices already.

Eighth, the Freedom of Information Act and the Privacy Act of 1974 provide independent access procedures. Information is sometimes available under one law when it is not available under the other. Not all requesters seeking access to records about themselves are knowledgeable enough to cite both laws when making a request. I propose to amend the Privacy Act to require that agencies provide to Privacy Act requesters any information to which they are entitled under the FOIA as well. This will ensure that requesters receive all available information.

Ninth, I propose to give the courts the authority to grant injunctive relief in all cases arising under the Privacy Act. This is necessary because some courts have held that their ability to enjoin agencies from violating the act is limited to cases involving access and correction. Under current law, it is possible that an individual would be unable to convince a court to prevent an agency from making disclosure of a record that the court has found to be illegal.

Giving the courts broader authority to enjoin violations may be just a first step in improving the act's remedies. It may also be necessary to change the standard for measuring agency conduct and to provide more effective relief to individuals whose rights have been violated. We may need to explore alternatives to lawsuits. For many people, a remedy that must be pursued through litigation in Federal court is no remedy at all. Litigation is too expensive and too complicated.

Tenth, under current law, a system of records maintained by a Federal contractor on behalf of an agency must be made subject to the Privacy Act under agency contract. Tens of millions of sensitive records are now maintained by agency contractors. We have no idea of whether these contractors are complying with the Privacy Act. We do not know if these records receive adequate protection from misuse or improper disclosure. I propose to require that agencies provide for regular Privacy Act compliance audits for systems of records maintained by contractors.

NEW SONG COMMEMORATES VETERANS' WELCOME HOME CEREMONIES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Mississippi [Mr. MONTGOMERY] is recognized for 5 minutes.

Mr. MONTGOMERY. Mr. Speaker, I want to share with my colleagues the lyrics to a song written in honor of the men and women who served in Operation Desert Shield/Desert Storm. It is called "Welcome Home." The words are by Richard Peet and the music was written by Charles Cassey.

Mr. Cassey is a former creative director of Chappell Music in New York. More recently, he was head of VIACOM's music department in Hollywood. He is a long-time member of ASCAP and has written more than 1,000 songs. He lives in Valencia, CA.

Richard Peet authored the musical, "The Nam That We Remember". An earlier work, "Stand Up For America", was the title and feature of an LP record album in 1971 and it won a George Washington Freedom Award. Mr. Peet is also a member of ASCAP and lives in McLean, VA.

A copy of the new song's lyrics is attached:

WELCOME HOME

(Words: Richard Peet)

(Music: Charles Cassey)

In the dangers of the desert sand;
In the wild blue and the sea,
You risked all for your country—
In the cause of liberty.

You have served and you have suffered;
Been away for overlong,
But now you're back among us,
Having fought to right a wrong.

Chorus

Welcome home—
Welcome home—
Our brave warriors,
Welcome home,
With open arms we greet you,
For a loving welcome home.

We welcome you with honor;
Brothers, sisters—heroes all.
We stand proud within your shadow,
You who answered to the call.

We share a dream together,
But it can only be,
If we pull, as one, together,
To build a world that's free.

Chorus

Welcome home—
Welcome home—
All you heroes,
Welcome home,
We are proud and we'll remember—
Welcome home—
Welcome home.

NEW ARMS CONTROL PRIORITIES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. FASCELL] is recognized for 5 minutes.

Mr. FASCELL. Mr. Speaker, under the able leadership of our colleague, Representative JOHN SPRATT, the Department of Energy and Defense Nuclear Facilities Panel of the House Armed Services Committee, commonly referred to as the Spratt Panel, took some very responsible action on the $1.737 billion request by the executive branch for nuclear weapons research, development, and testing earlier this month.

As reflected in the committee report (Report 102-60, National Defense Authorization Act,

title 31, Department of Energy National Security Programs, page 386) accompanying H.R. 2100, the Department of Defense Authorization Act for Fiscal Years 1992–93, the Spratt Panel recommended "denying $151.5 million budgeted for weapons research, development, and testing [WRD&T] activities associated with the B–90 nuclear depth/strike bomb [ND/SB] and the W–91 short range attack missile-tactical [SRAM–T], and adding $159 million for WRD&T to improve the safety of the nuclear arsenal and to prepare for future restrictions on nuclear weapons testing."

Earlier this year, I made a similar proposal to the Spratt Panel. My position was based on the premise that, in the new post-cold war world setting, our Nation's security is better served by spending on effective means of assuring Soviet adherence to existing and future arms control agreements rather than spending limited dollars on exotic new generations of nuclear weapons. The resources saved by making these reductions in new nuclear weapons systems could then be used to enhance funding for higher security interests as comprehensive test ban readiness, nuclear weapons safety, and nuclear weapons production facility cleanup.

In my view, this is an important reordering of priorities—for more nuclear arms control and away from nuclear weapons development. I strongly support the process of reordering these priorities that many of us in the House have encouraged the Spratt Panel to begin last year and assume will continue into the future.

The House of Representatives has expressed itself on several occasions over the past few years on the importance to U.S. national security of achieving a comprehensive ban on nuclear explosive testing. In fact, for 3 years in a row, the House voted decisively to ban funding for U.S. nuclear tests with yields over 1 kiloton, provided that the Soviets limited their tests similarly with in-country verification. In the past the House has also increased funding for test ban verification research and established a test ban readiness program.

It is important that our Nation's security needs are reflected in new arms control priorities which stress skillful negotiations, sound agreements, thorough implementation, and careful verification of new arms agreements. And, in the nuclear testing area, the priorities should stress test ban readiness, safety, and cleanup rather than development of exotic new nuclear weapons.

REDUCTION OF TIME FOR SPECIAL ORDER

Mrs. BENTLEY. Mr. Speaker, I ask unanimous consent to withdraw my 60-minute special order and to speak for 5 minutes at this point.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Maryland?

There was no objection.

THE MEANING OF FAST TRACK

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Maryland [Mrs. BENTLEY] is recognized for 5 minutes.

Mrs. BENTLEY. Mr. Speaker, we are in the process of debating the Mexican Free-Trade Agreement and what it will mean to the United States. Actually what we should be debating is the merits of fast track, and exactly what it means to us under the Uruguay round and the General Agreement on Tariffs and Trade [GATT].

Our negotiators can negotiate with Mexico and as they did with Canada, but many people will not understand the full meaning of the agreements until later.

An example of what the Canadian Trade Agreement means is a letter which was written to the members of the Energy Committee of the other body by the Canadian Ambassador. In the letter, the Ambassador stated, "I am writing to convey my government's view that two provisions of S. 141, the National Security Act of 1991 and one provision of the gas policy reform bill would violate the obligation of the United States under our Free-Trade Agreement not to discriminate against Canadian products." Although, this is a friendly letter, it acts almost like a line item veto of American legislative actions.

Using the terms of the agreement, Canada protested that the United States Department of Agriculture meat inspections were too rigid. They were able to downgrade the required inspections of trucks to 1 in 15. The rest of the trucks are not inspected though a sample of meat may be contaminated.

Canada also had protested American products under GATT rules which I will discuss later.

Like many other people, I thought I understood GATT until the Baltimore Sun ran an editorial on "Trade Wars In Congress." In that editorial, one paragraph stood out about the Super 301 which was in the 1988 Trade Act.

It said, "We would add it has hurt the U.S. negotiating position in GATT because Washington is seen as unilaterally imposing conditions that are supposed to be set by universal GATT rules. This is counterproductive. An expanded GATT that would make agriculture, service industries, and patents subject to international rules is very much in the U.S. public interest."

The translation of that paragraph means that American actions in those areas will be under the review of the other members of GATT. It is important that we understand just what GATT means. Under the agreements of the Uruguay round, the members committed themselves to a standstill of new trade measures inconsistent with GATT obligations and to a rollback to phase out inconsistent trade agreements.

That means we should fully understand GATT in this Mexican Trade Agreement because the regulations—the standards of GATT will stand. Remember that GATT is both a code or rules and a forum where representatives can discuss world trading problems. Under the GATT code, Canada has demanded in an American Federal court that the United States accept Canada's asbestos claiming our safety standards are too high.

Right now, the United States is requiring owners at great expense to remove asbestos from buildings. Now the Canadians are telling us we must let it in the country. If our law is struck down, then we are back to square one with asbestos. Why should we have to lower our safety standards for this agreement?

Under GATT, Canada also is challenging the American beer distribution system and labeling system—and the administration of United States excise taxes.

Canada dumped subsidized pork in the United States, but we lost the appeal before a binational committee which ruled in favor of Canada. They claimed the Canadian pork subsidy was welfare and, thanks to the ruling of the panel, kept right on dumping in the States.

Today a letter was faxed to me from Dynasty Gas Marketing, Inc. in Houston, TX, explaining that these trade agreements are not what they seem. Although United States gas is cheaper delivered in Canada, Dynasty is stopped from selling it to the Canadian end/users. Mr. Siegel, the vice president and general manager of Dynasty explained that Canada gas has a limited pipeline system and the gas producers receive a lower price for their gas. The end/users pay a higher price than that on U.S. imported gas.

I have gone into some specifics of the Canadian agreement to explain that GATT or simply the negotiated treaty can be used to work against American business. We need to know what the Mexican Trade Agreement will mean under GATT.

One group of people who will suffer under this treaty are the people making brooms, which is a very old industry in the United States. In many States the blind make brooms for sale. Under current trade laws the broom industry is in a protected status.

Today, Mr. William Libman of Arcola, IL, wrote me giving some background of the broom industry. Benjamin Franklin initially brought broomcorn to the United States. It is a labor intensive industry which requires skilled labor to make those highly prized natural brooms for homes and offices.

This industry, which also serves the blind, will suffer a disadvantage in a treaty where the labor costs are pennies a day.

Another industry which will suffer under the Mexican Trade Agreement

and GATT is the Imperial Irrigation District in Imperial, CA.

The district's president, Donald Cox reported that the Imperial Irrigation District voted unanimously to oppose the Bush administration's policy to put a proposed United States-Mexico Free-Trade Agreement on a fast track.

Under the GATT agreements the California water districts are regarded as subsidy on water and will be eliminated. Under GATT the United States has agreed to knock out the "Buy America" provisions which affects $200 billion in Government contract work.

The following States have "Buy America" provisions:

Alabama, California, Colorado, Georgia, Hawaii, Idaho, Illinois, Indiana, Iowa, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Minnesota, Mississippi, Montana, New Hampshire, New Jersey, New York and New York City, North Carolina, North Dakota, Oklahoma, Pennsylvania, Rhode Island, South Dakota, Virginia, West Virginia, Wisconsin, and District of Columbia.

The States with a 5-percent preference for in-State suppliers will also lose this benefit. They are:

Alaska, Arizona, Arkansas, New Mexico, Wyoming, Nebraska, and Kansas.

The United States has been an agricultural nation, but under GATT we will have many provisions on credit guarantee and food aid programs eliminated as well as deficiency payments, marketing loans, and export enhancement programs.

Our aerospace industry where we are a leader and where the U.S. industry is in stiff competition with European industry will pay a price. Molybdenum is a superalloy used in aeroengine gas turbines. The turbines contain a significant amount of molybdenum. The United States bar is cheaper and thereby creates a competitive disadvantage for the European aeroengine manufacturers. That advantage for Americans also will be eliminated. Without an advantage there is no profitable trade, so why eliminate it?

The small business people also are paying a price with small business set-asides. Small business accounts for 25 to 30 percent of all the Government contracting work. By eliminating the set-aside the foreign firms can compete for the Government work.

There is just a small sampling of what GATT means and what the vote on fast track means to Americans. We have heard the argument of cheaper prices, but remember we have the largest market in the world. We also have the highest standard of living but to retain it, they must have jobs.

If this is so great then why does Prof. Robert Reich of Harvard claim that in the current trade climate only 20 percent of the Americans will do well. The other 80 percent will have to compete with workers in Third World and developing countries.

It is time for an open and protracted debate on this issue and not a fast shuffle to a fast track where we give away the store. I vote "no" on fast track.

□ 1840

FAIRNESS FOR ALL AMERICANS: PROTECTING THE RIGHTS OF OVERSEAS AMERICANS

The SPEAKER pro tempore (Mr. RAY). Under a previous order of the House, the gentleman from Arkansas [Mr. ALEXANDER] is recognized for 5 minutes.

Mr. ALEXANDER. Mr. Speaker, this week we will debate extension of fast-track negotiating authority. Like several other trade issues, this question has assumed a great deal of importance in our work here in Congress to improve America's balance of trade.

But during my years in Congress, I have learned that there is a piece to this puzzle we have sorely overlooked. In the battle to preserve American competitiveness, we have forgotten about Americans living overseas. I see these men and women as our Nation's footsoldiers, right out there on the front lines in the battle to preserve America's competitiveness abroad.

Years ago, our economy stretched from one coast to another. But in this day and age, we operate in a global business environment where communications and transportation link Tokyo and Toronto in the same way that New York and San Francisco were once joined. To keep ahead in the world of today and tomorrow, we must learn to win at the global business game.

Americans living overseas can help us make the transition to being full participants in the new global economy. They have the insight that comes from first-hand experience in another culture—insight which is critical to succeeding in the international business world.

If we are to broaden our share of the global market in agricultural commodities, textiles, high-tech products, or information services, we must reach out to those Americans working on the frontiers of the world economy.

Unfortunately, our current laws place many obstacles in the way of Americans who want to live, work, and raise families overseas. Unless we turn this situation around, our nation will never fulfill its potential as a formidable exporting power.

To that end, I rise today to introduce three bills designed to make it easier to be an "American abroad."

The first bill is entitled "The Overseas American Children's Human Rights Act of 1991." This legislation would change current immigration and naturalization law to ensure that Americans living overseas have the same rights to transmit citizenship to their children that are enjoyed by each and every one of us living here on American soil.

Under current law, if an American citizen marries a foreign national and lives outside the United States, that citizen must have physically resided in the United States for five years, at least two of which were after the age of 14, for his or her child to be an American citizen at birth.

However, children born out of wedlock to an American abroad become citizens at birth if the U.S. parent has resided in the United States for only one year in the aggregate.

This law is antifamily and anticompetitive. It discriminates in favor of those Americans who enter into parenthood outside of marriage and imposes stringent residence requirements on married Americans who want their children to share their nationality.

My bill rectifies this situation by applying the one-year residency requirement to all U.S. citizens abroad who become parents, regardless of the circumstances of the child's birth. It also ensures that children born to Americans abroad will automatically become American citizens at birth if they would otherwise be born Stateless.

By making it easier for Americans abroad to transmit citizenship to their children, my legislation will ease their concerns about passing on the rights and privileges that come with American citizenship to the next generation.

It will also make good on our promises as a signatory of the Universal Declaration of Human Rights and the more recent Declaration of the Rights of the Child. When the United States joined other countries in approving these documents, we agreed that "all children at birth have the right to a name and a nationality." My bill will fulfill this pledge.

The second bill I am introducing is the Overseas U.S. Citizens' Representation in the Congress Act of 1991. It would establish a nonvoting delegate seat to represent the concerns of Americans abroad.

Too often, the unique problems of Americans living overseas have been ignored by the Congress. None of us represents enough Americans abroad to be able to devote adequate attention to their needs. As a result, many overseas Americans feel cut off and adrift from the political process.

Establishing a seat for a nonvoting delegate will rectify this situation by institutionalizing access to Congress for the nearly three million Americans living abroad.

Under the bill, registered voters living in foreign countries would be permitted to select a nonvoting delegate to represent their unique concerns similar to those now representing the District of Columbia, the Virgin Is-

lands, American Samoa, and Guam in addition to the Member from their home district. With such an addition, overseas Americans will truly have fair representation.

The final bill I am submitting today, the Overseas Americans Economic Competition Enhancement Act, would amend section 911 of the 1986 Internal Revenue Code to return America to the residency-based tax system that was in place prior to 1962.

Right now, Americans living overseas face excessive double taxation—they must pay taxes to the United States and also to the nation in which they reside.

America is the only nation on earth that taxes citizens based on their citizenship, not on their place of residence. All of our competitors tax individuals living within their borders, not those living overseas.

This form of taxation discourages American companies from sending their workers abroad, and it penalizes Americans who want to set up businesses in other countries.

If we are ever to let American companies compete on a level playing field with our trading competitors, we have to remove these roadblocks to successful international commerce.

Mr. Speaker, these bills are low-cost items with high-cost returns. To get ahead in today's economy, we have to encourage our teachers, military and government personnel, and businesspeople to promote American ideals and products abroad and to bring back the best of what they can learn to our shores. With this goal in mind, I urge my colleagues to support these three pieces of legislation.

ORDER OF BUSINESS

Mr. LIPINSKI. Mr. Speaker, I ask unanimous consent that I be permitted to go ahead of the gentleman from Illinois [Mr. HASTERT] and then he follows me immediately in the order of this evening.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

CZECHOSLOVAK RESTITUTION LAW

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. LIPINSKI] is recognized for 60 minutes.

Mr. LIPINSKI. Mr. Speaker, almost 2 years have passed since the democratic revolutions of central Europe ended more than 40 years of Communist rule. As we look at these nations today, we see that the euphoria spurred by the revolutions has subsided and the new governments have turned their attention to reviving their beleaguered economies. Events of the past year and a half have shown us the revival will be much more difficult and much more costly than first imagined, and the standard of living for the citizens will continue to get worse before it gets better.

Despite the difficulties, many of these nations have tightened their belts and taken the tough first steps toward creating a market-based economy. Czechoslovakia for one is taking drastic action to undo its economic malaise. The Havel government has launched an ambitious privatization scheme to put back into the hands of individuals and businesses the properties nationalized by the Communists. It is a logical step dictated by the laws of economics—competition, supply and demand, incentives to efficiency. It is also difficult to carry out.

After 41 years of Communist rule in Czechoslovakia, virtually everything is owned and run by the Government. Privatizing the land, the businesses, the farms, the factories, the apartment buildings, and the homes is not an easy task, and the process unleashes a Pandora's box of questions and problems. How privatization should be carried out, how quickly, and with what attention to the former owners are all pieces of this complex puzzle.

This last question—what to do about the former owners—is widely disputed all over central Europe. Former owners and their heirs—both large owners and small, rich and poor—are emerging to claim the property that was confiscated from them. Satisfying their demand that their properties be returned is complicated by the fact that these properties are in use and millions of current tenants could be displaced. Each nation is dealing differently with these demands, and Czechoslovakia has found a solution that is central Europe's most generous.

To be fair to the former owners, the Havel government has passed legislation to return property to its original owners if ownership can be proved. All property confiscated after the 1948 takeover up until the "Velvet Revolution" would be covered. Because it is not always possible or practical to return property—such as when a home has been converted into a school—the legislation provides for monetary compensation in those cases. Considering the havoc wreaked by 40 years of Communist rule and the difficulty in determining rightful ownership, this policy is on its face an equitable solution to a very difficult situation.

However, Czechoslovak-Americans are deeply disturbed by a serious oversight in the legislation. The law limits restitution to current Czechoslovak citizens living in Czechoslovakia and therefore excludes citizens of other nations.

To become eligible for restitution, U.S. citizens or their heirs must regain Czechoslovak citizenship and return permanently to the country within the 6 month timeframe designated by the law. The deadline will expire on September 30 of this year. Many of the people affected are naturalized American citizens—or their American-born children—who fled the tyranny of Communist rule and were subsequently convicted for leaving the country illegally. They feel it is unfair to require them to regain the citizenship of a country from which they fled persecution in order to regain their property. It is not true, as many claim, that none of these people are interested in returning to Czechoslovakia. But many are nervous about returning to a potentially unstable nation, both economically and politically.

I met last week with Czechoslovak Ambassador Rita Klimova to raise these issues. She presented a persuasive defense of the law, noting first that the final outcome was democratically achieved as a compromise between those who would do nothing for the former owners and those who would do more than the law provides. She pointed to the beleaguered economy of Czechoslovakia and the limited financial resources of the Government, and said that there was little money to pay in compensation. She explained the exclusion of noncitizens as an incentive for international Czechoslovaks to return to the nation to help in its rebuilding. The concern is that Czechoslovaks living abroad would, if not required to return, would quickly liquidate their new-found assets or simply demand financial compensation. Either would drain the economy.

I listened to Ambassador Klimova's explanation with some sympathy. Clearly the Czechoslovak economy is weak and Government budgets are tight. However, the international Czechoslovak community, and specifically the Czechoslovak-Americans in this country, have legitimate complaints. They were not consulted by the Czechoslovak Government in adopting this provision and they were given no explanation until after the restrictions were in effect.

The Czechoslovak-American community feels insulted. For many years they have kept their culture alive and have maintained a keen interest in the events of Czechoslovakia. As people who fled the country only to escape tyranny, they deserve recognition from the new Government. Instead, they have been ignored. From a struggling nation that depends greatly on the friendship and support of the international community, the lack of consultation was a mistake.

We in Congress, Representatives of 3 million Czechoslovak-Americans, have maintained a friendly relationship with the Havel government during these transitionary years. We welcomed President Havel to America with open arms, and we are aiding

Czechoslovakia in its attempt to pull out of its economic quagmire. With the President, we have granted Czechoslovakia most-favored-nation trading status and contributed to the European Bank for Reconstruction and Development. We are also in the process of extending money to Czechoslovakia as part of the Support for the Eastern Europe Democracy Act, known as the SEED Program.

So we are doing our share and they are doing theirs. But we cannot forget the interests of Czechs and Slovaks in America. As we look to broaden our ties with Czechoslovakia, President Havel must recognize our commitment to Czechoslovak-Americans, as well as his own commitment to them. He must see that ownership rights cross international boundaries and that, at a time when Czechoslovakia is pursuing liberal economic reforms, a policy that says otherwise is questionable. In a letter many of my colleagues are joining me in sending to President Havel, we ask him to reconsider the restrictions on this restitution law. Then and only then will all victims of the Communist regime be justly and properly compensated.

□ 1850

SOCIAL SECURITY EARNINGS TEST

The SPEAKER pro tempore (Mr. RAY). Under a previous order of the House, the gentleman from Illinois [Mr. HASTERT] is recognized for 60 minutes.

Mr. HASTERT. Mr. Speaker, tonight we are going to have a number of speakers here talking about the earnings test on Social Security.

The first gentleman I would like to yield to is the gentleman from Oklahoma [Mr. INHOFE], who has been a leader on this for a number of years.

Mr. INHOFE. Mr. Speaker, I thank the gentleman from Illinois for yielding. Unfortunately, because of a previous commitment, I will not be able to stay for this special order. But it is something, judging from the reaction I get from the multitude of town hall meetings that I have had, that it is in the minds of many people in Oklahoma, many older Oklahomans, and is the No. 1 concern they have, of all the concerns.

Mr. Speaker, how many people have you met that look forward to the day of retiring, and then they retire, and then a few weeks later they die. This has happened over and over and over again. Because we are telling these people they can no longer be productive.

Mr. Speaker, I have often wondered, and would hope that the gentleman from Illinois [Mr. HASTERT] can address this, of what has happened to the ideals with which we were raised? I can remember, in fact a lot of this was in the State of Illinois, out in that little country school area outside of Springfield, IL, I had always been told in growing up that this is a productive Nation, that we want to encourage Americans to be productive.

Now what are we doing to encourage productivity? We pass a law that is on the books that says to people after they reach a certain age, you may no longer be productive in our society.

Of all the discussion we have on the imbalance of trade, you do not have to be a Ph.D. in economics to come up with the answer as to why we do have this imbalance. I believe it was George Will who put it in very simple terms. He said it very simply. We in America are consuming more than we are producing. So it would only seem natural we as Government would try to put as many incentives into productivity as possible.

Yet we have just the reverse incentive. We are saying to people, no, you cannot be productive any longer.

If I could single out one thing that bothers me, and I hope that other Members will address this, because I do not think it is just an isolated case, in town hall meeting after town hall meeting I have had older people come up to me, ashamed, in their upper sixties and seventies, and say, "For the first time in my life I have done something dishonest. Government has forced me to lie."

Mr. Speaker, we talk quite a bit about what is the cost of the elimination of the earnings test. We hear these inflated figures. I would suggest there are so many people out there, there is no way in the world of putting a price on this, who are lying and not reporting income, just so that they can be productive.

Mr. Speaker, these people come up and say, "Government has forced me to lie and to be dishonest for the first time in my life."

So I suggest to the gentleman from Illinois [Mr. HASTERT], as well as the gentleman from Arizona [Mr. RHODES], who were good enough to bring this special order and call to the attention of the Speaker and the public, that there are many issues to be discussed here, and these issues go beyond economic issues and become moral issues.

Mr. Speaker, I appreciate very much the opportunity to share these thoughts.

Mr. HASTERT. Mr. Speaker, I appreciate the gentleman from Oklahoma bringing out these issues and really some real stories from the heartland of this country. It is a tax policy that we have in this country that forces people not to be productive, not to work, and forces people to sometimes go into the underground market. The gentleman is absolutely right. I appreciate the gentleman from Oklahoma [Mr. INHOFE] relaying his experience.

Mr. Speaker, at this time I yield to the gentleman from Ohio [Mr. MILLER].

Mr. MILLER of Ohio. Mr. Speaker, I appreciate the gentleman yielding.

Mr. Speaker, I rise in support of H.R. 967, the Older Americans Freedom to Work Act to repeal the Social Security earnings limit and urge my colleagues to do the right thing and back this bill. As you know, complete repeal of the earnings test would allow senior citizens to take back control of their lives from the Federal Government and keep many seniors safe from Government-imposed destitution.

Every day I receive letters from seniors who can't afford to save for future medicines and basic health care. They want to work to supplement their income, but the earnings limit makes it difficult for them to do so. The federally imposed earnings limit ensures that in the future more and more senior citizens will be left without savings and wholly dependent on Government benefits for their survival. We need to protect seniors from Government programs which push seniors out of the work force and into the rocking chair. With the shrinking labor pool, this will become all the more pressing a problem in the coming decade. Let's work together to repeal the unfair Social Security earnings limit.

□ 1900

Mr. HASTERT. I thank the gentleman from Ohio for bringing forward his concerns on this.

It is interesting when we look at who is affected by this. As the gentleman from Ohio brought out, it is just not seniors who have a great deal of earnings coming in. It is the people who have worked for a living that get penalized on the earnings test. It is only people who earn income.

Mr. Speaker, at this time I would like to yield to the gentleman from Georgia [Mr. DARDEN], from the other side of the aisle. He has been a leader in this area and has authored legislation and worked with us. We would like to have him really kind of enlighten us on this a little bit further.

Mr. DARDEN. Mr. Speaker, I appeciate my friend yielding to me.

Mr. Speaker, I believe all Americans today owe a very special debt of gratitude to our good friend from Illinois [Mr. HASTERT], because he has brought to the forefront I think one of the most important issues in America today. He is the author and now has obtained 242 cosponsors to his legislation, H.R. 967. I am a cosponsor of that legislation, and I have also introduced a similar bill, H.R. 1368, which eliminates the earnings test for all Social Security recipients beginning at the age of 62 on up.

But regardless of which approach we take, I think the gentleman from Illinois has been a real leader in this area, and I think he has touched a nerve

there that needs very strong consideration by Members of Congress.

After hearing my good friend, Congressman MILLER, speak just a few moments ago, it reminds me, Mr. Speaker, that we have a lot of Members of Congress who have attained the age of 62 or 65, and I think the examples we see them setting here in Congress today should indicate to us that they are certainly some of the most productive Members of this body. I think as we stand here in Congress, and as we debate, and as we talk, we have before us some very fine examples of men and women who not only are in their sixties, seventies, but even in their eighties doing some of the most productive work.

By forcing older individuals to choose between working and receiving full Social Security benefits, the earnings test sends an unmistakable message to working older Americans that we do not want them in our work force. It tells them that if they choose to work, they will be penalized by losing the hard-earned Social Security benefits that they have counted on to help them in their old age. By way of a severe financial penalty, we are unfairly forcing senior citizens who are eager to work out of the workplace.

It is my belief that our Nation's laws should not discourage those who want to work from doing so. It is unfair to deny our seniors the well-documented psychological and physical benefits of work, not to mention the extra income that many families desperately need to supplement an often meager Social Security check. Any argument to the contrary would merely reinforce the unfounded notion that older Americans do not need or do not want to work.

The Social Security earnings test is unfair to older workers who choose to work. However, it is devastating to those workers who must work. This reality is ignored by those who claim that repeal of the earnings test would merely benefit the wealthy. On the contrary, the earnings test would reduce the Social Security benefits of a full-time worker making the minimum wage, while a truly wealthy senior who receives passive income from interest and dividends can still receive 100 percent of his or her benefits. Should the United States reward those who have inherited stock, while at the same time penalize those who have never been in a position to receive income for anything other than an honest day's work? I do not think so.

Finally, I would like to bring attention to the fact that the unfairness of the Social Security earnings test extends far beyond the millions of older workers directly affected by it. The earnings test unfairly deprives the United States of the talent and expertise of a class of workers that has made our Nation great. By forcing seniors out of the workplace, we resign ourselves to relearning what our elders already know, to making the same mistakes over and over again. Why not encourage older workers to share their tremendous wealth of experience? Millions of older Americans stand ready to reenter the job market. To discourage them from doing so robs them of the many rewards of work, and robs us of the fruits of their labor.

In closing, Mr. Speaker, I would like to inform the House and my good friend from Illinois of a study done recently which was in an article in the New York Times, I believe, just yesterday. These studies, carried out by several corporations around the United States of America, actually showed that workers over 55 are more dependable, they are more reliable, and in many instances more capable and more competent and more conscientious than their younger counterparts.

I think we owe a special thanks to the Days Inn Corp., based in Atlanta, GA, which has found out that the rate of turnover among workers over 55 is much less, that the degree of absenteeism is much less, and that the overall capability and lack of mistakes is far superior to that of younger workers.

So I think, Mr. Speaker, we need now to say that we have an idea whose time has come, and I am just glad to be a small part of this bipartisan effort to make this become possible.

Mr. HASTERT. I thank the gentleman from Georgia. I think he would probably have to agree that probably in his district like in my district those folks who have earned a lot of money all of their life, and have accumulated pensions and investments and rent and interest are really exempt, but it is the people who have worked by the sweat of their brow, week in and week out, and punched the time clock, or tended the fields, or done those tough types of labor jobs that never had the chance to accumulate wealth, and never really had the chance to put that money aside for a pension, these are the people, the very people who are being penalized. So it is the blue collar, working-class American that we are saying listen, you cannot work anymore. We are going to tie you down to at most a $10,000 Social Security stipend base, and then maybe you can earn $9,000. But after that you are penalized as being a low-income earner not only in your whole lifetime but also in your senior years. The gentleman from Georgia is right, it just is not fair, and I thank the gentleman from Georgia.

Mr. DARDEN. I thank the gentleman from Illinois for allowing me to participate with him tonight.

Mr. HASTERT. Mr. Speaker, I yield to our colleague from California [Mr. MCCANDLESS].

Mr. MCCANDLESS. Mr. Speaker, first I want to thank my colleague from Illinois [Mr. HASTERT] for taking out this special order to focus attention on a problem which needs to be solved, a serious social problem.

The earning limit tax is blatantly unfair and discriminatory against older workers, as it penalizes those who choose to work beyond retirement age. This is an undue hardship on seniors who are able to work, and it must be repealed.

The Social Security earnings limit is a relic of the Depression. It was designed to keep older people out of the workplace and to allow more existing jobs to go to young people. In the static economy of the time, when jobs were few and far between, and when no new jobs were being created, it seemed an economic necessity.

Now, however, there are more opportunities, and employers are willing to hire older workers, who have the experience, and the patience that comes from experience, to do a good job.

That is why I first introduced legislation in 1985 to repeal the Social Security earnings limit, and have reintroduced that bill in every Congress since. This legislation would allow America to use the experience and expertise of older workers without subjecting them to penalties.

Let's not keep our seniors sitting on the sidelines. Many older workers would like to continue to work in some capacity in order to supplement their Social Security benefits, and to maintain a feeling of being useful. The Social Security earnings limit keeps seniors out of the work force.

This year the earnings limit is $7,080 for those who have signed up for Social Security and are under the age of 65. Those between the ages of 65 and 70 can earn $9,720 before their Social Security benefits are reduced. Once the earnings limit is reached by a beneficiary under age 65, benefits are reduced $1 for every $2 earned over the limit. For the beneficiary between 65 and 70 years old, benefits are reduced $1 for every $3 earned over the limit. So we have our older workers, after they have reached the earnings limit, essentially having to work for half pay or two-thirds pay for the remainder of the year. It's a steep tax on older workers at a time when they can least afford it.

Mr. Speaker, this is unfair discrimination on the basis of age. That is why I am supporting the Older Workers Freedom to Work Act, to repeal the Social Security earnings limitation, and I urge all my colleagues to join in this fight for fairness.

□ 1910

Again, I want to thank my colleague for taking out this special order. It is time that we move and have some action on this subject.

Mr. HASTERT. Mr. Speaker, I thank the gentleman from California. He points out that really the Social Security earnings test is age discrimination. I guess it is as pure and simple as

that. That is why leading corporations and businesses around the United States today such as Sears Roebuck and Days Inn are looking for seniors to be people who can be productive in their work force and not just productive individuals but people who can lead and train other employees.

I really appreciate the gentleman from California enlightening us on the issues from his perspective in his district.

Mr. Speaker, I yield to the gentleman from Florida [Mr. GOSS], who has quite a number of seniors in his district.

Mr. GOSS. Mr. Speaker, I thank my colleague, the gentleman from Illinois, for yielding.

Mr. Speaker, I must begin by commending my colleague, the gentleman from Illinois [Mr. HASTERT] and the gentleman from Arizona [Mr. RHODES] for doing an absolutely outstanding job of bringing together the forces that realize just how unfair the earnings test is and focusing on it and getting some action going.

This has been going on for a number of years to try and get to the moment when we move legislation. With 242 cosponsors now, you deserve a lot of credit.

I want to talk a little bit more about the championing of the repeal of the earnings test and why it is necessary. I think our colleagues who have gone before have said it quite well and hit a number of points.

There are several things yet that have not been covered. H.R. 967, which is the repeal vehicle, would boost the effectiveness of the Social Security Act by freeing older workers from penalties levied on their earnings. I think that is a critical point in a tough budget year.

I think truthfully the repeal bill is a bill which is good for older workers. It is good for business. It is good for government. And it is good for America. And to use an old line, it is probably good for General Motors, too.

I would challenge almost anybody to walk down the street anywhere in America today and ask somebody if they think the U.S. Congress is logical. The chances are, I think, that you would get an answer that there is a great deal of illogic in what goes in Congress, and perhaps this earnings limitation test is as good an example as any.

We are telling retirees collecting Social Security benefits that if they seek to gain, they lose. Not only did we place our senior citizens in an extreme disadvantage, but we are constraining their earning potential at a time when they really are most dependent on their income as has been noted by almost everybody who has addressed this subject.

We are not talking about people who are trying to go out there and buy boats or add on to their house. We are talking about people who are trying to put groceries on their table, pay the rent, get their prescription drugs. These are the things, the stuff that my mail is made up of when I hear from senior citizens on this subject.

The truth is that an awful large percentage of retirees in my district are, in fact, affected by this, and they are very, very frustrated. We have been getting mail all along, and we are now getting a good deal of applause, because there is hope for the first time.

Again, I think the gentleman from Arizona [Mr. RHODES] and the gentleman from Illinois [Mr. HASTERT] and the others who have carried the water thus far deserve credit, and I hope that people understand that.

Folks in my district are watching inflation as we all are and escalating health-care costs which are particularly pertinent to some of our senior citizens, eating away at the retirement benefits that they planned for and they have husbanded and they have been good savers, and yet they see that they are getting further and further behind the fiscal curve.

What do they do? They say, "Well, I am a good American. I am going to go out and work." What do we do as Congress? We say, "If you do, we are going to penalize you." That just does not make any sense.

There is this misconception that has been addressed that it is the wealthy that benefit, will only be the beneficiaries of the repeal of this tax. Well, that is ridiculous.

I think, as my colleague from Illinois has pointed out, the earnings test applies only to earned income, so we are really talking about the people who need the money being able to earn the money without being penalized.

Florida 13, which is my district, which is the southwest coast of Florida, running from Sarasota down into Naples, has got one of the largest numbers of senior citizens who are affected by the earnings test. So when I speak to this subject, I speak with some feeling about it, because I talk to these people and hear their stories, and I am sure we all have stories.

I have many constituents who have confided to me, as the gentleman from Oklahoma said earlier, that they are forced to falsify information in order to be able to go out and work to get the money they need to get on with their lives, and this does not make them happy. It is not their way.

Anything that we do that forces them to do that is clearly intolerable on its face. Even if there were not a lot of other good reasons why we should get rid of this test, that is one of them. I have got a situation, a gentleman from Tice, FL, a Mr. Milton Ludlow, who called us recently, in fact, while I was sitting here earlier this evening, Mr. Speaker, a note was delivered to me from my office.

The situation with Mr. Ludlow is that he comes from Tice, FL. That is not an affluent place at all. It is a place of workers, a nice community spirit, people who go out and understand what it is to get up in the morning, to go to work, put in a hard day's work and get a good day's pay for it. Mr. Ludlow inadvertently exceeded the earnings cap. He did not understand all the fine print, had not read all the letters. I understand he is a printshop operator in the high school system earning some extra dollars.

It turned out that what happened is that he got penalized $5,579 in taxes reclaimed by the earnings test over a period of a couple of years. This has been going on. On top of that, he was penalized an additional $4,237 for a grand total of $9,816 to come out of this gentleman's pocket. Now, what that means is he is giving up $10,000 which he would have had to reinvest in the economy one way or another. He no longer has that money, and I have just been informed that he is in danger of losing his house because he now cannot keep up his mortgage payments because he no longer has the income plus he has had this $10,000 whack taken out of his life, and a big problem in their lives, apparently, is paying the premiums for his wife's health insurance, which we all know is another subject, the high cost of health insurance.

We have done a series of things ganging up on our senior citizens here, and we need to do something about it. This is an easy way to do something about it.

I think most of the other points that I wanted to refer to tonight, speaking to this repealing this test, have been covered by the others, and I know there are others who have words and thoughts that they want to convey.

But my colleague from Illinois needs to know that what the gentleman referred to previously, the gentleman from Georgia it was, referred to previously about the work ethic of the older people is true. We have studies for that. We all read it in the New York Times yesterday, but we knew it anyway, those of us who deal with senior workers in our communities.

The fact, now, that somebody has come out and says that our senior citizens have a better work ethic, a lower rate of absenteeism, and more dedication to the job, that is nice to hear it, but we knew it anyway, and it is true. Consequently, why then are we penalizing these people when there are all of these benefits?

The only reason I keep hearing is that because we cannot balance the budget.

Now, I do not know who is cranking the numbers these days, but I did a little home arithmetic.

If we are dealing with 6 million unemployed Americans over age 55 ready and able to work and you go through

some basic elementary multiplication on the earnings-test limitation and what the likely product of their work would be of putting them in the workplace and putting the dollars that they earn back into the workplace and without even including all the extra problems we are making for ourselves in the Social Security area by creating problems like having people not be able to pay their rents, then it seems to me that the numbers that I come up with are right, that this is a revenue-positive repeal, and I think that is a very important point.

Mr. HASTERT. On that point, studies that we have right here show that if we, say, take a modest proposal of the earnings test, and say there is an earnings test of $40,000 instead of the earnings test that we have today, that those numbers would allow 700,000 people to go back to work. It would create an increase in the gross national product and economic activity in this country of $15.4 billion and bring a net return to the Federal Government of $3.2 billion.

□ 1920

So those people that say this will cost America, it will cost taxpayers, are just flat wrong. We need to look at the dynamics of this, instead of looking at the straight figures that CBO gives from time to time.

Mr. GOSS. Mr. Speaker, I thank the gentleman for letting me have this much time to share thoughts. They are very personal to me and a matter of great interest in our district. The earnings test has outlived its usefulness, but our workers have not. I think we need to get on with that.

Mr. HASTERT. Mr. Speaker, I yield to my colleague from the Florida Sunshine State.

Mr. BILIRAKIS. Mr. Speaker, I too take the liberty to thank the gentleman from Illinois [Mr. HASTERT] and of course the gentleman from Arizona [Mr. RHODES] and others who have worked with him over the years on this issue.

It is an issue that affects, as has been said so well by many before me, most Social Security recipients of all ages, but particularly older Americans. However, we have to emphasize "all" ages. There are plenty of illustrations. Eliminating the earnings test for all Social Security beneficiaries is a concept which is as American as apple pie and which I have supported since I became a Member of Congress in 1983. However, it was not until the gentleman from Illinois [Mr. HASTERT] came aboard with the gentleman from Arizona [Mr. RHODES] that the proper leadership came into the Congress to lead Members in this regard.

I have cosponsored legislation this year, as well as I did in my prior Congresses, introduced by the gentleman from Illinois [Mr. HASTERT], to remove the earnings test completely for those persons age 65 to 69. I have also cosponsored the bill of the gentleman from Texas [Mr. ARCHER] to remove Social Security earnings test for persons receiving survivor benefits, or persons who retire early, and persons age 65 to 69 years of age as well. I think it is very important that we consider those people who are not in that age bracket, but who are also drawing Social Security for one reason or another, such as disability, or the loss of the earner in the family.

I support both the approaches because I believe this will encourage more Americans to either seek employment or to continue working, depending on their situation. My congressional district, and we all tend to talk about our congressional districts because after all this is a republic and we represent those good people back there, but my district includes in addition to Hillsborough County, FL, that surrounds the city of Tampa, Pasco and Pinellas counties, which similarly have one of the highest concentrations of senior citizens in the country.

Since I was elected, as others have said earlier, I have heard many negative comments about the current earnings limitations from those constituents. Most complaints are from retired persons wishing to return to the work force, and I dare say, we never had, and I probably speak for other Members of the House, we have never had a town meeting when someone, at least one person, raised the point. I recently heard from a younger mother who has been receiving Social Security survivor benefits since losing her husband in a drunk driving accident, which was not his fault. After her husband's death, this woman put herself through college so she could have a career to support a small family. In her letter to me she expressed her dissatisfaction with the current law, saying it has been very difficult to raise her son without the Social Security benefits. She tells me she feels she would not survive, a young woman who suffered tremendous tragedy, tremendous adversity, and had the guts and stick-to-itiveness to put herself through college to learn a career, to be able to take care of her young son and herself. Yet they penalize her by virtue of saying that any amount that she might earn over and above that certain figure will be offset.

The message, regardless of whether it is a senior citizen or a young widow is still the same, my constituents believe that the earnings limitation is unfair. Our constituents, all over this country of ours, believe that the earnings limitation is unfair. After all, who do we work for? We work for those constituents. I have given them my word that I will work with my colleagues to repeal the earnings test as swiftly as possible.

As has been explained earlier, for the beneficiary 65 years of age to 69 years of age, the current loss of $1 for every $3 earned above $9,720 is bad policy. For persons who receive Social Security survivor benefits, the young lady I spoke about earlier, or who might retire by age 62, the loss is $1 for every $2 earned above $9,720. Congress, as has been said so well better than me by others, should be encouraging, Congress should be encouraging. After all, that is what America is all about. We should be encouraging these people to continue to be productive, contributing members of our society. However, instead of encouraging them, we are discouraging them by limiting their Social Security benefits, benefits that many have earned by working most of their lives.

Realistically speaking, Mr. Speaker, older Americans are living longer, as we know. I believe the fastest growing age bracket are those over age 85. They are living longer and healthier lives. As a result, they will be able to continue to work and offer many attributes to our society through wisdom, expertise, through practical everyday type of experience, and not to mention their payroll taxes for longer periods of time.

Mr. Speaker, the gentleman from Florida [Mr. GOSS] and others, and I know other speakers before the evening is out, will explain that we are talking about a positive to the Treasury, rather than a negative if we were to repeal this earnings test.

Our country's current recession requires many beneficiaries must supplement their Social Security benefits with additional income. I do not believe they should be penalized for wanting to work. If older citizens want to work past the traditional retirement age, I think they should do so without having their Social Security benefits reduced based on formulas created by Congress. Certainly it must border on unconstitutionality.

I come from a family of Greek immigrants who literally live to work. I know many persons who would wither away and die if they had to stop working. For these people, their jobs are where they get their feeling of self-worth and self-confidence because they have worked for many years. Why should they be forced to stop working? This is what this limitation is doing, forcing them to stop working. Is it fair to place rigid financial restrictions on them just because they turn age 65? I am not that far away from that point. I hope I could continue to work afterwards. Or, if they become disabled, or have untimely deaths in their family? I do not think so.

Tomorrow, Mr. Speaker, the subcommittee under the Committee on Ways and Means will be hearing testimony from witnesses who agree with me and many of my colleagues. There are 224 colleagues, which I understand

is the latest number, who cosponsor this legislation. It only takes 218 to pass a piece of legislation in this august body. For crying out loud, the majority of the Congress representing the majority of the American people want a change insofar as this area is concerned.

Before the subcommittee members tomorrow hear our thoughts on this matter, I would like to imagine what it would be like for them to have a portion of their Social Security benefits withheld, benefits which they earned, after a lifetime's work, because they merely want to contribute, to contribute to the society when they turn age 65.

The answer is clear. It is clear by retaining the earnings test we are discouraging people from continuing to work.

I hope the subcommittee will see the injustice of this twisted logic and try to work with Members in order to resolve this situation. Not only will our Social Security recipients benefit from this decision, not only will our Treasury benefit from this decision, but so will the rest of our society.

Again, I thank the gentlemen, particularly the gentleman from Illinois [Mr. HASTERT] and the gentleman from Arizona [Mr. RHODES] for being great leaders on this subject.

Mr. HASTERT. Mr. Speaker, I thank the gentleman from Florida for his leadership and hard work he has played on behalf of lifting the earnings test.

Mr. Speaker, I yield to the gentlewoman from Florida [Ms. ROS-LEHTINEN].

Ms. ROS-LEHTINEN. Mr. Speaker, along with many other Congressmen, I stand here today to endorse the gentleman from Illinois, Mr. HASTERT's, Older Americans' Freedom to Work Act. This act will remove one of the most unfair burdens imposed on small businessmen and senior citizens—the outside earnings limit on Social Security benefits.

If a senior citizen continues to work, the outside earnings limit imposes a tax on their Social Security benefits. This earnings limit, is effectively a disincentive to all senior citizens who wish to contribute to their own welfare, and to the productivity of the business sector.

Specifically, this earnings limit requires Social Security to deduct $1 of benefits for every $3 earned above the ceiling of a senior's allowable annual income. This earnings limit is effectively a 33-percent tax. Under current law, beneficiaries aged 65 through 69 can earn up to $9,720 before this tax is imposed. The Social Security earnings limit, combined with Federal, State, and other Social Security taxes, can amount to a shocking 70-percent tax bite on any income earned above this limit. Older Americans who wish to work should not carry a tax burden half this size.

The outside earnings limit discourages, and in some cases prevents, thousands of older Americans from continuing to exercise one of their most fundamental rights: The right to work. It also denies our economy of the productive participation of skilled, experienced workers.

The New York Times ran a story yesterday, entitled, "New Study of Older Workers Finds They Can Become Good Investments." In that article, Dr. Eli Ginsberg, director of the Eisenhower Center for the Conservation of Human Resources at Columbia University notes that: "With each passing year there will be more and more upper-age Americans interested, able and desirous of working. Unless the country wants to pay additional taxes to support a lot of elderly people, it makes more sense to offer them the opportunity to work and earn an income." I strongly agree with Dr. Ginsberg's assessment. There are older Americans in ever-increasing numbers who have proven themselves to be reliable, hard-working employees. Let us give older Americans the incentive to bring these assets to our work force.

The strength of America's workforce is also hurt by the Social Security earnings test. Many small businesses in Florida are already dependent on the contributions of an older work force and are adversely affected by the earnings test. Demographers tell us that between the years 2000 and 2010, the baby boom generation will be in its retirement years. With fewer babies being born to replace them, we are looking at a severe labor shortage. In the 1930's, when this limit was devised, encouraging the elderly to leave the work place might have been seen by some as a positive act. It was mistakenly designed to increase job opportunities for younger workers. Today, in 1991, with our shrinking labor force, such a policy is archaic and must be changed.

Repealing this limit would reduce the burden of needless paper work and bureaucracy. In order to police the earnings levels of our seniors, the Social Security Administration spends more than $200 million to administer the earnings test. It is unconscionable that after spending $200 million to monitor income levels, the earnings test is still responsible for 60 percent of all Social Security overpayments, and 45 percent of all underpayments. Let us remove this bureaucratic stumbling block.

A recent study by former U.S. Treasury Department economists shows that removing the outside earnings limit would actually produce an additional $3.2 billion in revenue. Removing the limit would encourage an additional $700,000 senior citizens to continue working. This would increase the revenues collected because a larger work force will be paying income and Social Security payroll taxes.

The repeal of the Social Security earnings limit would bring high quality workers into an ever-shrinking labor pool. It would raise revenues and cut bureaucratic waste. But, certainly one of the most compelling reasons for supporting a repeal of the earnings limit is the direct benefit it will be to the older Americans in our congressional districts.

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Mr. HASTERT. Mr. Speaker, I thank my colleague, the gentlewoman from Florida.

Mr. Speaker, I yield to the gentleman from Florida [Mr. HUTTO], a gentleman on the other side of the aisle who certainly has been a diligent worker on this issue and has been there every time we had a hearing and a rally.

Mr. HUTTO. Mr. Speaker, I thank the gentleman very much for yielding to me.

Mr. Speaker, I appear before the House today in wholehearted support of the Older Americans Freedom To Work Act, H.R. 967. I commend my colleagues, Mr. HASTERT and Mr. RHODES, for all of their work and efforts in bringing this issue the attention that it deserves.

Now that more than 240 Members have joined in support of H.R. 967, I hope that we have the opportunity to vote to end the inequitable burden placed on America's older citizens by the Social Security earnings test. Without a doubt, the earnings limit is grossly unfair. The earnings test not only denies some of our most productive and experienced citizens the opportunity to help support themselves, but also prevents them from contributing to our Nation's economy.

Because Americans retire or simply desire to enjoy the fruits of their labor, does not mean that they are unwilling to work. Moreover, because individuals elect to receive Social Security benefits does not mean that they do not need to work. To the contrary, many individuals must work because their Sccial Security benefits or pensions do not fulfill their basic living needs. The deficiencies of the Medicare Program and the skyrocketing cost of health care have only heightened the need for many older Americans to continue working.

The earnings test was originally implemented because Social Security benefits were designed to assist only those individuals who were truly retired. Clearly, the societal demands on Americans negate the original purpose of the earnings test. While the Social Security Progam has served this Nation well for many years, I regularly hear from constituents who express concern for the shortfalls of the progam. Certainly, the most common

complaint I hear is related to the earnings test.

Finally, I will approach this issue from a personal perspective. There are many Members of Congress that are currently eligible for Social Security retirement benefits. I ask my fellow older Members of Congress if they would be content to limit themselves, the way we currently limit the lives of our country's retired citizens. I know that I am not ready to reduce my activities and I do not believe that you are either.

People are living longer and leading very active lives far beyond retirement. For older Americans, the opportunity to remain active participants in society is much greater today than it has ever been. It is now time to permit older Americans to live the lives to which they are capable. Mr. Speaker, it is time to eliminate the earnings test and I urge all Members of Congress to support H.R. 967.

Mr. HASTERT. Mr. Speaker, I appreciate the gentleman from Florida coming here this evening and giving us his perspective on this earnings test.

Mr. Speaker, I yield to the gentleman from New Hampshire [Mr. ZELIFF].

Mr. ZELIFF. Mr. Speaker, I would like to thank my colleague for yielding to me.

I would like also to congratulate the gentleman from Illinois [Mr. HASTERT] and the gentleman from Arizona [Mr. RHODES] for their leadership.

You know, as I do the average of four town meetings every weekend up in New Hampshire, there has never been a more important critical issue than the issue facing our seniors who live on fixed incomes. As we all campaign, I feel and felt then that we can all individually make a difference. A "yes" vote on this amendment will make a big difference for the people who we serve.

Mr. Speaker, I wish to express my strong support for the Older Americans Freedom To Work Act, which would repeal the Social Security earnings test instituted in the 1930's. The result of this outdated provision has been to move older Americans out of the work force to make room for younger Americans. During the Great Depression, it was an important and certainly necessary piece of legislation, but its value has long since expired.

Under current law, seniors age 65 to 69, who make more than $9,720 annually, lose $1 in Social Security benefits for every $3 earned over that limit. Our Nation's elderly can hardly afford to absorb such a penalty. The skyrocketing costs of health care combined with the steadily rising costs of living have made supporting oneself and one's family increasingly difficult. Add to this bleak scenario the Social Security earnings penalty, and it becomes nearly impossible for older Americans to comfortably make ends meet.

In response to those who claim that a repeal of the earnings penalty will hinder our economy, I submit that such a move will, in fact, significantly boost our current economic situation. Any increase in Social Security benefit payments will be more than offset by the increase in Federal revenues generated from the new taxable income of elderly workers.

Mr. Speaker, in order to remain globally competitive in the 21st century, it is clear that we will have to use every available resource, especially in the U.S. work force. We must do away with obsolete policies such as the Social Security earnings test, and encourage all Americans, including our Nation's seniors, to remain productive and hard-working members of our society.

I strongly urge my colleagues to support H.R. 967.

As a small businessman myself for the past 32 years, I do not know of a dumber law that is on our books—and excuse me for using that expression—than one that discourages people from working. It is un-American, it is unfair, unproductive and just plain dumb. Let us get on with it, let us pass this very, very important piece of legislation.

Mr. HASTERT. I thank the gentleman from New Hampshire. I might ask the gentleman while he is in the well, since he certainly comes out of the small business sector in this country, being in the restaurant business and the inn business, there is a demand for productive older citizens in this country from the gentleman's perspective, is there not? The gentleman has told me that before, and I think he might say something about that.

Mr. ZELIFF. I might just pass this on. In our three small businesses up in New Hampshire we employ 52 people, in the White Mountains of New Hampshire. The bulk of these people are senior citizens.

Mr. Speaker, the National Restaurant Association this weekend passed a resolution in support of this resolution. Also, the American hotel/motel people. Seniors provide a very strong and very valuable asset. We should encourage them to work. They are a tremendous asset for our industry. We cannot do it without them.

Mr. HASTERT. I thank the gentleman from New Hampshire.

At this time I would like to yield to a colleague from the State of Ohio, Mr. DAVE HOBSON.

Mr. HOBSON. Mr. Speaker, I rise today in support of H.R. 967, the Older Americans Freedom To Work Act of 1991. I commend Mr. RHODES and Mr. HASTERT for introducing this important legislation and coordinating the special order.

I cannot imagine a Congress in which the Members were encouraged to retire at age 65—regardless of their health or ability as a legislator. Nor do I care to imagine the experience and wisdom that would be lost if an arbitrary age limit forced our colleagues to retire. Yet that is what we currently ask of our constituents—to retire at an arbitrary age regardless of their health or ability to work.

The earnings test on Social Security benefits is a strong disincentive to work. Because earnings tests are so low, almost all full-time older workers lose a portion of their Social Security benefits—even if they are working for minimum wage. Many of the older workers affected by the earnings test accept lesser paying jobs or quit working altogether to avoid the earnings test. Older workers suffer from a reduced standard of living and America suffers from a loss of valuable experience and skills.

When it was enacted, the earnings test made sense. It was intended to encourage older workers to make way for the younger, unemployed workers of the great depression. But times have changed. By the turn of the century less than 2 million young people will be entering the work force to fill more than 5 million vancancies created by older Americans.

Repealing the earnings test makes sense for several reasons.

First, the earnings test is applied to income from work, not income from private pensions or interest. Men and women who work to support their retirement are penalized by the earnings test while upper-income persons who receive investment income are not. The earnings test is unfair to men and women who need additional income in retirement.

Second, the earnings test is difficult to administer—over one-half of the overpayments to retirement and survivor programs are due to the earnings test.

Third, while it is possible that more people would receive more benefits if the earnings test is repealed, it is also true that people would work more and pay more in Social Security taxes, offsetting much of the impact of an increase in benefit payments.

Finally, repealing the earnings test is a matter of dignity.

Older workers add dignity to the American work force. They are dependable and motivated workers who contribute to the work force a wealth of knowledge and a lifetime experience.

As older Americans live longer, healthier lives, work becomes more than just a source of self-support—work becomes a source of self-esteem. Older Americans deserve the dignity to be able to choose what keeps them young, and if it is work that keeps them young, then they should be free to work—without the threat of lost retirement benefits.

Again, Mr. RHODES and Mr. HASTERT, thank you for your work on this issue and allowing me the opportunity to ex-

press my support for The Older Americans Freedom to Work Act.

Mr. HASTERT. I thank the gentleman from Ohio, who makes a very good argument why this onerous act should be repealed.

It is certainly, a remnant of the Depression. And it is time we get back to the 1990's thinking.

Mr. Speaker, I yield to the gentleman from California [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. I thank the gentleman for yielding.

Mr. Speaker, I would also like to extend my thanks to the gentleman from Illinois [Mr. HASTERT] and the gentleman from Arizona [Mr. RHODES] for allowing us to participate. I would also like to draw attention to the fact that of the speakers, the majority are from the freshman class, both Democrats and Republicans, who are in support. The numbers of 240 that you had are going to be much increased by the freshman class from both sides of the aisle.

Mr. Speaker, I have one problem with the Older Americans Freedom To Work Act. That would be that I would prefer to call it the Chronologically Gifted Freedom To Work Act. I think if we think about it, instead of older Americans, senior citizens, if we think of it as chronologically gifted, I think it would be a much better direction.

I believe my colleague, the gentleman from Florida [Mr. BILIRAKIS] and the gentleman from Florida [Mr. HUTTO] would agree also.

They tell us that some of the most critical and important things that we can do while we are in Congress here are to work toward education, medical care, for our chronologically gifted. I would like to submit to you that we have a plan in my district of San Diego to where it is not a gift but they are trying to establish a senior citizens home, low-income housing to where at least 50 percent of the senior citizens would be employed and they would also be employed to work with working mothers to give them the advantage of going to work. But on the other hand, the same senior citizens would help working mothers, would help people get off the welfare rolls, help people get a job, and they are being penalized, and it is just not right.

With today's seniors, we have the skill and experience which are demanded in the job market. Why should senior citizens receiving Social Security work if everything they receive over $9,700 is taxed? To me it is just not right.

Repealing the earnings test would deprive the Federal Government of billions of dollars in taxes, we are told. That is just not true. It is a win-win situation, and I am in full support of repealing the earnings test.

Certainly, the Government would no longer receive the 33 percent tax penalty from working seniors, but how many seniors would reenter the work force if they knew the Government would let them keep more of their earnings? A study by two former Treasury Department economists, Al Dona and Gary Robbins, found that abolishing the earnings test would yield $150 billion more in tax revenue over 5 years because more seniors would work, earn more money and pay more taxes.

Can you imagine, each one of you who has gone into your senior citizen homes and have seen the independence that those people have when they are allowed to work; we talk about education being important to the Congress and the President is coming out with an education bill; but think of the value that senior citizens, with their history and their experience, could give our children if we let them do that.

Let seniors get back to work. Join me in supporting the Older Americans Right To Work Act, or the Chronologically Gifted Americans Right To Work Act.

Mr. HASTERT. I thank the gentleman from California.

Mr. Speaker, at this time it gives me extreme pleasure to introduce and yield to one of our colleagues, JIM BUNNING, who has certainly been the leader on this issue for the years that we have worked on it. But beyond that, he is a member, an esteemed member of the Subcommittee on Social Security of the Committee on Ways and Means. It is through his great efforts that we were able to get a hearing on this.

I salute the gentleman and yield to him at this time.

Mr. BUNNING. I thank the gentleman from Illinois and congratulate him on his work, and the gentleman from Arizona [Mr. RHODES] on his work on this piece of legislation.

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Mr. Speaker, I also would like to congratulate the rest of the Members of our freshman class that came in in the 100th Congress who have been working on this as a class project since the second year that we were in the Congress, and I think it is very important that everybody realize that this has been taken on by the 100th Congress Republicans as a class project from the very beginning.

Mr. Speaker, I rise today in support of lifting the Social Security earnings limitation imposed on our senior citizens who choose to work after they retire. A leftover of the depression era, the earnings limitation is nothing more than a way to impose an incredibly high marginal tax rate on our working senior citizens, pure and simple.

For many seniors, the jobs they hold gives them much-needed income to make ends meet, which would be difficult to do if all they had to live on was their Social Security benefit check.

Almost two-thirds of my colleagues have signed onto legislation aimed at altering or repealing the earnings limitation. In fact, half of the Social Security Subcommittee, of which I am ranking member, have cosponsored at least one bill that would affect it in one way or the other. This gives me every indication that changing the earnings limitation is an issue whose time has come.

Mr. Speaker, tomorrow morning the Social Security Subcommittee will be holding a hearing on raising or entirely repealing the earnings limitation. I hope some of my colleagues who are still sitting on the fence on this issue will review the testimony that we are going to receive tomorrow because I am confident it will be proven that eliminating the earnings limitation will certainly not add to the deficit but will rather increase revenues and add to our shrinking work force.

We should no longer inhibit our senior citizens from wanting to still make their contribution to society. To quote John F. Kennedy, "It is not enough for a great nation merely to have added years to life—our objective must also be to add new life to those years." By getting rid of the earnings test, I think Congress would live up to those words.

Mr. Speaker, I want to again congratulate the gentleman from Illinois [Mr. HASTERT] on his fine work in having this special order. I think it is very important that tomorrow we hear testimony that is positive, and I am sure we are going to hear from the many seniors that are going to appear before the subcommittee, and I am looking forward to the testimony of the gentleman from Illinois tomorrow.

Mr. HASTERT. Mr. Speaker, I certainly appreciate the comments of the gentleman from Kentucky [Mr. BUNNING], and I again want to congratulate him on his diligence in being our leader, at least on the Subcommittee on Social Security and the full Committee on Ways and Means on this issue. He has done great work, and we certainly appreciate his efforts.

Mr. BUNNING. Mr. Speaker, I say to the gentleman from Illinois, "Thank you very much."

Mr. HASTERT. Mr. Speaker, I am pleased to have this opportunity to address one of the most critical issues facing our country—that is, the need for us to produce a work force prepared to meet the economic demands of the 21st century.

America is facing worldwide challenges to its economic strength. To meet those challenges, we must adapt to a changing world by bolstering our competitive edge. In order to compete in the new global marketplace, the United States must begin by fielding the most productive and efficient workforce possible.

Unfortunately, we are not encouraging the most experienced and able labor force possible because we continue to enforce outdated

policies that simply are out of touch with modern economic realities.

The Social Security earnings limit is one of the most blatant examples of this practice. Not only is it an antiquated Depression-era relic that penalizes senior citizens who choose to work after they reach retirement age, but it also adversely affects our economy, our Nation's business and our competitive edge.

Seniors between 65 and 70 who earn more than $9,720 are slapped with a 33-percent penalty. In short, the Government siphons $1 in penalties for every $3 a senior earns over the limit. When coupled with Federal taxes, seniors who earn a paltry $10,000 per year are faced with a 56-percent marginal income tax rate—nearly twice the rate of millionaires. That is just not fair.

The Social Security earnings test is age discrimination, pure and simple. And it afflicts the seniors who need extra income the most. Seniors can receive stock dividends and interest payments without losing Social Security benefits, but those who work at low-paying jobs to make ends meet are punished for attempting to remain financially independent.

No other demographic group in the country is so blatantly discriminated against; no other group faces such obstacles when they attempt to become productive and financially self-reliant. But worse than that, the earnings penalty sends a message to the elderly that we no longer value their expertise and experience in our labor force.

The earnings penalty is not just a policy abstraction that number crunchers deal with. It affects real people facing harsh economic realities as they try to make it on a limited income. It isn't just numbers, or statistics, or points on a graph. This Depression-era fossil causes hardship for real Americans. Americans who want to work—who need to work—but are taxed unfairly because they do so.

At a time in our history when the operative buzzword is "competitiveness," we in Congress have the responsibility to enact policies that help us achieve that goal. Just as business leaders must modernize their factories, congressional leaders must update public policy.

And clearly, this is a policy that begs to be updated.

The Social Security earnings penalty was instituted in the 1930's to discourage seniors from working and make room for younger Americans to enter the workforce. Whether this was a good idea at the time is hardly relevant; as the U.S. population ages, seniors are becoming an increasingly important segment of the labor force. The Government should support them, rather than financially penalize them, for remaining active and productive.

By the end of this decade, there will be 1.5 million fewer members of the workforce aged 16 to 24. Coupled with this trend is the fact that there is a sharply increasing number of older persons relative to the working population. To respond to these challenges, the United States needs to attract more people to participate in the labor force.

I have heard many of the arguments that allege repeal of the earnings penalty will cost the Government money, and is therefore unwise. But that is a static view of both older workers and the economy. In the long run, repeal of the earnings penalty will save the Government money, which will not only help seniors but the economy in general.

If the earnings penalty is repealed, more seniors—up to 700,000, according to the National Center for Policy Analysis, an economic research group—would rejoin the work force, thereby expanding the tax base and increasing the amount of tax revenue the Government received from these returning workers and returning taxpayers. As a result, the NCPA reported, the annual output of goods would increase by at least $15.4 billion.

The NCPA, in concert with the Institute for Policy Innovation, another research group, also reported that if the earnings penalty is repealed, "Government revenue would increase by $4.9 billion, more than offsetting the additional social security benefits that would be paid." Clearly, repeal of the earnings test would give the economy a much needed shot in the arm.

I have also heard the argument that Social Security is an insurance policy; that Social Security benefits should be allocated only to those who are retired—and if someone is still working, and hence not retired, he or she should not receive full benefits.

This reasoning ignores the difficulty seniors encounter in attempting to survive solely on Social Security or working at a job. Seniors frequently need both to make ends meet. Because economic realities necessitate more money than Social Security or, say, a job at McDonalds, provides, the earnings test must be repealed. These are the realities of the cost of living in the 1990's.

Support for repeal of the earnings test is coming from all over the political spectrum in Congress, from the most liberal to the most conservative Members joining in cosponsoring the Older Americans Freedom To Work Act. This majority reflects continuing support for the American principle of self-reliance as opposed to Government reliance.

As our country takes steps to make itself more economically competitive for the 21st century, it is clear that we will have to use every available resource, especially in the U.S. work force. Remaining competitive in the next century requires adopting policies that foster economic vibrancy and doing away with outdated policies that inhibit it. Repealing the Social Security earnings test will both encourage a large portion of the population to remain productive and help bolster the economy. The realities of our economic situation demand that we do so.

Mr. ANNUNZIO. Mr. Speaker, in recent years changes in attitudes toward retirement have encouraged America's senior citizens to continue working much longer than before.

That's great because in today's environment of skyrocketing health care costs, many middle-income seniors are working beyond age 65 to safeguard their financial security.

The problem is the Federal Government hasn't responded to this trend. In fact, when one considers the current earnings penalties that apply to Social Security recipients, we're still operating under rules designed for the depression-era economy of the late 1930's. It's high time we moved beyond those outmoded rules so that America can begin realizing the full potential of its seniors.

We have an opportunity to move forward on this issue by passing H.R. 967, a bill I have cosponsored that would reduce the earned-income penalties now assessed against Social Security recipients. If enacted, the Older Americans' Freedom To Work Act would reduce by 5 years the age at which seniors are free to earn as much as they want without triggering a cut in their Social Security benefits. Currently, seniors age 70 or over are exempt from earnings limits, but working seniors aged 65 to 69 must forfeit $1 of Social Security benefits for every $3 they earn above a maximum of $9,720 per year. These penalties are causing financial hardships for tens of thousands of seniors.

They also are forcing many experienced and reliable workers to sit back in their rocking chairs, rather than contributing to our economy. And in today's highly competitive global marketplace, America can no longer afford to let this situation continue. Surveys have shown that if the full economic potential of seniors were unleashed, an estimated 700,000 older Americans would reenter the job market. That would boost our yearly output of goods and services by an estimated $15.4 billion.

Other research from the U.S. Department of Labor indicates that America needs more seniors on the job to offset a growing shortage of skilled workers. The labor shortfall is linked to a rising number of retirees and declines in the ranks of younger workers. By the end of this decade, the number of workers aged 16 to 24 is expected to drop by 1.5 million. At the same time, the number of retirees is expected to rise by 5 million.

In conclusion, this legislation to scale back earnings limits for seniors is an idea whose time has come. Back in the 1930's, Government planners encouraged seniors to retire in order to make room for younger workers. That situation no longer reflects today's reality, and it's time Congress adjusted to the needs of today's seniors and today's job market. If we approve H.R. 967, seniors, workers, and the economy of the United States will reap the benefits. Finally, Mr. Speaker, I commend Chairman ANDY JACOBS and the members of the Subcommittee on Social Security for holding a hearing tomorrow to consider this crucial issue.

Mr. SAXTON. Mr. Speaker, our society has continued to discriminate against older Americans who merely wish to remain active and involved in the workplace.

The Government's discrimination is in the form of monetary infringement.

Upon earning $9,720, a Social Security beneficiary age 65 to 69 will lose $1 of benefits for every $3 earned. A ludicrous deterrent for America's productive elderly.

I call upon this body, today, to repeal one of the most antiquated laws relating to Social Security—the earnings test.

Contrary to the connotation of the earnings test law, seniors are diligent, hardworking, and valuable additions to our work force.

We must encourage our older American's to pursue employment in areas where their expertise is needed. That's why I have introduced the Seniors Helping Seniors Act.

This legislation will exempt wages earned by seniors working in respite and inhome care services. With trained older Americans aiding neighbors with various activities of daily living, we can keep frail elderly in their homes and keep a productive senior, with needed skills, active in our work force.

Let it be known that tomorrow, May 23, the Ways and Means Subcommittee on Social Security will be holding a hearing on the Social Security earnings test. I challenge my colleagues on this committee to bring this bill forward.

Mr. Speaker, the earnings test law does not make cents. It certainly doesn't make cents for seniors and it doesn't make cents for our Government.

I encourage my colleagues to cosponsor H.R. 2305.

Mr. BALLENGER. Mr. Speaker, I would like to begin by thanking my colleague, Mr. HASTERT, for organizing this special order to recognize the hearing being held tomorrow on the Social Security earnings test. This test is one of the most unfair aspects of our Tax Code, and I am glad to have the opportunity to comment on why I support its repeal.

The earnings test was established in the 1930's as a way to encourage senior citizens to leave the work force. During that period in history, this made sense. The country was in the midst of a depression, and young workers were having trouble entering the job market. In fact, at the time the earnings test was conceived, almost 65 percent of men over age 60 had jobs. By decreasing their Social Security benefits, the earnings test gave these older workers incentive to retire so that young people could enter the job market.

Obviously, the test is working. Today, men over age 60 are healthier, the average life expectancy is greater, but only 32 percent of men over 60 continue to work. However, at the same time, the American labor pool is shrinking. We no longer need to provide seniors with incentives to retire, we need to encourage them to work.

Currently, a worker between the ages of 65 and 70 looses $1 in Social Security benefits for every $3 earned over $9,720. This tax, combined with other Federal taxes gives a worker earning $10,000 a year a marginal tax rate of 56 percent—and this does not include State and local taxes. With a marginal tax rate of 56 percent, what senior citizen would continue to work?

In fact, last year, more than 1 million people had their Social Security checks reduced because of this test, while another million lost benefits entirely. In addition, labor economists estimate that the test deters another 1 million from working fulltime.

In my view, the test is unfair. It is unfair both to senior citizens, who lose needed income, and to America at large because we lose some of our most experienced, talented and dependable workers.

In an effort to correct this injustice, I am a cosponsor of legislation (H.R. 967) which repeals the earnings limitation placed on senior citizens. Repeal of the legislation would allow us to beef up our shrinking labor pool with experienced and dependable workers, remove the unfair tax burden placed on seniors, and empower seniors with the opportunity to earn their own financial security.

I would urge my colleagues to join me in cosponsoring legislation to repeal the earnings test.

Mr. LIVINGSTON. Mr. Speaker, one of the most—maybe even the most—important challenges America faces in the 21st century is whether we can strengthen our economic competitiveness. The world is a changing place. The near-doubling of our international trade since 1982, the computer revolution, the dramatic rise in our service industries—all these trends have dramatically transformed our Nation in the last 10 years.

No longer can we rely on the jobs in our traditional manufacturing base. Those are, it is true, leaving our shores. However, whole new industries—with stunning potential for long-term growth—are springing up in their wake. These industries do not rely on physical labor or huge manufacturing plants.

No, Mr. Speaker, they rely on something far more important: Knowledge. As a recent cover story in Fortune put it, "Brainpower has always been an essential asset. . . . But it has never before been so important for business." I also commend to every Member's attention the recent encyclical from Pope John Paul II, who wrote of a new type of ownership, "the possession of know-how, technology and skill."

As never before, American prosperity will depend on information and intellect. That is why government at all levels must do everything possible to encourage those with the most to give to remain at work.

Unfortunately, there is a large obstacle in our way: the Social Security earnings test. With this test, we are not only not encouraging these older workers aged 65 to 69 to remain productive, we are actively, deliberately discouraging them. Our older workers have decades of experience under their belts—they possess knowledge that can be brought to bear on the severe problems America's economy must overcome if the 21st century is to be the "American Century."

The Older Americans' Freedom To Work Act is important to keeping them in the work force. This act makes good sense economically and morally. Our seniors have so much to give America that we should encourage them at every turn.

Mr. Speaker, rarely is there so clear cut a case of good economics, good social policy and good moral policy. This is a win-win situation for our elderly. If they work until they are 69, they can keep all their income as well as their Social Security. If they retire, they will still receive full benefits.

I urge those Members who have not already joined us as cosponsors to do so. Likewise, I urge adoption and enactment of this bill before we adjourn for the year.

Mr. SWETT. Mr. Speaker, I rise today in support of the Older American's Freedom To Work Act of 1991. As my distinguished colleagues all know, the purpose of this act is to amend title II of the Social Security Act to eliminate the earnings test for individuals who have reached retirement age.

Currently the earnings test, or retirement test, applies to citizens under the age of 70 who are eligible to receive Social Security benefits under this law, those individuals who may receive benefits but who continue to work, either through necessity or choice, are deprived of Social Security benefits if their earnings exceed a set limit.

Today, an individual at retirement age may receive other pensions and unearned income from certain trust funds, dividends and interest from investments and income from rental properties, and yet that person still may receive Social Security benefits. But what about those individuals who do not have these sources of income to look forward to and must continue to work? They, too, have paid their fair share into the system and deserve to enjoy the benefits at retirement age.

Are we going to permit this injustice? A widow of retirement age in Concord, with no other pension and few investments, who must continue working to make ends meet, will lose her Social Security benefits, because she exceeds the income limits of the current law. A retired couple in Nashua will lose their benefits when they attempt to open a "Mom and Pop" grocery store and their meager profits put them over the earnings limit. Meanwhile, on the other side of town, those retirees who receive interest on their stocks and bonds and income from their rental properties will not lose any retirement benefits, because their profits are categorized as unearned. This is simply not fair. All of these retirees have contributed to Social Security and they deserve the benefits they have earned.

I speak for many of my constituents when I urge my colleagues to support passage of this important piece of legislation.

Mr. EMERSON. Mr. Speaker, I would first like to take this opportunity to thank my colleagues, Representative HASTERT and Representative RHODES for initiating this special order in support of our senior citizens. I rise today in support of H.R. 967, a bill which would amend title II of the Social Security Act to eliminate the earnings test for those individuals who are of retirement age.

This May as we celebrate "Older Americans Month" I think it is appropriate that we work to bring new light to the problems that senior citizens face, that we remember the Government's commitment to them, that we make every effort to honor the past and present contributions that they have made, and that we let them know that we greatly appreciate the many years they have devoted to the betterment of this Nation—whether it was through their volunteer work, their business contributions, their educational offerings, or their commitment to family.

I have often said that our older Americans are like a living library—experienced in life because they have worked, lived, and learned. They have attempted, succeeded, and yes, sometimes failed, and in the process—the often painful process—they have gained an understanding and a deep knowledge that all of us, young or old, can and should utilize as valuable lessons. Unfortunately, too often we do not take advantage of this great national resource as we should. I truly believe that we are allowing ourselves to be deprived of the advantages of knowing the significance of some hard-learned and valuable lessons.

I think that employers are gradually beginning to discover what many of us have been

saying for years—older workers can make invaluable contributions to the work force and to their communities. We have been successful in convincing employers to employ older workers, but how do we convince older workers to remain a part of the work force when our Government imposes a penalty on those who do?

The burdensome Social Security earnings limitation hinders our older Americans from making contributions to the American work force. Under this rule, working senior citizens between the ages of 65 and 69 lose $1 in Social Security benefits for every $3 earned over the $9,720 limit. Those under the age 65 will lose $1 for every 2 earned over $7,080. If the earnings limit were repealed, the Federal Government would stand to receive increased revenue in new work-related taxes.

Of all the special taxes the Federal Government imposes on senior citizens, this is the most counterproductive. Certainly, no American should be discouraged from working as long as he or she wants to and is physically able to work. It is simply not fair and that is why I am in favor of repealing the earnings test by standing with 241 of my colleagues in support of H.R. 967.

If the earnings limit is not repealed, the Federal Government will continue to be suggesting to our senior citizens that their services and abilities are no longer wanted or needed. I believe it would be a real shame to continue to allow such a valuable resource—the talent, wisdom, and experience of our older Americans—to go unused.

Mrs. VUCANOVICH. Mr. Speaker, I wonder how the American people would react were we to tell them today that for every $2 they earn, they must pay $1 in taxes. Quite alarming, isn't it? I don't think many of us would remain in office for very long. Well, this is exactly what we're telling our senior citizens who choose to work beyond retirement age. Seniors age 62 to 64 who earn above $7,080 per year, lose $1 in benefits for every $2 they earn over the limit. Those aged 65 to 69 who earn above $9,720 per year lose $1 in benefits for every $3 they earn over that limit. No American should be discouraged from working. Unfortunately, one demographic group in our society is severely penalized for attempting to be financially independent. The continued application of the Social Security earnings test, a depression era relic that penalizes senior citizens who work after they retire, is the catalyst for this discrimination. By forcing seniors to forfeit one-third of their Social Security benefits after they earn more than a ridiculously low amount, the earnings test tells the elderly we no longer value their expertise and experience.

Seniors are one of our Nation's greatest resources. They provide leadership, knowledge, and assistance to younger Americans. I feel that we should utilize their strength, wisdom, and experience as long as they are willing to actively participate in the work force. It would be nice to think that all people can retire at 65 and live comfortably on their retirement benefits, but that simply is not the case. Many of today's seniors can no longer survive on Social Security alone.

We must end now the restrictions placed on the amount a person receiving Social Security can earn without forcing that individual to forfeit some benefits. It is my hope that opponents of this legislation will reconsider their stand and think of those older Americans whose dreams are crumbling because they cannot exist on what they receive from Social Security. It is unfair that Social Security recipients can receive unlimited amounts from dividends and interest without being penalized, but those who earn wages have to give up some benefits.

Mr. Speaker, I would like to share with you excerpts from the numerous letters I receive from constituents who are struggling because of this unfair policy. One of my constitutents stated the following in reply to statements that removing the limit on Social Security would only benefit the upper 10 percent:

> If we were in the upper 10 percent we would not have to work.

She further stated:

> When you have a job, you cannot tell your employer, "I cannot work anymore this year." You would not have the job long. However, if you go over the amount you must return to Social Security, one-half of the gross if you are under 65 and one-third of the gross if you are over 65, you are still required to pay the income tax and Social Security tax on the money given to Social Security. * * * Now as seniors, we do not earn enough to live on our wages only. Nor can Social Security be your only support.

This constituent's final plea was—

> All we want is to be able to help ourselves. We are not asking for any more Social Security money so that we can live without working, just that we be able to work and pay tax and keep the net.

The earnings test is forcing these valuable citizens to retire when they prefer to keep working, need the money, and can effectively contribute to society. It is my opinion that if an individual is able and willing to work, there should be no hindrance. It is particularly offensive to me that the Government is the one blocking the opportunity.

In conclusion, Mr. Speaker, I would like to share one tragic example of that this discriminatory legislation has done to one of my constituents in Carson City, NV. We will call him "Jim."

Jim is a 66-year-old saleman of manufactured homes who made $14,955.95 in 1990 and must pay back $1,865.31. Jim and his wife—we'll call her "Jane"—have a combined Social Security income of $921.00 per month. According to one person's calculations, Jim and Jane will both lose 2-plus months worth of benefits.

Jim's wife, Jane, was paralyzed in a car accident several years ago. She is frequently in and out of the hospital and needs constant custodial care, some of which is provided through local aging programs. However, Jim still has to pay for her care on Saturdays and Sundays and for additional hours in the evening when he must work late. He also pays for hospital bedside equipment, new mattresses about every 6 months, and has recently purchased a lift chair.

Jim has a heart condition resulting from a heart attack he suffered in 1988. His heart medication is costing approximately $100 per month. As if this weren't enough, the constant stress associated with years of caregiving for his wife has caused Jim's doctor to refer him to a therapist for symptoms of depression.

Jim has no Medigap insurance coverage and must pay the Medicare 20-percent copayment himself on all these expenses. Jim's medical expenses for 1990 totaled $4,336.12, he was able to claim only $3,202.30 of this amount on his 1990 taxes.

His accountant said:

> His medical expenses are likely to go up and up and up since his wife's condition is deteriorating. * * * It's amazing that he can get up, get so nicely dressed and put a smile on his face every day!

Mr. Speaker, there are many more stories very similar to this one. We must allow our senior citizens the dignity of continuing to work after retirement if they so desire so that they can continue to be self-sufficient. The time is now to repeal the Social Security earnings limitation.

Mr. SPENCE. Mr. Speaker, I strongly support a repeal of the earnings test on Social Security benefits for those individuals who have reached the mandatory retirement age of 65. It is unfair for older Americans who want and need to work to be penalized so severely for earning incomes above $7,080.

We are not talking about a windfall for wealthy Americans. The thrust of this legislation is to correct a flaw in present Social Security law. In the spirit of free enterprise the advocates of this legislation are saying that the time has come to loosen the fiscal restraints imposed upon older Americans. The time has also come to tell those who have worked all of their lives to provide for their families and their communities that the incentive will be there to accomplish these goals. They are individuals who have valuable skills and vast experience from which our society can benefit in addition to a need to supplement their Social Security check so that they can spend the remainder of their lives in the comfort that they deserve. These seniors, who range from 62 to 70 years old, find themselves in a serious dilemma brought on by a system which cannot provide for them all of their financial needs but also will not allow them to supplement their income to meet them.

Mr. Speaker, it is indeed ironic that America continues to rest on a relatively untapped labor resource of senior citizens who are ready, willing and able and need to work but who are restrained and discouraged by an effective marginal tax rate of over 50 percent for any earnings over $10,000. That's twice the tax rate for millionaires. I feel it is not only unfair to our senior citizens but also to our economy to erect such barriers to people who want to work. As if the benefit to older Americans were not enough, studies have shown that the increase in the annual output of goods and services and boost to business would more than justify the change in this policy.

In the years ahead, America will need more working older Americans to fill the gap as fewer young people seek employment. For now, our senior citizens need to have the opportunity to seek employment and to improve their lives. They have given so much and deserve the full benefit of their Social Security. A repeal of the earnings benefit for Social Security would give these individuals the choice they need.

Mr. HAMMERSCHMIDT. Mr. Speaker, I am pleased to join my colleagues in expressing my support for H.R. 967, the Older Americans' Freedom To Work Act of 1991. I would also like to commend the members of the Ways and Means Subcommittee on Social Security for scheduling a hearing tomorrow morning on the Social Security earnings test. I anticipate that the individuals testifying before the subcommittee will voice similar concerns to those expressed by older Americans from the Third District of Arkansas.

Senior citizens often find it both necessary and desirable to continue to participate in the work force. The rising costs of health care make it especially necessary for many seniors to supplement their fixed incomes. By utilizing their vast experience and expertise, these individuals are able to remain financially independent by seeking gainful employment. Not only are the older workers and their families relieved of some financial pressure, but the communities in which they reside also benefit from the valuable contributions these senior citizens can make to their work forces and economies.

By placing a ceiling on the amount of income seniors are allowed to earn, individuals who are dependent on Social Security are effectively limited in their options to supplement their incomes. Under the Social Security earnings limit, seniors between the ages of 65 and 70 lose $1 in benefits for every $3 they earn over the earnings limit. This limitation discourages many older persons from working to remain self-sufficient. As a result both families and the Federal Government must bear greater responsibility in providing older Americans with necessary care and assistance.

H.R. 967 would eliminate the Social Security earnings limit for people who reach the normal retirement age of 65. Having contributed to a fund to guarantee income after reaching a certain age, older workers deserve to draw the full benefits to which they are entitled without being penalized for still being willing and able to work. I urge my colleagues to support the Older Americans' Freedom To Work Act, which would allow older Americans to remain active, as well as encourage them to contribute their valuable skills and knowledge to our Nation's work force.

Mr. ROE. Mr. Speaker, we are here today to discuss a significant issue in the 102d Congress, the Older Americans Freedom To Work Act. I would like to take this opportunity to commend my colleagues Congressman DENNIS HASTERT and Congressman JOHN RHODES for their continued efforts on H.R. 967.

Many converging factors are brought into question when discussing the earnings test or retirement test. Primarily, whether workers and retirees will receive the types of health benefits they are counting on to help safeguard their incomes during retirement. The functions of the Social Security Administration [SSA] touch the lives of nearly every American. Every American who works in this country is entitled to benefits from a program which they contribute to their entire working lives. Clearly stated, Social Security is a retirement benefit that has been earned by a lifetime of contributions to the program.

The earnings test, which reduces Social Security benefits for recipients who earn income from work above a certain amount, has changed several times over the past years. Recently, Federal legislation has sought to encourage older workers to remain in the labor force longer. Statistics have shown that two-thirds of the American work force leave their jobs before age 65, and the median retirement age is 61. With projected labor market shortages in a number of professions, the Older Americans Freedom To Work Act seeks to eliminate the barriers which discourage older workers participation and develops incentives for businesses to retain this valuable source of experience.

The Government's role should be in encouraging the hiring, training and retention of older workers. The Congressional Budget Office recognizes the fact that data that would bear on the question of how the earnings test affects retirement and working decisions is lacking. One question that needs to be asked is: How many people would remain in the work force if the earnings test were repealed? I honestly believe that a large number would stay in the work force.

My point is that this test is a severe disincentive for older people to work. The country continually loses valuable experience and skills and older workers suffer a reduction in their standard of living because of this retirement test. As a member of the Select Committee on Aging, I believe with my other colleagues on this committee that this test is inconsistent with other Federal policies and contrary to recommendations that the Select Committee on Aging has received from many of the Nation's gerontologists who believe that the retention of older workers is healthy for the individuals as well as the company.

Economically speaking, this test is complex and costly to administer. Studies have shown that the retirement test is responsible for more than one-half of retirement and survivor program overpayment. Elimination of the test would thus hold down administrative expenses, and beneficiaries would be less confused and less tempted to cheat on reporting their earnings.

My own legislation H.R. 209 amends title II of the Social Security Act to remove the earnings limitation for all beneficiaries. Similar and individual pieces of legislation have been offered and introduced by Congressman ROTH, Congressman STUMP, Congressman ARCHER, Congressman QUILLEN, Congressman LENT, Congressman GAYDOS, Congressman HAMMERSCHMIDT, Congressman SMITH, Congressman ERDREICH, Congressman DARDEN, Congressman CAMPBELL, and Congressman PACKARD. To make a point, essentially we are all setting out to do the same thing for our constituents and that is to make the right to work a freedom for all Americans by removing limitations which have been set by the Social Security earnings test.

Mr. ARCHER. Mr. Speaker, I want to thank our colleagues, the gentlemen from Arizona, JAY RHODES, and from Illinois, DENNIS HASTERT, for arranging this special order.

The effort to abolish the Social Security retirement earnings limitation was launched by former Senator Barry Goldwater. I enlisted in that cause over 20 years ago. Time is running out. However, I am more encouraged than I have felt in some time. First, I'm encouraged by this show of interest in the House and by the Social Security Subcommittee hearing tomorrow. Even more encouraging is the Senate Finance Committee's announced markup of a bill which would include a generous boost in the $9,720 threshold for workers 65 to 69.

Further, the President's budget proposal included a modest increase in that same threshold. I sense that the issue is gaining momentum. Personally, no Social Security issue is more important to me.

Our last victory occurred during the 1983 Social Security amendments. Those amendments included two relevant provisions. The first phases up from 3 to 8 percent the annual delayed retirement credit, or bonus paid to those workers who delay filing until after age 65. The second reduced the earnings penalty for workers over 65 who earn more than the threshold limit from 50 to 33⅓ percent.

Let me explain why I said we are running out of time in this war. The 1991 Trustees Report has just been issued. While the trust funds are in excellent health in the short range, the long-term health of the program is not good.

The disability trust fund will be exhausted by 2015. A reallocation of taxes could postpone the day of reckoning, but the combined OASDI trust funds will be exhausted by 2041. By contrast the 1988 Trustees Report had projected the year 2048.

We are losing ground, primarily, as I understand it, in terms of wages, especially real wage gains, that is the extent to which real wage growth exceeds inflation. Historically, Social Security has been vulnerable on that scorecard.

The current report also projects the continued decline of workers to retirees. Under the II(B) or intermediate assumptions the ratio will reach 1.8 in 2060. Under the pessimistic assumptions it will reach 1.3.

We must take steps now to encourage seniors who wish to continue in the work force. Otherwise, I suggest we might as well save the administrative overhead and simply assign each worker his or her beneficiary to support.

In the context of the trust funds, let me note that my bill, H.R. 2158, the Workers Option Act of 1991, which would abolish the retirement earnings limit for workers who have attained the normal retirement age, produces long-term savings of .03 percent of payroll, or in today's dollars, $750 million a year.

My larger goal, H.R. 249, would repeal the limit for everyone. Ultimately the demographics of the workplace must be acknowledged. Employment opportunities for everyone who wishes to work, including the disabled, must be created.

The Social Security program was engineered during the depression to ease people out of the work force. The time is overdue to reverse that design. We need our workers! The economy needs them, and they can use the added income. Everyone shares this victory.

Mr. WELDON. Mr. Speaker, I rise today in support of H.R. 967, the Older Americans Freedom to Work Act of 1991. I am proud to be an original cosponsor of legislation that would lift the "earnings test" on Social Security beneficiaries who remain in the work force beyond the age of 65. It is essential that we

eliminate the barriers keeping older Americans from remaining productive members of society.

As a result of the 1935 Security Act, Americans between the ages of 65 and 70 years are subject to the Social Security earnings test. According to this law, senior citizens whose earnings exceed $9,720 receive sharp reductions in monthly benefits—a cut of $1 for every $3 earned. Fortunately, any income from investments, dividends and pensions does not trigger Social Security cuts. Therefore those that are between the ages of 65 and 70 years are punished for simply wanting to work.

As it stands now, the earnings test puts great pressure on our elderly to retire at the age of 65. It is unfair to penalize senior citizens who wish to keep working past the normal retirement age. Yet, as a result of the earnings test, elderly Americans are discouraged from being productive and active. In fact, it forces many of our older Americans into retirement.

Through years of work experience, senior citizens have acquired a wealth of knowledge shaped by learning how to do a job correctly and efficiently. In addition, senior citizens can serve as a tremendous educational resource for younger workers. This valuable resource may be lost due to current tax laws that discourage the elderly from employment. The limit does not serve in the best interest of this country.

I was shocked to learn that citizens who wish to remain in the work force are subject to the highest marginal tax rate of any group in America. With a combination of income tax, FICA, and the income tax on Social Security benefits, senior citizens are heavily burdened. In fact, when a senior citizen earns more than earnings limit, he faces an effective marginal tax rate of nearly 56 percent, which is twice the tax rate faced by millionaires. I find this far from fair.

In addition, the Social Security Administration spends more than $200 million per year and uses 8 percent of its employees to review the income levels of its beneficiaries. The Social Security Administration has estimated that 60 percent of all overpayments and 45 percent of underpayments are attributable to the earnings limit. Those that are affected by the limit become entangled in red tape as they attempt to estimate, monitor and report income levels and pay back benefits they have already received.

It is time for Congress to give the Older Americans Freedom To Work Act of 1991 favorable attention. Not only would it give senior citizens a greater incentive to remain in the workplace, but it would also benefit the American taxpayer, as more senior citizens would be earning a paycheck and paying Federal, State, and local taxes.

It is now time for Congress to meet the challenges of our sluggish economy by ensuring that the Social Security System reflects the needs and realities of today.

Mr. MRAZEK. Mr. Speaker, I rise today to lend my strong support to H.R. 967, the Older Americans Freedom To Work Act, legislation to repeal the Social Security earnings test.

The Social Security system was originally enacted to function as retirement insurance by providing supplementary funds for retired individuals who contributed to the system. However, since 1935, there has been a penalty for Social Security recipients who earn more than a specified amount of earned income, the so-called earnings test.

In 1991, the earnings test penalizes seniors between the ages of 65 and 70 who earn more than $9,720 per year by reducing their Social Security benefits by $1 for every $3 earned over that amount. Ironically, seniors can still receive dividends and interest payments without losing benefits, but those who work to make ends meet and to remain financially independent are punished. Clearly, the earnings test is unfair to the many seniors who need the extra income to maintain a reasonable standard of living.

But in addition, it is ludicrous to discourage this Nation's most productive group of workers from entering into the work force. Older Americans bring a special understanding to their jobs and provide this Nation with the unique abilities and insight based on years of experience. As a group, seniors are the most dependable and compassionate workers, and their skills are invaluable to this Nation. Lifting the earnings ceiling would not only help older workers, but it would offer them an incentive to remain in the work force where they are so desperately needed.

I believe that older Americans deserve the independence, the dignity, and the chance to remain in the work force without being penalized; no one should be hindered in his or her attempt to remain economically independent beyond age 65. Good public policy demands that seniors be given incentives and encouragement to contribute their valuable skills and knowledge to the work force. Plain and simple, there should be no economic disadvantage to working beyond the age of 65.

Mr. Speaker, let me close by urging my colleagues in the Ways and Means Committee to report H.R. 967 and bring it to the floor of the House for a vote. Let's end this blatant discrimination and provide an incentive for older Americans to contribute their valuable skills. This Nation needs for older Americans to remain in the work force.

Mr. KYL. Mr. Speaker, I rise today in support of the Older Americans Freedom To Work Act, which will repeal the Social Security earnings test. The earnings test is one of the most counterproductive sections embodied in Federal law. The Government should allow all able-bodied citizens to continue working and contributing to society without penalizing them for their age. And yet, imposing an unfair tax burden on our seniors and forcing them out of the labor market is exactly what our Social Security Program is currently designed to do. Under the present law, Social Security recipients age 65 to 69 lose $1 in benefits for every $3 they earn above $9,720 a year. Those between the ages of 62 and 65 are forced to sacrifice $1 in benefits for every $2 earned above $7,080 a year.

Many of these seniors would like to continue working. Others have to work to supplement their current income. Regardless of the reason, seniors should not have their Social Security benefits slashed because they continue to work.

This harsh tax not only directly hurts seniors, but also takes its toll on the American economy as well. Seniors can contribute a valuable lifetime of business experience and expertise to a work force where well-trained individuals are in short supply. We should be learning from their acquired knowledge rather than penalizing them for sharing it. In economic terms, the earnings test cramps the size and quality of our labor force. It has been estimated that an additional 700,000 seniors would enter the work force if the earnings test was removed. By enabling these seniors to return to the work force without penalty, their earnings would increase and so would their purchasing power.

In any case, seniors would be paying income and payroll taxes on their earnings just as others in the labor force. Seniors should not be subjected to additional deductions simply because they are more than 62 years old. As it now stands, Government policy coerces them into retirement. This law is not fair. We must pass the Older Americans Freedom To Work Act immediately and eliminate the inherently discriminatory Social Security earnings test once and for all.

Mr. FISH. Mr. Speaker, I rise today to speak in support of the Older Americans Freedom To Work Act, H.R. 967. This legislation seeks to restore dignity and independence to senior Americans by repealing the Social Security earnings test.

This provision penalizes retirees under 70 who work by reducing their Social Security benefits if they earn over $9,720 a year. In many cases, able-minded retirees do not work because they cannot afford to lose $1 in benefits for every $3 earned per year.

Frankly, I do not understand why anyone would want to maintain this provision. In the complex and complicated world we live in, we can not afford any sector of our population to be unproductive. American seniors embody an incredible wealth of knowledge and skill and definitely are contributing members of the work force. Beyond that, the elderly are entitled to improve their financial situation.

I believe that it is an affront to our seniors that they are discouraged from working and being active, participating members of our society. Therefore, I urge the repeal of the Social Security earnings test.

Mr. DE LUGO. Mr. Speaker, I rise to speak in support of H.R. 967, to repeal the earnings test for senior citizens to participate fully in Social Security benefits.

The population of our country is aging, and increasingly so. And as it ages, the ability of the elderly to continue to be participants in the work force is also increasing. More and more senior citizens not only are able to work when years ago they retired, more and more elderly want to work because it provides them with a number of benefits.

It helps them to feel fit and active, in activities in which they have participated most of their adult lives.

By helping them to keep active, it decreases their dependence upon family and government just to find something to do.

Working helps seniors to earn an income, again reducing their dependence upon others and allowing them to retain their independence and their dignity.

Their participation as workers in the economy not only generates needed tax dollars, it keeps them from being tax consumers.

Being a continued part of the work force also gives the Nation the benefit of the years of experience in the work place. It allows them to work side by side with others of perhaps lesser experience, to provide them with an apprenticeship experience they would not have had otherwise. We need to pass on America's expertise.

But when seniors, particularly those of limited incomes, find that their Social Security benefits are being reduced when they work, it is a deflating experience. It means that the more they work, the less they will receive from the fund into which they have paid all their working lives.

This is precisely the problem we create for many recipients of welfare and recipients of housing subsidies. We provide them with the means to sustain themselves, but we strip them of the means to improve. The more they earn, the less they receive in assistance. This, then, eliminates the ability and the incentive to shed their assistance. But even worse, it removes the means to improve themselves, because every step forward is truly a step back. We should not let Social Security do this to Americans.

Those who believe there should be earnings testing argue that Social Security was not meant to be an annuity for the elderly, but rather a safety net for those who cannot support themselves. They argue that by paying everyone who retires in America will bankrupt the Social Security system.

Certainly we must remain very aware that the system must remain solvent, that payments into the system must sustain the payments out of the system.

Yet, we must also recognize that many millions of Americans must earn supplemental income in addition to Social Security if they are to live at or near the lifestyles to which they were accustomed in their working years. To penalize those who do not have investments in securities, but have the ability to work, and want to work, is counterproductive to them and to our Nation.

Mr. Speaker, I support H.R. 967, and I ask that my colleagues join me in supporting it.

Mr. FRANKS of Connecticut. Mr. Speaker, this year the Congress can act decisively to free our senior citizens from the restraints of regulations which fly in the face of what makes our country great—the ability to work.

Mr. Speaker, I am proud to be a cosponsor of House Resolution 967, the Older Americans Freedom to Work Act of 1991, which will right this wrong and put our senior citizens on equal and fair footing in the employment market.

Representative HASTERT should be commended for authorizing this bill and for providing the leadership which has led to over 200 cosponsors.

Federal guidelines now inhibit or punish thousands of senior citizens from earning more than $9,720 a year before their wages are, in effect, taxed at higher rates than the salaries of corporate executives. Seniors who exceed this unfair threshold surrender a dollars' worth of benefits for every $3 they earn.

While Social Security benefits often provide the only income for many elderly Americans, the program was designed to be supplemental income. That means seniors have to rely on other economic resources, such as a pension, dividends and interest and regular salary income.

One senior advocate has told me she will be losing a secretary because it is no longer worth her while to work and pay $1 in taxes for every $3 earned.

Mr. Speaker, the senior citizens of this country, aged 65 to 69, have built this country into a true superpower. Why do we maintain this wall of denying benefits until they turn 70?

Seniors know how to work. They bring to the work force a tremendous amount of skill and solid work habits. Yet, we say, "that's nice that you work, but fork it over."

Some have said eliminating the cap will hurt overall tax revenues. I believe this action would benefit seniors and the entire Nation.

Why? It is fair and just. Second, it will allow seniors in this age group to have more money to spend, save, pay for medical and nutritional needs, and improve their way of life. This added income partially relieves the financial burden on society, but it adds immeasurably to the physical and mental well-being of our seniors.

This law would be fair because two-thirds of those who would benefit are seniors who earn incomes of $40,000 or less. These are average, hard-working Americans who merely want to live their lives with dignity and at a decent level of prosperity.

In addition, seniors won't be limited to $5 an hour jobs at convenience stores or fast food outlets. Time and time again, seniors have shown the aptitude and drive to learn new skills through public and private training programs.

A recent study by the Commonwealth Fund, a private foundation in New York, concluded that 6 million unemployed workers 55 years of age and older are eager and capable of returning to work. Many of them would fit into the discriminated age group which, now, is being cheated out of its earned benefits by being a positive and productive force in our economy.

Mr. Speaker, by passing H.R. 967, the Congress will be righting a wrong while making a sound investment in the future of our economy and country.

Mr. LAGOMARSINO. Mr. Speaker, it is high time that hearings will be held on the Social Security retirement test tomorrow morning in the Social Security Subcommittee. As we all know, under this test Social Security benefits are withheld at a rate of $1 for every $3 over the earnings limit. The earnings limit is adjusted over time and now stands at $9,720 for beneficiaries over 65 and $7,080 for beneficiaries aged 62 to 64. In effect, this is the equivalent of a 56-percent tax rate—the highest tax rate paid by any group in the Nation. That's a high price to pay for merely wanting to work.

The earnings limitation test is unjust. It treats Social Security benefits less like a pension and more like welfare. It represents a Social Security bias in favor of unearned income over earned income. It is effectively a mandatory retirement mechanism our country no longer accepts or needs. It precludes greater flexibility for the elderly to meet changing needs through earnings. It is misunderstood, complex, and a tremendous burden to the elderly worker. It also prevents America's full use of eager, experienced, and educated elderly workers. Finally, it deprives the U.S. economy of the additional income tax which would be generated by the elderly workers. It is a bad law.

In fact, in 1977 I voted for an amendment to the Social Security Financing Act which would have raised the ceiling on the earnings limitation of Social Security recipients over age 65 incrementally throughout a 4-year period and then lift it entirely in the fifth year. The amendment passed by a vote of 268 to 149 displaying strong support for the idea. Unfortunately, then-President Carter threatened to veto the legislation if it included the amendment and it was removed.

When the earnings test was first initiated in the 1930's, the rationale was to open up jobs for younger workers. If one looks at the ramifications of a declining elderly working population, it becomes very clear that we are increasing entitlement spending while at the same time we are beginning to experience worker shortages in many regions of the United States. This is not good for the economy, nor for the seniors who are prohibited from working. Instead, everyone could benefit by allowing seniors to work. We have at our disposal a large pool of experienced and talented individuals who could offset our growing worker shortage. More importantly, however, they would be contributing to our economy through the taxes paid and by making our country more productive.

I applaud my colleagues Congressman J. DENNIS HASTERT and Congressman JOHN J. RHODES III, in leading this fight to gain economic equality for those elderly workers who either want to work or must work in order to maintain a decent lifestyle. I am proud to be an original cosponsor of this legislation which would repeal the Social Security earnings test for those aged 65 to 69. I have long been a proponent of repealing this antiquated provision and shall continue to support such measures until this law is changed.

Mr. CRANE. Mr. Speaker, as a cosponsor of Mr. HASTERT's legislation to eliminate the earnings test, and a supporter of all legislation that would eliminate or ease the Social Security earnings test, I commend Mr. HASTERT for having this special order. I also commend my friend Mr. JACOBS, chairman of the Ways and Means Subcommittee on Social Security, for holding hearings on this very important issue.

Many of those opposed to this legislation base their position upon a faulty assumption that elimination of the earnings test will decrease revenue to the Treasury. The Congressional Budget Office [CBO] puts a $3.6 billion price tag on the Hastert legislation. A student of the most fundamental economics course is not so ignorant as to believe that the elimination of a tax, no matter what tax, will not provide some sort of economic stimulus. In fact, a static analysis such as that provided by CBO is worthless in determining not only the revenue effect, but also the overall economic and societal value of eliminating the earnings test. Though some of the factors taken into

account are immeasurable, one dynamic analysis scores the elimination of the earnings limit as a $140 million revenue increase.

However, regardless of the revenue inpact the greatest policy consideration concerns whether Congress should continue the practice of hindering the productivity of senior citizens by discouraging them from continuing to work. Americans are living increasingly longer lives and yet Congress is sending the message that life's economic and social value is eliminated when one begins accepting Social Security benefits. It is a contradiction in terms, yet not unlike Congress, to invest in programs that prolong the lives of our citizens, like cancer and AIDS research, while at the same time stating through policy that even though one accepts Social Security benefits and is interested in contributing to the economy and society, it is pointless because senior citizens are not worthy of that role in our country.

It is high time for Congress to admit its past mistakes. Though it is popular practice, it is not right nor is it sound economic policy to target certain groups of individuals to make up for the lack of fiscal responsibility of our Nation's governing body. The American people realize this and are asking for fairness. Congress should respond by eliminating the Social Security earnings limit.

THE OLDER AMERICAN FREEDOM TO WORK ACT

The SPEAKER pro tempore (Mr. RAY). Under a previous order of the House, the gentleman from Arizona [Mr. RHODES] is recognized for 60 minutes.

Mr. RHODES. Mr. Speaker, this is special order hour No. 2 on the same subject. I do not want anyone to think it is just the next team coming in.

Mr. Speaker, I want to add to the words of compliment and praise for our friend, the gentleman from Illinois [Mr. HASTERT]. It is true that DENNY and I are theoretically the original cosponsors of this project, but I would be remiss if I said that I have worked equally as hard as he has. That is not true. The gentleman from Illinois has really borne a great deal of the weight of this effort over literally almost 3 years, and so I want to join with all of our friends in thanking him and congratulating him for getting us to this point.

For some additional comments I am very pleased to recognize our colleague, the gentleman from Georgia [Mr. JONES].

Mr. JONES of Georgia. Mr. Speaker, I thank my distinguished colleague, the gentleman from Arizona [Mr. RHODES], for allowing me to have the opportunity to comment this evening about our work, and I would like to also commend my colleague, the gentleman from Illinois [Mr. HASTERT], for the hard work that he has put in on this issue.

Mr. Speaker, I rise in strong support of H.R. 967, the Older American Freedom To Work Act. My colleague from California said he would like to see it called the Chronologically Gifted Act, I think, and, as one who is going to be 50 this year myself and eligible to join AARP now, I suppose I am becoming more and more chronologically gifted.

However, Mr. Speaker, I kind of like it the way it is, the Freedom To Work Act, because I think it expresses something about a basic freedom. It is not just a freedom in our country to work. It is a responsibility, a duty, and, I think, an instinct of Americans. We love to work. That is what has made this country great, and the fact that this bill already has 242 cosponsors, I think, is a reflection of the support it has, not just in the Congress, but throughout the country.

It is time to repeal the earnings tax, for it is outdated, it is antiquated, it is anachronistic. It is discriminatory, and it is partently unfair, and, as one particularly active senior citizen said to me, it is just plain un-American.

Mr. Speaker, we all know what it does. For people between the ages of 65 and 69 the earnings test tax reduces their Social Security benefits by $1 for every $3 that they earn over $9,720. So, that translates into a 56-percent marginal tax rate for a senior citizen who earns his $10,000 a year.

Now our top tax rate in this country is supported to be 28 percent on a millionaire, so it is twice what the top wage earners in this country pay.

Now we all know, too, that this earnings test originated in the 1930's, almost 60 years ago when it was instituted as a way of encouraging seniors, encouraging seniors to retire and leave the work force, and there was some rationale for it at that time. But the reality has changed, and we would be remiss if we did not address that reality and deal with it, and I compliment the gentlemen on doing that.

The U.S. Labor Department has, in fact, warned of a shortage in young workers by the end of this decade. Therefore, that historical rationale for removing seniors from the work force in order to make room for younger workers is no longer applicable.

Mr. Speaker, this test only served to discourage seniors from working by reducing a significant part of every additional dollar which they can earn. It is nothing more than an added tax, and it also represents a form of economic discrimination upon our seniors who desire to work, or in many cases have to work, after reaching the age of retirement.

Now some folks claim that repealing this would generate a bigger Federal deficit due to the increase in our Social Security payments, but it just "ain't" so. It would not increase the Federal deficit. Studies have shown that the current earnings limits could be doubled, tripled, or even quadrupled, and the Federal Government would receive considerably more in new work related tax revenues than it would lose in increased Social Security payments.

Mr. Speaker, eliminating the earnings test would mean that at least 700,000 seniors with work experience, with skills, would enter the labor market, and, as a result, our annual output of goods and services would increase by at least $15.4 billion.

Earlier in the previous hour my distinguished colleague, the gentleman from Georgia [Mr. DARDEN], commented on the experience of a company from Georgia based in my district, Days Inn of America. A few years ago, in 1985, the Days Inn reservation centers in Atlanta and Knoxville suffered from a 100-percent turnover rate and a 30-percent absentee rate. Days Inn former President Mark Levin solved this dilemma by recruiting and hiring senior citizens, and now, with senior citizens holding down a third of the reservation jobs, the turnover rate is down to 25 percent, and the absentee rate is down to 3 percent. The current president of Days Inn, John Snodgrass, says that corporate America is walking past an unbelievable resource of talent, reliable, trained, and educated. I do not think anyone has said it better, and Days Inn, and other employers like them, their success in hiring seniors underscores the unreasonableness and the economic unfairness of the earnings test.

□ 2000

I thank the gentleman for these special orders and I thank the gentleman for his leadership on this issue and wish him well. I know we will do well in the subcommittee hearings tomorrow. I hope this thing sweeps through the subcommittee, passes the committee, comes to the floor, where I am sure it will be overwhelmingly passed and it should become the law of the land. Let us take this unfair, this unreasonable tax burden off of our creative, our vital, and our active senior citizens and give them, as the gentleman says, the freedom, that basic freedom to work.

Mr. RHODES. Mr. Speaker, I thank the gentleman from Georgia for his participation here tonight. It is true that this initiative started off as a Republican initiative, but it has long since ceased to be so. It has long since become a bipartisan, nonpartisan initiative, because the issue is nonpartisan. The people it affects are across the board in this country, Republicans, Democrats, Independents.

As a matter of fact, while I am thinking of it, the gentleman in the Chair, the gentleman from Georgia [Mr. RAY], who is not in a position to speak for himself because of the position he is in this evening, he is a cosponsor of this legislation. We appreciate his help very much.

Mr. HASTERT. Mr. Speaker, will the gentleman yield?

Mr. RHODES. Mr. Speaker, I yield to the gentleman from Illinois [Mr. HASTERT].

Mr. HASTERT. Mr. Speaker, I want to again applaud the gentleman from Georgia. He made a very, very cogent point. By the end of this decade, by the year 2000, there will be 1.5 million, a million and a half fewer members of the work force that we take for granted between the ages of 16 and 25. Instead, we are going to have a lot more people in the work force that are over the age of 65.

Here we are with an antiquated taxing system that taxes those people, that keeps them out of the work force, that keeps them nonproductive.

The gentleman's comments, I just want to say, are right on point. We need to change the Tax Code. We need to change the earnings test on Social Security and let those people be productive and let America be productive.

Mr. JONES of Georgia. Mr. Speaker, will the gentleman yield?

Mr. RHODES. Mr. Speaker, I yield to the gentleman from Georgia [Mr. JONES].

Mr. JONES of Georgia. Mr. Speaker, I would like to respond. You cannot have 242 cosponsors in the House of Representatives without it being a bipartisan bill. I am a Democrat who is also willing to listen, and occasionally willing to concede that some good ideas come from both sides of the aisle. This is a particularly good one because our seniors are not Democrats, Republicans. This is not a partisan problem. This is an American problem.

It has long passed the time for a solution. This makes good sense. It is morally correct, and it makes economic sense. Once again, I congratulate the gentleman for his leadership on it.

Mr. RHODES. Mr. Speaker, I thank the gentleman from Georgia [Mr. JONES] for his kind words. I thank him for recognizing that if this House were a fountain of wisdom, which it usually is not, at least the wisdom is evenly distributed on both sides. I thank the gentleman for being with us.

Mr. Speaker, I yield to the gentleman from Maryland [Mr. GILCHREST].

Mr. GILCHREST. Mr. Speaker, I thank the gentleman for yielding. I would like to say that the words that are being spoken here today are words that should be listened to, because I wonder at which point in the stage of a person's life that they lose their equal rights, at which stage in a person's life do they lose the idea that they no longer have dreams that they can achieve. At which stage in a person's life do they cease to seek goals?

This is a bill that is going to envelop all Americans, especially seniors, that we all have a sense of self-worth. And one way to have that equality is to be independent.

We are founded on the belief that we are all equal. We are all free. We all have a right to strive and achieve. The thing that gives us that ability is freedom, and the thing that gives us the ability to have freedom is our right to work, our right to earn, to feel that we have some worthiness. And we need to not only vote on this bill, but we need the House of Representatives to have a unanimous vote on this bill.

Mr. Speaker, I rise in support of H.R. 967, and commend my colleagues, Mr. HASTERT, and Mr. RHODES, for their leadership in calling for this special order to call attention to a situation that seems to me to contradict every ideal and good intention of our Nation's long and great history with free enterprise. As you know, Mr. Speaker, I am referring to the Social Security earnings limitation for senior citizens under the age of 70. Workers age 70 and older have no restrictions on their earnings, and I believe we must extend this to all senior citizens. This policy is outdated and must be changed so seniors can meet their high cost of living and maintain financial independence.

Under current law, retired senior citizens under age 70, who receive Social Security benefits and must work to make ends meet, are faced with serious restrictions on earnings. For example, workers between the ages of 65 and 69 can earn only $9,730 before having to forfeit $1 in Social Security benefits for every $3 earned. While this policy may have worked well to meet the needs of the economy in the past, I believe that, during our economically shaky times, this policy no longer meets the needs of the economy, nor the needs of senior citizens.

Our current generation of senior citizens have lived through many trying times: the Great Depression, World War II, the Korean conflict, the Vietnam war, and now the Persian Gulf war. This is a generation that built our country and made it safe and strong. This is a generation that values hard work and personal independence. In this time of rising health care expenditures and cost of living, shall we nickel and dime our seniors into poverty? In this day of redtape and layers of Government bureaucracy, shall we continue to stifle our seniors' will to work and drive to prosper? No. The time has come to repeal the earnings limit.

According to the U.S. Department of Labor, in 1986, 48 percent of men and 68 percent of women were working part-time. The Department of Labor reported in January 1989 that 61 percent of workers age 63 and older were working because they "need the money." At the same time, the Department of Labor warns of shortages in the labor market. There is a tremendous need for skilled, dependable workers, and as the employment programs of organizations such as Days Inn and the Travelers show, older workers are a tremendous resource that needs to be tapped. As we struggle to meet worker shortages in health care, education, and child care, we must do all we can to encourage and support older workers.

Furthermore, I disagree with those who argue that repealing the limitation will result in Government revenue deficits economy. Instead, I support the findings of the Institution for Policy Innovation and the National Center for Policy Analysis, which reported that under even conservative estimates with the repeal of the earnings limit, at least 700,000 elderly retirees would enter the labor market, increasing our gross national product by $15.4 billion.

Another issue is equity between those who work and those who do not. Other forms of income do not disqualify our Social Security benefits. Why should retired senior citizens who receive unearned income, like that from interest or dividends, in excess of the current earnings test not have any limit on their Social Security benefits? Why do we continue, in essence, to penalize the middle-income and hard-working senior citizen?

Over and over we have heard from our constituents that the earnings test discourages them from fully participating in the work force. No earnings limitation exists for those aged 70 and over. Repealing the Social Security earnings test is one more way to abolish cumbersome Government regulations that dishearten many of our older workers. Repeal is good for seniors, it is good for employers, and, I believe, it will be good for the economy in the long run. Repeal is consistent with our long-standing American tradition of hard work and independence. I encourage all my colleagues to support this measure.

I hope that it will go through the subcommittee, it will go through the committee, and perhaps, this would be something extraordinary, we could bring it to the House and we would have a unanimous vote on this particular bill.

Mr. Speaker, I thank the gentleman from Arizona [Mr. RHODES] and the gentleman from Illinois [Mr. HASTERT]. Once again, I commend them for their leadership and their hard work.

Mr. RHODES. Mr. Speaker, I appreciate the gentleman from Maryland [Mr. GILCHREST] being here with us.

Mr. Speaker, I yield to the gentleman from California [Mr. ROHRABACHER].

Mr. ROHRABACHER. Mr. Speaker, in the near future, when the Social Security earnings limitation is finally repealed and elderly Americans are permitted to keep the fruits of their labor, they will have Congressman HASTERT and Congressman RHODES to thank. I think that it behooves me tonight to give personal thanks to these two Congressmen who have shown such tremendous leadership on this issue. I know that every senior citizen in America will benefit from the hard work and the diligence that both of

them have shown, because if this happens, if we extend these rights and we protect the rights of our elderly Americans, it will be because of their hard work.

No progress in Washington, DC, happens without hard work. These two gentlemen deserve a round of applause from all over the United States of America.

I do hope, however, after saying that, that we are able to actually deal with this issue and pass this reform and do this before the seniors of this country again feel compelled to attack the limousine of the chairman of the Ways and Means Committee.

□ 2010

It seems there are some people in this Hall, it is very hard to get their attention, unless you are willing to pound on their chair. But we have got two gentlemen with us tonight who have been diligently working, and I might say not trying to gain all sorts of publicity for themselves, but trying to do something for some very worthy citizens in our country who are not being dealt with fairly today.

Mr. Speaker, the Social Security earnings limitation must be retired. It represents nothing more or nothing less than age discrimination, discrimination against what one of our colleagues claimed tonight is the chronologically gifted. I will say that that probably is one of the more unique descriptions that I have heard. But we cannot put up with any type of discrimination, and we cannot put up with age discrimination against our chronologically gifted Americans.

Under current law, senior citizens between the ages of 65 and 70 who earn more than $9,720 a year are slapped with a 33-percent penalty. They are suddenly taxed $1 for every $3 they earn over the limit.

Quite simply, that means that a senior who earns a paltry $10,000 a year must pay a 56-percent marginal tax rate. To put that in perspective, that rate is twice as high as that which is paid by Donald Trump.

Well, something is wrong here when we are taxing our senior citizens, who are not wealthy people, many of whom are working because they have to, taxing them at a rate that is higher than the rate that Donald Trump has to pay for his money. Something is wrong, and we need to reform the system.

Opponents of our efforts claim, of course, that repealing the earnings test would do nothing but help the wealthy. Well, nothing could be further from the truth. Since when does earning $11,000 a year make one rich?

Statistics show that if the test were to be repealed, more than two-thirds of the benefits would be paid by those whose incomes are under $40,000 a year.

Now, the truth is, repealing the earnings limitation would enable elderly Americans to continue to be able to be productive members of our society. Is this not something we should be encouraging?

Every time you put a tax on something, you discourage it. What we should be encouraging is productive behavior from all of our citizens, and we should not be leaving out a large segment of our society.

Others claim that the repeal would cost the Government revenue, especially at this time when we have massive Federal deficits.

Well, again, this is a static interpretation of the statistics. It is a short-sighted view of what we are going to benefit from by seeing that up to 700,000 elderly Americans at that point would be joining the work force, and, thus, expanding the tax base.

The National Center for Policy Analysis projects that repealing the earnings limitation would increase America's annual output of goods and services, and, of course, we have heard this figure tonight, by $15.4 billion annually. That means an increase of almost $5 billion a year in revenue, far more than offsetting the cost of repeal.

Mr. Speaker, as Yogi Berra once put it, "The future just ain't what it used to be."

Well, America's work force is not what it used to be either. We have heard the statistics again from speakers who have been here before this evening. By the year 2000 there will be 1½ million fewer workers between the ages of 16 and 24 years of age. There will be 1.5 million actually fewer entering the work force at that time. At the same time, 5 million older Americans will be retiring. So we will have fewer people entering the work force between the ages of 16 and 24, and have 5 million older Americans retiring.

It is obvious that we need to remove the Government disincentives which prevent older Americans from working, which indeed are forcing some of these 5 million older Americans to retire at a time when they are needed, and actually give them an incentive to do exactly the opposite of what the need of the country is.

Mr. Speaker, elderly Americans are the most productive and responsible members of our work force. The skills and experience of the elderly are America's most underutilized asset. We do not need a Federal law which says to our American citizens, you are 65 years of age. Go home to your rocking chair. You are not needed anymore.

America's senior citizens have so much to contribute to our country. They are needed. They are desperately needed by our country, in so many ways. They are needed in the work force, and to contribute to the well-being of our country in that way, and in many other ways.

Mr. Speaker, let us not force our seniors to retire. Let us not put this great disincentive into the system for them to work. Instead, if we are going to retire anything, let us retire the earnings limitation. Let us pass the Freedom to Work Act.

Mr. RHODES. Mr. Speaker, I thank the gentleman for his support, his comments, his being with us this evening, and his compliments. I think the gentleman from Illinois [Mr. HASTERT] and I do not deserve those comments, but we will certainly accept them. I thank the gentleman for his help.

I would like to now yield and recognize the normally rustic and soft-spoken gentleman from California [Mr. DREIER].

Mr. DREIER of California. Mr. Speaker, I thank my friend from Arizona for yielding. I will argue with him. I think he and the gentleman from Illinois [Mr. HASTERT] are very, very deserving of the compliments that have been made about them this evening.

Clearly retirement, as my friend from Long Beach likes to say, of the earnings penalty, is something we must pursue. I first introduced a measure to move in this direction back in 1985, shortly after this had been passed.

Mr. Speaker, I thought that I was working diligently on it, but my work at that time paled in comparison to the efforts that the gentleman from Illinois [Mr. HASTERT] and the gentleman from Arizona [Mr. RHODES] have put into this. I simply want to say to them, thank you. Thank you on behalf of the chronologically gifted, as my friend from San Diego likes to call them, the senior citizens.

Mr. Speaker, we all represent senior citizens. They have provided us with a great opportunity to work as we are in this capacity, and they provide the opportunity for other families to be as successful as they are. It seems to me that this kind of effort to repeal this ridiculous tax has so much common sense to it, and, as many people have said, that may be the reason it has so little chance of passage in the Congress. But I think we need to work as diligently as we can to ensure that our colleagues join as cosponsors and pass the thing.

Mr. Speaker, I thank the gentleman for yielding, and congratulate both gentlemen again.

Mr. RHODES. Mr. Speaker, I thank the gentleman from California [Mr. DREIER] for his thoughts and participation.

Mr. Speaker, this is very close to the end of the special order that my friend from Illinois and I have engaged in, and engaged the services of many of our colleagues in. I think over the course of the past hour and 20 some minutes, virtually all the arguments in favor of the legislation that we are all supporting have been made, and made very eloquently. I certainly do not intend to repeat them.

Mr. Speaker, I have learned a lot over the course of the past 2½ years or so we have been working on this. In my mind, you can sum up the arguments in favor of repeal of this outdated tax in just one word, and that is fairness. It seems to me that there is no element of fairness at all in this earnings limitation. There is no element of fairness in virtually keeping people in bondage because of an outmoded law, and there is every element of fairness in removing this barrier to some of our most productive citizens.

Mr. HASTERT. Mr. Speaker, if the gentleman from Arizona would yield, I have to say that this effort certainly has been bipartisan. We have taken it on for the last 2½ years, so it certainly is not a new idea. It certainly has had its wellspring in the State of Arizona with a Senator at one time by the name of Barry Goldwater. We have to think of the efforts of gentlemen like that, and even our colleague at this time, the gentleman from Texas [Mr. ARCHER], who has carried this piece of legislation and worked on it diligently for 17 years.

Mr. Speaker, I think the time has come that America needs to wake up, and we need to begin to appreciate the potential that we have in our work force, and that is our seniors, whether they are 62 years of age, or 65 years of age. Certainly it is a different world today. Those people who are 65 years of age certainly have a great and vibrant life ahead of them.

□ 2020

We need to give them the opportunity to be useful and productive Americans. I certainly have appreciated your efforts and really enjoyed working with you in the last couple of years in trying to bring this piece of legislation to fruition, and certainly am happy with the Members who showed up here tonight and talked about this issue.

But most important, I think that the message that gets across to the American people is that it is time that we changed this law. It is time that we give the opportunity to Americans, and it is time that we do bring fairness to the senior citizens of this country.

Mr. RHODES. I thank the gentleman again for everything he has done. It has taken us 2½ years to get to the point where we will be tomorrow, which is our first real hearing before a subcommittee of the House of Representatives. I now the hearing is going to be successful. I hope that the outcome will likewise be successful and we can continue to move this matter forward.

Again, I thank the gentleman for everything he has done.

Mr. RHODES. Mr. Speaker, the Social Security earnings test has been in existence since the payment of the first Social Security benefit. It has been changed since 1940, but it is no less onerous to those persons affected by it.

Social Security, when it was created in 1935, sought to achieve two goals—moving older workers out of the work force to make way for younger workers, and to partially replace lost income due to retirement. Those goals were applicable in 1935, but are not in 1991. The goal of this hearing, to explore the various proposals for reforming the earnings test, can lead to increased fairness and equity for the Nation's many working seniors.

The original earnings test affected retired persons earning over $15. They suffered the loss of their entire Social Security benefit. Since them, the test has undergone a variety of changes. It became an annual test as opposed to monthly; the amount of earnings allowed has increased—currently it is $9,720—the amount of benefits lost has been decreased from $1 for every $2 earned over the limit, to the current loss of $1 for every $3 earned over the limit, and finally, Congress has established an exempt age of 70 years.

These reforms, combined with the overwhelming support of Members—H.R. 967 currently has 240 cosponsors—leave many of us with the belief that the test is antiquated, inefficient, draconian, and ripe for elimination. There are currently at least 20 different proposals pending before Congress that would significantly alter or entirely eliminate the test.

Consider the current labor market in today's society. By the year 2030, there will be only two workers for every elderly citizen. The Nation's labor market lacks skilled laborers because they are forced from the work force by the artificial penalties they could face if they continued to work. The Wall Street Journal reports that 83 percent of all men and 92 percent of all women over 65 are completely out of the work force. Three out of five of these do not have any disability that would preclude them from working. If these persons have retired voluntarily and do not wish to work, that is their right; but it is also the right of those persons who wish to continue working to do so without penalty.

We take pride in pointing out the lower numbers of impoverished elderly in America, but today's seniors are facing marginal tax rates that can be as high as 122 percent. We seem to set out to punish two groups of seniors, those who have been able to keep themselves out of poverty and those whose financial situation dictate that they continue to work.

Some argue that only the rich benefit from eliminating the earnings test. I question the legitimacy of that argument. Is it right for any individual to face tax rates of 65 percent? It is fair to preclude any individual from continuing to earn their wages, without penalization, because it does not benefit his neighbor? In fact, since investment moneys are not counted as income, the earnings test hits a higher percentage of seniors who are forced to stay in the labor market. Elimination of the earnings test would benefit many more working class seniors than "well-off" seniors. Well-off is a relative term now, when a spouse's illness could easily cost $25,000 a year for nursing home care.

The complexity of the current system must also come into question. It costs the Social Security Administration [SSA] over $200 million, and 2,500 employees, a year simply to administer the earnings test. The elderly must determine what their earnings will be for the upcoming year and report that figure to the SSA which then makes any adjustments to the Social Security benefit. If any underestimation or overestimation occurs, a lump sum payment or refund is made.

Finally, the argument is made that this constitutes a raid on the Social Security trust fund, that it costs too much and should not be tampered with in any way. I disagree. In fact, no one can agree on what the actual revenue impacts would be. Some claim the elimination of the earnings test for those of retirement age and above will result in outlays of $5 billion a year. This figure does not take into account the savings that can be estimated from decreased administrative expenses, and increased old age survivors and disability insurance revenue as a result of taxation of benefits, and the increased work effort. Even this recoupment figure is subject to dispute. Depending upon the estimator and the methods that can be used to lessen the budgetary impact, such as the delayed retirement credit, recoupment figures have been judged to be as little as 10 percent and as much as 50 percent.

In closing, the question is not whether repeal is in keeping with the original intent of the Social Security System; it is not whether repeal only benefits the rich; it is not what number of elderly will reenter the work force. The crucial question is whether the Federal Government should tell a Social Security recipient he or she cannot continue to be a productive wage earning citizen without being penalized for that initiative. My answer to that question is no.

Mr. SANTORUM. Mr. Speaker, I am proud to join my colleagues today in support of the Older Americans Freedom To Work Act. On behalf of the approximately 80,000 seniors' households that I represent in Allegheny County, PA, I join in this unparalleled consensus effort for reform of the Social Security earnings limits. As I continue to hear from the seniors community in the 18th District of Pennsylvania on the need for restructuring the earnings test, I would like for their views to be heard along with those older Americans represented by the 240 current cosponsors of H.R. 967.

I commend the efforts of my colleague, Mr. HASTERT, for his determined campaign for our Nation's older Americans. As the Social Security Subcommittee prepares for its hearing tomorrow on the Social Security Earnings Test, I rise to urge the leadership of the Ways and Means Committee and the leadership of this body to move H.R. 967 before the Committee of the Whole House. It is my hope that the seniors of Allegheny County and of this Nation may have a fair and final hearing on the need for removing the earnings test restriction. It is only to this country's benefit to revitalize our seniors community by recognizing them as a continued vital and beneficial function of our labor force.

GENERAL LEAVE

Mr. RHODES. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the subject of this special order this evening.

The SPEAKER pro tempore (Mr. RAY). Is there objection to the request of the gentleman from Arizona?

There was no objection.

GENERAL LEAVE

Mr. DREIER of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order this evening.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

MEXICO FREE-TRADE AGREEMENT AND FAST TRACK

The SPEAKER pro tempore (Mr. RAY). Under a previous order of the House, the gentleman from California [Mr. DREIER] is recognized for 60 minutes.

Mr. DREIER of California. Mr. Speaker, I have taken out this special order for a very important reason. I have done it for the last several evenings, and I do it first to extend an invitation to my colleagues who might by some means other than just hearing it by the back railing through some other technology that may be carrying this message to them to hear this message. It is an invitation for those who are proponents as well as opponents to the fast-track legislation which we are going to be voting on here in the Congress tomorrow to come and join us, engage in a debate on this as we will only have 4 hours of it tomorrow, Mr. Speaker. So I think we should have at least a fifth hour here this evening so that we will have a chance to let our colleagues who will be reading the RECORD diligently, along with members of their staff and others in the public, to see that there are some good arguments on both sides of the issue. But I believe that the argument in support of granting fast track will overwhelmingly prevail. So I would like to extend my invitation to my colleagues.

At the outset I would like to say that I truly do believe that tomorrow we will be casting one of the most important votes of this decade. As my friend from Tucson, Mr. KOLBE, likes to say, it will be the economic equivalent to the use of force resolution which we voted on here in the Congress in January of this year. It is critical to determining the economic future of the free world and whether or not we are going to continue to play a major leadership role in it.

Three of my distinguished colleagues from the West, two from California and one from Arizona, Mr. Speaker, are standing, and I will have to go by seniority at this point.

If my distinguished friend from Tucson will allow me, I am happy to yield to the gentleman from Arizona [Mr. KOLBE].

Mr. KOLBE. I thank the gentleman for yielding, and I am delighted that I have had an opportunity to engage in this debate or this discussion with the gentleman, and would like to leave some time for some of the others.

Mr. DREIER of California. We have 60 minutes.

Mr. KOLBE. I just wanted to begin by making the point first of all that I appreciate the fact that you have been so diligent in taking these special orders for several evenings on the floor here during the last 2 weeks. As you pointed out, we will have 4 hours of debate. That seems like a lot of debate, an hour on the rule, 2 hours of debate on the Dorgan resolution of disapproval, and 1 hour on the Gephardt sense of Congress resolution. That may seem like a lot of debate. But I also remember just a few months ago, I think we had more than 40 hours of debate on the war resolution. And, as you have suggested, I think this is the economic equivalent of that resolution.

Mr. DREIER of California. If my friend will yield on that point, under the normal procedure for debating an issue like this, 20 hours of debate is normally in order. That is the norm for this, and we have cut it back dramatically based on what we passed up in the Rules Committee.

I am happy to continue to yield.

Mr. KOLBE. I appreciate the gentleman's point on that. I think that that point is very well taken.

It may be true that the arguments have all been made. I think that this has been one of the issues that has been perhaps worked harder, and I think my colleague from California is one of those who has to be thanked and congratulated for the effort that he has put in. This issue has been worked hard.

The arguments have been made in favor of it. They have been made against it. He and I, the gentleman from California and I have participated in literally scores not only of this kind of special order, but in forums. I have been all over the country in more than 50 forums since last summer talking about this issue from one end of the country to the other. I have been in Mexico five times since January 1 meeting with people.

Mr. DREIER of California. If I can further reclaim my time, I would like to say my real involvement on this issue started several years ago. But it was very slight in comparison to the effort that has been put in by the gentleman from Arizona, who since 1986 has been diligently pursuing this.

I got most involved when I was given this assignment in January to join the Rules Committee and found it came under the jurisdiction of the committee. So it created an opportunity for me to do this, and so I would like to thank my friend from Arizona who has been working on this since 1986.

Mr. KOLBE. If the gentleman will yield again, I thank him for his compliment. But the vote today in the Rules Committee is a clear indication of the hard work that he has put in.

Mr. Speaker, I would like to just make a couple of points, and then perhaps engage some of the other Members who are here tonight in some of this dialog.

Last night I spoke about what the political implications of this vote would be and suggested that none of us in this body can make a decision on this based on the political implications in Mexico or in Latin America, because we have to do what is best for us, for our country, for our districts, but I also said we cannot be unaware of it. And I think there are several things we need to keep in mind.

I would just mention that a couple of days ago at the White House President Bush had said and reminded us of a conversation he had with President Perez of Venezuela who said they were watching this very, very carefully because they thought that a vote against fast-track negotiations with Mexico would be a vote really against all of Latin America. It would be a vote against better trade relations with all of Latin America.

I just would like to point out a couple of things that I think would result if we were to defeat fast track. I want to talk about the positive, but I think we have to also be cognizant of the problems that would be caused.

We would certainly see a loss of foreign investor confidence. I think we would see an escalation of capital flight from those countries. I think we would see the credit rating of those countries drop. We would certainly see the borrowing costs made higher for those countries, a region which is already $420 billion in debt. If we think we have problems in the S&L industry, just wait until we see this happen with all of Latin America.

We need to help improve the economy of those countries. As my colleague has used the phrase, which I think is very apt in this case, a rising tide lifts all ships, and in this case the ships to be lifted are the countries of Latin America who are developing, trying to develop, who are poor, who need to have a better economy, and exports are a way to do that. We have been urging these countries to become more export minded. Rather than import substitution economies, to be more export minded, and for us to say no to Mexico

just as they are doing that would be a tragic mistake.

Mr. DREIER of California. Mr. Speaker, if I can reclaim my time, I would like to pose a question to my friend from Arizona which relates specifically to this. We do know from having met with leaders throughout the Americas—I just a couple of weeks ago had a breakfast with the ambassadors of the five Central American countries, and I mean we have statements from Carlos Andres Perez, President of Venezuela, and other leaders throughout the region which have clearly demonstrated their interest in seeing this be successful.

Some concern has been raised that some of these countries and some of the countries in the Pacific rim might in some way use Mexico as a launching pad for the transfer of consumer items into the United States through that free trade area. I think that the rule of origin question is something which we need to focus on. Our Latin American neighbors certainly know that, and they realize that they are not going to be able to immediately funnel items into Mexico, and then have them flow, duty free, into the United States. And I think that when we make this point, that the Americas want us to take this first step. And it is a broader step that will follow I believe because, as I mentioned here last night, we have seen Uruguay, Paraguay, Brazil, and Argentina unite in March as a trading bloc which would go into effect in 1995. That unification is something that will play a role in uniting us between the United States and the southern part of South America.

□ 2030

That unification is something that will play a role in uniting between the United States and the southern part of South America, but I think we need to recognize that these countries are not going to be able today, or when an agreement is put into effect, to use Mexico as a launching pad to transfer duty-free items into the United States.

Would my friend care to comment on that?

Mr. KOLBE. Yes, if the gentleman will continue to yield, I would, indeed, like to comment on that.

I think the point is a very good one. In fact, if I were to look past this vote tomorrow and to the year that is to come in the negotiations that are going to take place for a free-trade agreement, if there is any one issue that I think is going to be critical to the success of these negotiations, and critical to the success here in Congress, it will be that question of the rules of origin. We have to negotiate a good rule of origin that will protect consumer goods coming into the United States to make sure that other countries as you suggested, whether it is Japan, Taiwan, Thailand, whatever it may be, is not simply using a back door of Mexico, or if we ultimately achieve the initiatives for the Americas that the President hopes that we will achieve, that they are not using some other country as a back door into the United States for their products. A good rule of origin was crafted, as a matter of fact, with Canada, and I think it has worked very successfully.

I would like to see my dream, which is to see us create something that would be called a Made in North America label. If it bore that stamp, "Made in North America," you would know it was made in Canada, the United States, or Mexico, or more probably Canada, the United States, and Mexico, meaning that parts of all of this work would be done in each of the three countries.

It gives us an opportunity to combine the resources that each of the countries has, the natural resources of Canada, the technological and capital of the United States, the labor resources of Mexico to be sure that the North American free-trade group would be the most competitive, the largest economic bloc in the world, able to compete with Japan and able to compete with the European Community.

Mr. DREIER of California. Mr. Speaker, I think my friend has made an extraordinarily good point, and when you think about the constant pressure that we see out there that says "buy American, buy American, buy American" we are simply enlarging America with the prospect of a North American free-trade agreement. That really is our goal here, and buying American is something that we will be able to do more easily, and it will be obviously very advantageous to consumers in the Americas, in both Mexico and the United States.

I know that my friend from Arizona has a very busy schedule, and I do not want to keep him, because he has an important television program to come on in just a few minutes.

Since I said I would go in seniority, I will say to my friend, the gentleman from San Diego, that I hope that he will suffer through the remarks of my very eloquent friend from California.

Mr. CUNNINGHAM. Once a J.O., always a J.O.

Mr. DREIER of California. Mr. Speaker, I yield to the gentleman from California [Mr. ROHRABACHER], my very eloquent speechwriter friend from Long Beach.

Mr. ROHRABACHER. I will take a few moments, and then I will let my friend from San Diego have his say, and maybe later on we can talk a little bit more.

I would just like to note that I used to work for an older fellow. He was a very successful man, and I studied his methodology. I tried to figure out what was the secret of his success. How did he achieve the things that he did?

I listened to him, and in essence what he was telling me and telling other people was that when you are surrounded by problems, and we have many problems in America today, do not get bogged down in your problems. What you should do, instead, is follow and seek your opportunities, try to exploit your opportunities, put your time and your energy into finding things to accomplish rather than simply trying to focus on all the problems that surround you.

Well, today we are surrounded by problems. We have a $400 billion deficit this year, and this is a fact that is almost overwhelming. The Federal debt is going up by over $400 billion this year. Next year, it is projected that our Federal debt will increase by $426 billion.

For those people who are listening who do not understand the significance of this, let me just say that for every year for the rest of my life there will likely be $70 billion in the Federal budget allocated simply to pay for the interest on the increase of the national debt over these 24 months. It is almost overwhelming. This is something that is a wolf at the door.

However, if all we do is try to deal with the problem rather than trying to seek opportunities which will expand the American economy and find out ways of doing things better here, then we will miss the opportunities that are present, and I believe there is no greater opportunity in America and for America than this free-trade proposal, the North American free-trade proposal, our free-trade agreement with Mexico and, yes, expanding trade around the world through the GATT process.

By freeing trade, and especially by freeing up trade between the United States and Mexico and freeing trade between, yes, the United States and Canada and Mexico, we will expand the wealth of this country. We will have sought out the opportunity, the greatest opportunity that we have.

There is no greater opportunity in America today to expand the amount of wealth available on this continent and available to our people and wealth that will make us more productive and, thus, more able to deal with the deficit problems and the financial problems that we have than what is going on today, the opportunity with this free-trade agreement.

Mr. DREIER of California. Reclaiming my time, I will yield to the gentleman from Arizona.

Mr. KOLBE. I thank the gentleman.

The gentleman from California made a very good point, and I would just like to follow up on that. I am sure he may be aware of this fact, and perhaps he is not.

We have heard a lot in this debate about the fact of why should we want a free-trade agreement with Mexico;

after all, Mexico does not have any wealth. The people are poor. They cannot afford to buy anything. What is interesting, and I think most people are not aware of this, Mexico buys on a per capita basis, Mexicans buy $350 a year from the United States per person in exports of the United States to Mexico. The EEC, far wealthier, buys $266 a year from the United States.

Now, think of what we could do if we can develop the economy of Mexico and increase the wealth of Mexico, how much more that could be.

Mr. DREIER of California. Would my friend repeat those figures? Those are figures which I think bear repeating so our colleagues can hear them.

Mr. KOLBE. Today, even as poor as Mexico is, they buy $350 per person per year from the United States in goods that the United States sells Mexico. That means jobs for Americans producing for Mexico; while the European Community, far wealthier, buys only $266 per person from the United States

Mr. DREIER of California. That is a fascinating figure.

I will yield further to the gentleman from California.

Mr. ROHRABACHER. Let me just mention, and then I will let my colleague from San Diego have a say as well.

When the gentleman whom I was mentioning, the older gentleman who gave me that advice——

Mr. DREIER of California. We were all wondering who that is.

Mr. ROHRABACHER. Yes. He gave me that advice at a time when he took over as President of the United States, at a time when the inflation rate in the United States was destroying any hope that we ever had for progress, at a time when the economy of the United States was sinking, at a time when the interest rates were 21 percent. I am talking about a man who took over the Presidency at a time when our country was in total despair and had the same economic trends continued during his Presidency, yes, this country would have been bankrupt years ago. The deficit that we are facing right now, if those same economic trends would have continued during his Presidency, the deficit we are facing now would have happened 5 or 6 years ago, but, instead, he was able beyond anyone's expectations of creating the longest period of economic growth in our country's history, because he focused, instead of focusing on a problem, focusing on the maladies of America, he focused on the opportunities of America and how to make America more productive, how to get our economy growing, and his name, of course, was Ronald Reagan.

Mr. DREIER of California. I thank my friend for that.

Reclaiming my time for a moment, I think it is just an extraordinarily important point to make that we hear much concern about the potential effects of a United States-Mexico free-trade agreement, and what we are trying to do is we are trying to apply Ronald Reagan's outlook realizing that we will be able to see tremendous benefits accrue to the American people through this.

Last night I was on a radio program in Los Angeles in which people talked about the potential loss of jobs, and some people who have already been victimized by jobs which have left the United States and gone to Mexico. That is something which is, of course, of concern to us. It is of concern to President Bush.

In his response to a letter submitted to him from Senator BENTSEN, chairman of the Senate Finance Committee, and the gentleman from Illinois [Mr. ROSTENKOWSKI], chairman of our Committee on Ways and Means, the President provided what I believe is a very good response, and that is that we need to ensure that dislocated workers in this country are not going to be ignored, and that we will have a package which will address their concerns, but we need to recognize that if we are able to reduce the barrier from the United States going into Mexico, it is a much greater barrier than the barrier that exists between Mexico and the United States.

□ 2040

Last night, for example, or a couple of nights ago, one of our colleagues was raising this issue about automobiles from Mexico will be flooding into the United States if we reduce this barrier.

Today there is, basically, no tariff on the flow of automobiles from Mexico into the United States. Why are we not flooded with Mexican automobiles today, Mexican automobiles today? The fact of the matter is, we are going to see tremendous opportunity for the flow of United States goods into Mexico. We have all spent time in Mexico, my friend from San Diego who represents that border area, the people of Mexico desperately want the opportunity to purchase United States-manufactured items that are going to be a very positive effect, which the American people will feel from that.

As has been said from time to time, every $1 billion in exports, we create 20,000 to 25,000 jobs. From 1986 to today when we have seen a reduction of the tariffs, the barriers that exist between the United States and Mexico, we have seen a doubling from $15 to $30 billion. A doubling of the exports from the United States into Mexico. It is very clear that we are going to see benefits accrue to the American people from this.

Of course, we know that we can benefit the people of Mexico also.

Mr. Speaker, I yield to the gentleman from California [Mr. CUNNINGHAM], an extraordinarily distinguished man who, as a new Member of this House, brings a lot of expertise, and has a fabulous background. His heroic war record is something which makes me humble in his presence all the time. I am happy to yield to the gentleman.

Mr. CUNNINGHAM. Mr. Speaker, I thank my friend from California. I was so excited when I sat here for an hour last night and watched Members from both sides of the aisle debate, and I think of the whole time that I have been here, it was one of the most serious and one of the best attended and most learning debates that I had ever sat through on the House floor.

Mr. DREIER of California. Reclaiming my time, I hope we will be able to have that again tonight. I am anxiously awaiting some of our colleagues. I do not know if my friend from Hawaii is a proponent or a opponent of this issue. If she happens to be on the other side, we would love to hear from her and mix this up again tonight, if possible.

Mr. CUNNINGHAM. If the gentleman will continue to yield, I want to tell the gentleman that I could not be more excited. I have lived through the negatives of Vietnam and the S&L's, and the recessions we have gone through.

I think right now we have seen the positives of Desert Storm and this country uniting itself. We think we have seen the positives of new markets opening up in the destruction of the Berlin Wall. I think right now all citizens can be that portion of the tip of the sphere that focuses. As my colleague from California [Mr. ROHRABACHER], stated, too many people just focus on the problem, not the solution. I would agree with that wholeheartedly.

The reason I asked to have a little time tonight is that from the debate of last night I picked out several items. There were some items that have not been brought up. From personal experience, and I reside in San Diego, CA. We are right on the border. We look at the immigration, we look with trade every single day. I thought perhaps I could shed some light and perhaps reality to the debate.

A lot of people will tell Members Mexico is corrupt. I know that personally, Salinas de Gortari has done more for Mexico to eliminate corruption than any other President, not only in my lifetime, but in times past.

Mr. DREIER of California. My friend will acknowledge, of course, that there has been a pattern of corruption in the past in Mexico? I think we all acknowledge that, but he makes a good point. We have seen dramatic improvements in the problem of corruption.

Mr. CUNNINGHAM. If the gentleman will continue to yield, I agree. Our colleague from Arizona spoke earlier that too many times our gangs from different ethnic groups focus on negatives. I would like to focus on positives

from personal things I have seen from the Salinas government.

We had my distinguished colleague from Arizona, who had to depart, and this week we had a fishing agreement rights that came through, that would limit our sports fishermen to catches. Never before have we been able to have a response that in a matter of 2 days could we go to the President, directly to the Ambassador in Washington, DC, and resolve it overnight. The agreement and the contributions, back and forth with the Mexican Government have been extreme.

I know in San Diego we have a sewage problem. We have the Tijuana River that borders Mexico and the United States. This year, after 20 years of trying, the commissioner, with the Salinas government, have established where we will have, finally, a sewage plant, cosponsored by the Mexcian Government and the United States to take care of that Tijuana River. We tried for years to have that done long before I entered into the scene.

Mr. DREIER of California. I say to my friend while it also happened with the Salinas government, I argue that the gentleman from San Diego, Mr. CUNNINGHAM's entry into Congress could have played a pivotal role in dealing with that problem.

Mr. CUNNINGHAM. If the gentleman will continue to yield, my distinguished colleague on the other side of the issue, the gentleman from California [Mr. HUNTER], and the gentleman from California [Mr. LOWERY], and the gentleman from California [Mr. PACKARD] have broken the ground before me. I would like to take credit for it, but I know they have been instrumental in making that happen.

Recently, the openness of the Mexican Government to even agree or talk to officials on the issue because of the possibility of free trade and the barriers that have come down. If we cannot help someone in our background, if we cannot help our neighbors, we are lost, I think.

Another issue that San Diego suffers from is illegal immigration. We have tons and tons, and I think my friend mentioned there was something like $740 million a year in payments.

Mr. DREIER of California. That is just in Los Angeles County alone, approaching three-quarters of a billion dollars for social services, health care, criminal justice, dealing with the illegal immigrant problem.

Mr. CUNNINGHAM. Locally, the Tijuana government and the Salinas government have banded together, and I checked with my chief of police, Chief Burgreen, who has done an outstanding job for citizens in San Diego. He told me personally that President Salinas and the Mexican Government are working harder than they have ever worked before on helping the citizens to solve that problem.

Mr. DREIER of California. Would my friend repeat that again for me? If my friend could just repeat once again the statement from the chief of police.

Mr. CUNNINGHAM. The chief of police in San Diego, Chief Burgreen, and one of the finest police chiefs that San Diego has ever had, told me personally that the President of Mexico and the Tijuana government, which is right across the border from San Diego, is working harder and more with the city of San Diego than they ever have in the history, to solve illegal immigration. The support that they have on the border, the communication net that they have back and forth, the supplies, the manpower, the money, everything, all the way from sewage, all the way from the border. They are even looking at a binational airport in the district which they have never looked at before. These are positive things.

The maddest I have ever been was the Enrique Camarena case, where a DEA agent right across the border was killed. This was in Mr. HUNTER's district. He asked me to get involved, and I know it affected him very personally, the Enrique Camarena case.

President Salinas has done more to eradicate jobs coming across that border than any President in history. I think we need to kind of support those kinds of things. People will tell Members, and one of my concerns when I first started, whether I was going to be for or against the fast track or free trade, was the pollution problem. If they will increase the pollution in the Tijuana River, if they will increase air pollution, then that will be critical, especially for my district, a critical decision. I have personally gone down on the border. I know that the Mexican Government is working every single day at closing down and enforcing the environmental problems that they have.

Mr. DREIER of California. Reclaiming my time, I think that that in itself is a very important testimonial on this, because many have argued over the past several weeks and months that as we look at the prospects of free trade agreement with Mexico, we are going to see United States industry fleeing to Mexico so they can take advantage of lax environmental standards that exist there.

My friend from San Diego would in no way support the fast-track provisions allowing Members to sit down and begin negotiating an agreement, if he thought for one moment that there was a weakened position on the part of the Lomita, the environmental protection agency in Mexico, or if he thought for a moment that a United States business or any other business in Mexico would be able to come to the border and burn something that could blow across the border and be inhaled by the young children who live in the San Diego area. I think that the support for fast track being demonstrated by my friend from San Diego is a very clear sign that he has confidence in the negotiating process and our commitment to ensuring that we have an improved environment in Mexico as well as the United States.

□ 2050

Mr. ROHRABACHER. First of all, Mr. Speaker, let us note that we should be rewarding President Salinas and those people in the current Mexican administration who have been trying their best to accomplish the things that our colleague from San Diego has been describing for us.

This is a time that we should say this is the type of relationship we want to have. We do not want to have the relationship we have had in the past where people would not return our phone calls, would not address the problems of our borders. Instead, if we turn down this treaty at this time and not even discuss it, it will be like the back of our hand and we will never have the opportunity again.

The question I would like to raise as we talked about a sewage treatment plant that might go into San Diego, and this is perhaps symbolic of what we can face in the future with better relations with Mexico. Who do you think is going to build that sewage plant? Where is the equipment going to come from? What companies are going to be involved in the construction? What type of technology will we put into this sewage plant which will help solve a major pollution problem?

I am willing to bet that once this moves forward, once the investment has been made, once the decision has been made to move forward with the building of this sewage plant, I know that we have been trying to reach an agreement to do this for almost two decades now, but once we reach that agreement, I would be willing to bet that American companies will be deeply involved in the building of this, making a profit at it. It will be our technology and our skilled workers who will be down there participating in this project which will benefit both of our countries.

Mr. DREIER of California. Mr. Speaker, my friend makes an extraordinarily good point which I think bears repeating, that being that we in the United States have developed the technology which is helping to clean up the environment of the world. Our technology is being exported to countries throughout the world because we are the ones who are enjoying cleaner air in the Los Angeles basin than we saw 15 or 20 years ago, because of the technological advances that have been made.

Well, it is obvious that this technology is something that the people of Mexico City, who have very serious air pollution problems, desperately want,

as do the people on the border and throughout the country; so there is going to be another great example of a United States product which will be exported to an entire industry which will have tremendous opportunity in Mexico.

Mr. Speaker, I am happy to yield further to my friend, the gentleman from San Diego, because I know he has some very important points to make.

Mr. CUNNINGHAM. Well, Mr. Speaker, I would like to piggyback on my friend, the gentleman from California [Mr. ROHRABACHER].

When the gentleman talked about the sewage plant, in the past the United States has ended up having to pay for most of that equipment, having to pay for the sewage plants, having to pay for airports, having to pay for drug interdiction, having to pay for stopping illegal immigration.

This also gives the Mexican Government the ability to pay a better fair share of this, like a sewage plant. They already have envisioned additional plants that they can pay for with the increase in trade.

My friend, the gentleman from California, Mr. DUNCAN HUNTER, my good hunting and fishing buddy, released an article saying that most Hispanics opposed free trade.

Well, I am in my district every single day. I have a 66-percent minority district. I have held town meetings. I have walked streets. I have talked to business leaders, Mexican-American business leaders. I have talked to Mexicans in their homes, and the majority of the Mexican people that I have talked to on both sides of the border favor the fast track and free-trade agreement.

It is a benefit to them. As a matter of fact, the people I have talked to have been very upset at some of their leaders that they have put trust in not favoring fast track and favoring special interests.

Mr. DREIER of California. If I could reclaim my time for a moment, Mr. Speaker, last night I held up here the bottle, the jar that was labeled DDT. It really was not that. Organized labor sent around to all our offices this jar of DDT, saying it really was not that, it just had this warning. The paper that was attached to it said that DDT will be slathered all over the fruits and vegetables which we in the United States will be eating. That clearly was a scare tactic. The people in our office sent out a Dear Colleague letter today and contacted those who had written the letter and asked which countries actually export these products with DDT, and the authors of this letter could not name one.

I think that this kind of scare tactic is apparent.

I know my friend, the gentleman from San Diego, has told me that many of the Hispanic leaders in the Southern Calfornia area have indicated their displeasure with the fact that many in organized labor have been lobbying, misrepresenting to all of us here in this Congress, a position as far as its effect on the American worker.

Mr. Speaker, I am happy to yield further to my friend, the gentleman from California.

Mr. CUNNINGHAM. Mr. Speaker, I agree. Mexico has had more environmental laws on the books than the United States, very noteworthy, but they have not enforced them in the past. The change that I see across the border in Tijuana in the fruits that come across as well as the efforts of President Salinas, that has changed and that is very positive.

Mr. DREIER of California. Of course, on the issue of fruits that come across, we in the United States are not about to begin considering importing something that is slathered with DDT, because we naturally, through our own Agriculture Department, prevent the importation of those kinds of products, so people trying to make that kind of argument are way off base. I think that needs to be recognized.

Also, my friend spoke so eloquently about the improvement that we have seen in the fact that the Salinas government has been virtually unprecedented in its work on drug enforcement.

We also have seen a tremendous intensification of the environmental standards there. The greatest evidence of that was just recently when President Salinas actually closed down the largest refinery in Mexico City which employed 5,000 people because it was polluting so heavily in Mexico City.

So my friend is right. The same kind of improvement that we are seeing in the enforcement of drug laws and drug trafficking we are seeing in the area of the environment. It is not perfect, of course, but it certainly is moving in the right direction.

Mr. Speaker, I am happy to yield further to the gentleman from California.

Mr. CUNNINGHAM. We have a long way to go, Mr. Speaker, not only in the stoppage of drugs coming across the border, but illegal immigration as well.

I would like to reflect that I think we have signed five different treaties with Japan and they have violated all of them. I think if you take a look at Japan and the way it was maybe 100 years ago, pretty much of an isolationist state, very inward drawn, at the time after World War II they started in free trade and basically I think Japan has skinned us alive in free trade. We may need to take the necessary steps looking at free trade, looking at fast track. The President, I have full confidence, will do that; but if we pull in our sails right now, if we become an isolationist state with Mexico, when we have European markets opening up, we are going to be left behind.

At a time of economic prosperity when we are looking at $400 billion going to $426 billion, again we need to look at the solution, not just the problem.

Mr. DREIER of California. Mr. Speaker, my friend is absolutely right. I can think of no better way to force the United States of America into a second-class economic power status than by defeating this fast track measure tomorrow when we consider it here on the floor.

I think using this example of Japan is a very important one. We have the opportunity to unite and take advantage of the situation that we have with our neighbors, an advantage for them and an advantage for us, which I think clearly will be very beneficial.

Mr. Speaker, I yield further to the gentleman from California.

Mr. CUNNINGHAM. I hate throwing out statistics. Every time I see some I cringe, but let me expound on something else that was brought up.

With $350 per person coming across from Mexico that is spent on United States exports. In San Diego alone, which is the largest border crossing, it has a larger crossing than any other place in the United States, we had 64.5 million people come across from Tijuana legally. Every single one of those individuals buys products in the State of California and many into Arizona and other States as well.

It does not take a mathematical genius very long to figure out that if every single one of those individuals spent 70 cents out of their money that they earned in Mexico in the United States, that is going to prosper not only San Diego, not only California, but the rest of the United States, and I think that is going to expand as well.

□ 2100

It is an increase for the dollar in the consumer demand in the United States as well. Last year, San Diego exports exceeded $1 billion. That is just San Diego. That money and those exports come back to us in duplicate. A third of the city's total export volume went to Mexico. Our exports to Mexico were just third, just behind Japan. If that is the case, that tells me logically if we are exporting more goods, if we are providing more goods to another country, that tells me that jobs are going to be created in this country to make those goods.

Now, there are some concerns of some individuals and some manufacturing facilities that will be hurt, but the overall good, I believe, and the main reason I am supporting this, is I think it will be good for the United States.

Mr. DREIER of California. I yield to the gentleman from Pennsylvania [Mr. RITTER].

Mr. RITTER. The gentleman mentioned manufacturing. I just want to

point out that there have been a lot of people who have come to this floor, largely from the other side of the aisle, and it has been like Chicken Little running around saying, "The sky is falling," that somehow Mexico is going to denude the United States of its manufacturing jobs. Well, your data is pretty much on target. But I would like to call attention to a front-page story in the New York Times, the Sunday edition dated April 21, entitled "Boom in Manfuactured Exports Provides Hope for U.S. Economy."

The American manufacturing community is exporting more today than it ever has in history, and it is doing it because of higher productivity and higher quality.

There has been a renaissance in manufacturing during the 1980's in the United States of America.

Just the other day, Monday, a front-page story in the Washington Post, "U.S. Firms Stage Competitive Revival. Increased Efficiency, Cheaper Dollar Helping to Boost Exports." And it goes into how, yes, it is a cheaper dollar that is helping it boost our exports, but the primary driving force for American manufactured goods selling all over the world today is quality. There is a quality revolution going on and we are part of it. Those folks who are coming to the floor like Chicken Little saying, "The sky is falling," or, "The Mexicans are coming," just have not looked in their own backyards to see the kind of progress that the United States has made.

Mr. DREIER of California. Reclaiming my time, I think it is very important for us to note that if one looks at the decade of the 1980's, clearly 80 percent of the economic growth which we have experienced in the United States is export driven, as my friend pointed out.

We were discussing just a few moments ago 20,000 to 25,000 jobs are created with every $1 billion in exports. As we look at the wave of the future, and we had our great Republican retreat up at Princeton and I know my friend participated in these events in the past; one of the things we discussed in these meetings has been the fact that the wave of the future is a lessening of these barriers which exist among these countries throughout the world. Clearly, the barrier is higher going from the United States into Mexico than it is from Mexico going into the United States; 10 percent is the average tariff on United States goods going into Mexico, 4 percent on Mexican goods coming into the United States.

So this export-driven economy which we are going to see is going to dramatically expand with the possibility of a United States-Mexico free trade agreement being implemented.

Mr. Speaker, I yield to the gentleman from Pennsylvania.

Mr. RITTER. The gentleman is absolutely correct. The fact is that, for example, in automobiles, people talk about locating automobile factories in Mexico. Well, they have been located down there for the latter part of this century. But they also talk about moving production to Mexico. One of the reasons we have moved production to Mexico is the tariff on automobiles going into Mexico from the United States made in the United States of America is extraordinarily high. It is 20 percent. The tariff coming in here on cars coming from Mexico to the United States is 2.5 percent.

You do not have to be a rocket scientist to know that if you want to produce cars in the Mexican market, it is cheaper to go down there and produce. If we have an agreement that knocks down some of these high tariff barriers on goods exported, made in America and exported to Mexico, we will not necessarily have to go down there with plants to produce for this Mexican market, which is not near as poor as some of the folks from the other side of the aisle are saying. This is a country that has massive oil reserves and is growing in its wealth.

Mr. DREIER of California. On that exact point, if you look at the figures as they exist today, they are extraordinarily impressive. There is 1 automobile for every 15 Mexicans; 3 automobiles for every 4 Americans. It is clear they would love to have the opportunity to purchase U.S.-manufactured vehicles. In fact, if one looks at those in the auto industry who are supporting the prospect of a United States-Mexico free trade agreement, do you know what sector of the auto industry is supporting it? That creative new joint venture sector that is in the southeastern part of the United States, in Tennessee and in other areas, which has been working. We found a great deal of support for those. Only those in the Detroit area, in Michigan, organized labor area there, has consistently opposed it. But I believe they are making a real mistake on this because there is a great desire on the part of Mexicans to purchase United States-made automobiles.

Mr. Speaker, I yield to the gentleman from Pennsylvania.

Mr. RITTER. I thank the gentleman for yielding, and I really do thank the gentleman for his leaderhsip in this area. The gentleman represents Los Angeles County, southern California; I am from the industrial heartland. So you are seeing some interesting collaboration and sharing.

Mr. DREIER of California. On that point I would like to say it is especially bold of my friend from Pennsylvania to stand up against tremendous odds and be here on what I truly believe is the right side of one of the most important issues.

Mr. RITTER. I do not think it is bold to be smart. I do not think it is bold to stand up in behalf of your workers whose jobs are going to benefit from this kind of an agreement.

Mr. DREIER of California. I say it is bold because of the misperception extant.

Mr. RITTER. That is right, no doubt about it, a lot of misperception.

In terms of what is right to do for my workers in the Lehigh Valley of Pennsylvania, for Pennsylvania industry itself, it is absolutely 100 percent the right thing to do. The gentleman pointed out Mexican exports, and I would like to point out that Michigan as a State exported $1.75 billion to Mexico in the year 1989. It has gone up substantially since then. It is probably over $2 billion today.

It jumped, nearly doubled from when Mexico started liberalizing its trade barriers about 4 years ago.

Now, of that $1.75 billion in 1989, transportation equipment was nearly $800 million.

So it is a fact that Detroit and Michigan and the automobile industry is doing big export business to Mexico. The idea of doing some kind of production sharing with Mexico between the automobile industry and Mexico is not a bad idea in order to keep our products competitively priced so that the whole shooting match does not go over into Japan and other Asian countries because that is also what has been happening.

Mexico is real close by. Every time they import a dollar's worth of goods to Mexico, 70 cents of that dollar is an American good or service.

Now, that is not exactly what happens in Japan. It is not exactly what happens in Taiwan. It is not exactly what happens in Malaysia.

In fact, almost nothing of their value-added is coming from the United States when they produce over there.

Mr. DREIER of California. And it is obvious they would not have any prospect of purchasing from the United States and so many of these jobs which would flee to the Pacific rim would be such that we would see a lessening, a dramatic lessening, of the purchase of U.S.-manufactured items.

Mr. RITTER. Absolutely. The gentleman is talking about automobiles and automobile production; I know our good friend and colleague, the gentleman from San Diego, Mr. HUNTER, who is on the other side of this issue, was on the floor the last several nights. We have fantastic respect for Mr. HUNTER. But he was talking about the real cheap labor, the automobile assembly plant down there. The bottom line to automobile production in 1991 is quality, it is innovation, it is the kind of high-level, high-technology industrial activity that you cannot find in Third World countries like Mexico.

Now, you can find some of the assembly types of jobs, and you can get quality response from them to the extent they are working at a certain area of production. But the real value-added jobs, the high-paying jobs, the good jobs in the automobile industry are going to stay in the United States. They are not going to go to Mexico.

Why? Because quality means tremendous feedback into the system where workers, engineers, supervisors, managers, customer service representatives are constantly in a kind of turmoil of a feedback loop which is seeking to continuously improve the process so that the product at the end comes out better.

□ 2110

To do that, Mr. Speaker, it takes a unique labor force. It takes an educated, trained labor force. It takes a very high level, an integrated level, of suppliers. It takes an infrastructure, an industrial infrastructure, that is extremely high tech and highly educated.

Yes, it could happen in Mexico, but, if we can share some of the aspects of production to make our products more price competitive, why not? Why send the whole thing over to Japan and have it done by robots?

So, as my colleagues know, Ohio is another State, if the gentleman would just continue to yield, talking about industrial States.

By the way, let us just get back to Michigan for a minute.

Mr. CUNNINGHAM. Mr. Speaker, would the gentleman yield while he is leafing through his papers?

Mr. RITTER. Mr. Speaker, let me just say that the total manufactured exports, the total exports, from Michigan to the world are $21 billion because we are going to go beyond just this North America free trade agreement. We are going to get into GATT, and there is going to be some lowering of barriers around the world. Michigan exports $21 billion worth of goods and services in probably largely manufactured products, probably largely connected with the automobile industry and industrial plant and equipment facilities that are geared. I mean what a tremendous opportunity to expand.

What was the gentleman saying for each billion dollars?

Mr. DREIER of California. For each billion dollars in exports we create 20 to 25,000 additional jobs here in the United States, and let me reclaim my time, and I would be happy to yield to my friend from San Diego.

Mr. CUNNINGHAM. Mr. Speaker, that is one of the points I was going to make. I thank the gentleman from California [Mr. DREIER] for yielding.

Mr. Speaker, that creates 50,000 jobs.

Let me tell my colleagues about a local problem while we are talking about quality. In San Diego I just told my colleagues we had over 64 million people a year come into San Diego from Tijuana. One of our major problems is air pollution because the cars in Mexico have not been devised with pollution devices. Salinas is going to carry through with that, and, when our products go down to California, even though a low number of Mexicans own cars, those that do come across will help us in our environmental problems as well.

Mr. RITTER. Mr. Speaker, if the gentleman would yield, I would say, by the way, that I serve on the Committee on Science, Space, and Technology. I also serve on the Committee on Energy and Commerce and am involved with activities of the Clean Air Act for many years.

Mr. DREIER of California. Those are all the nice things that I was going to say about the gentleman.

Mr. RITTER. Sorry if I preempted the gentleman from California [Mr. DREIER], but the reason I am saying this is because the comments on the environment are all wrong. There has been tremendous misinformation. The bottom line is that, as Mexico links in with us, it absorbs some of our culture and values in environmental control that they have not paid that much attention to frankly. We know that, and I think it is appropriate that Members of Congress call attention to this issue and that we do get from the President a very strong assurance that this would be a part and parcel, the environment would be part and parcel, of any agreement that would be negotiated.

But the bottom line is that we are not negotiating. If we are not talking with these people, if we are not integrating them into our lives, and our values and our culture for a cleaner environment, they are not about to clean up anything.

I ask, "How many desolate Third World nations that you've traveled in have a decent clean environment?" Mr. Speaker, they do not. Link them into a grander scheme where they can get richer and we can get richer, and their standard of living increases as our standard of living increases; the demand is there from their population, but it is going to be there from us if they want to do business in our way.

So, hey, this is very good as opposed to very bad for the environment, and I yield back.

Mr. DREIER of California. Absolutely. As we increase the quality of life in Mexico, it is natural that the people of Mexico are going to demand the technology which we have in the United States. As I was saying earlier, it was one of the reasons I supported the Clean Air Act. Many people said, "Oh, the tremendous cost in jobs to the United States by passage of the Clean Air Act. It would be overwhelming."

I said, "Domestically we would decrease health care costs, and at the same time we would have developed this tremendous technology which would be available for export throughout the world."

Mr. Speaker, as we increase the quality of life in Mexico with freer trade, we are obviously going to be increasing the export of United States technology as it deals with the environment to Mexico to improve their quality of life because that is a unique ability which we have in the United States because we have a proven track record for developing technological advances in the area of improving the environment.

Mr. RITTER. Mr. Speaker, will the gentleman yield?

Mr. DREIER of California. I would be happy to yield.

Mr. RITTER. The same is true with workers rights. If they are divorced from us, if they are in an economically desolate situation, they are not going to pay any attention to workers rights, but, if they get involved with doing business with us, and they have to conform to some of our cultural values and standards, and we can help uplift them, workers are going to have a heck of a lot more rights, a heck of a lot more rights linked with us than they are going to have on their own, doomed to poverty. Third World countries that are poor have rights, but, if they get richer, and grow, and increase their standard of living and productivity, they get more workers rights.

Mr. CUNNINGHAM. Mr. Speaker, will the gentleman yield?

Mr. DREIER of California. I yield to the gentleman from California.

Mr. CUNNINGHAM. Mr. Speaker, there is going to be another issue that is going to come on the floor that I think maybe has some parallel, when we are looking at most favored status for China. I do not know if I am going to support that issue or not. But one of the things that is intended is that, after Tiananmen Square, people are concerned about human rights. The best thing we could do to improve human rights in China is to continue the most-favored status of China so that we could continue our trade because, as we continue our trade, it expands inward, and one of the problems is the old guard, the centralized government, the Communist government.

As my colleagues know, we are not fooling ourselves. It is a Communist government, and the further that we move inward with free trade, with negotiations and where people start to work—there is over 2 million people in China working now in trades, and, if we can increase that, then civil rights for workers are also improved, and I think the gentleman's point would also spread and hold true in Mexico.

Mr. RITTER. Mr. Speaker, I am going to have to differ with my colleague from San Diego on extending MFN, most-favored-nation, status to China.

Mr. CUNNINGHAM. I do not know if I favor it or not.

Mr. RITTER. It is because I tend to believe that they have not responded in terms of human rights. They have had some very severe sentences on human rights activists. They are executing numbers of people. They have not responded, and we may need to send them a signal.

I just do not see China though as in any way, shape or form comparable to Mexico.

Mr. CUNNINGHAM. Mr. Speaker, would the gentleman yield for just a second.

I am not suggesting that. I am saying that one small point is that, as we continue trade in what we call democracy in what we call our capitalist form of government that it does expand for human rights, and that was the only small aspect that I was saying.

Mr. DREIER of California. Mr. Speaker, if I could reclaim my time, I think that this colloquy that is taking place between the gentleman from Lehigh Valley and the gentleman from San Diego is a very important one. There are Members of this House who are trying to liken the Mexican Government with the Government of the Soviet Union, the Government of China and others, trying to claim that there is no political reform, and I think my friend from San Diego has covered extraordinarily well in his specific relationship with border governments—I assume that he deals with the opposition party government, the National Action Party government, headed by Gov. Ernesto Rufo in Baja directly to his south, which is the first time in the history of this one-party control, the Institutional Revolutionary Party in Mexico, that we have seen an opposing party candidate for governor seated, and I think that is a demonstration of political reform in itself, and we have seen improvement.

However, Mr. Speaker, I think, as we discuss China, it is important to recognize that there are people who are arguing that the Government of Mexico is so corrupt and has had one-party control for such a long period of time, and I should say parenthetically that I am one who has been critical of that one-party control, and I hope very much that opposition party candidates will, if they gain the votes, be seated in these different elective offices throughout the country, and, with elections coming in August, we are looking for possibly two or three governorships to potentially be electing National Action Party, PON Party, candidates. But I think it is a very important point which the gentleman makes.

Mr. CUNNINGHAM. Mr. Speaker, will the gentleman yield?

Mr. DREIER of California. I am happy to yield to my friend.

Mr. CUNNINGHAM. Mr. Speaker, if we had a man like Abraham Lincoln come in and change our form of government, and take pride in it, and change it over, if we did not support that kind of positive change, we would be just as guilty as if we did not support President Salinas. The changes that he has made in Mexican Government, in drugs, in immigration, in every positive aspect, we need to support because, if we do not, if we destroy the Salinas government, which I think we will if we do not support fast track and free trade, then we are going to take a giant step backward for mankind instead of forward.

□ 2120

Japan is building a port in Mexico as we speak today. Japan is building ports in China as we speak today. If we lose those advantages, then I think overall our workers, not only auto workers but across the Nation, are going to suffer for it.

Mr. DREIER of California. Mr. Speaker, I thank my friend for his contribution. I have been wanting to do this. I do not like to stand here and read anything, but today's Washington Post had a fascinating editorial, "What Fast Track Means."

I would just like to share the last couple of paragraphs on this with our colleagues. It says:

> The prospect of a Mexican trade agreement in particular spooks a lot of people in Congress. It would certainly encourage more American companies to open factories in Mexico. Would that damage this country?
>
> Consider a historical example. In the 1950's, low wage industries like textiles were moving from New England to the South, over the bitter protests of the labor unions that are now fighting fast track. That southward migration certainly cost some New Englanders their jobs. But now, a generation later, New England is not only richer, it is richer in relation to the national average than it was 40 years ago, when the flight of the mills was beginning.
>
> Meanwhile, Southern prosperity has grown even faster. The disparities between the country's richest states and its poorest are significantly narrower than they were in 1950.
>
> The process that has worked across state borders will also work across national borders. The choice on fast track and trade is a choice about economic growth. Congress won't have a better opportunity this year to vote for growth and a rising standard of living here in the United States.

I think that says it extraordinarily well. It is not often that I agree with editorials in the Washington Post.

Mr. DREIER of California. Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. RITTER].

Mr. RITTER. Mr. Speaker, I want to just talk about growth and its relationship to exports and the whole field of manufacturing, because there have been so many, again, Members of Congress running around saying: The sky is falling on manufacturing. We are going to be denuded out of our manufacturing jobs. The Mexicans are coming.

Let us take a look at Ohio, again, a State of our great industrial heartland, the neighboring State of Pennsylvania. Ohio's exports to Mexico from the time liberalization of the Mexican trade barriers began back in 1987 to 1989, and again it is substantially higher today, it just about doubled from $245 million to $484 million. This is from Ohio.

Ohio's exports to the world, $13,323,000,000.

Mr. DREIER of California. Mr. Speaker, I hope very much that my friend, the gentleman from Pennsylvania [Mr. RITTER] will use those figures tomorrow in the debate. Our time has expired.

In closing on this special order, I thank my colleagues from San Diego, the Lehigh Valley, the gentleman from Arizona, and Lomita, and other parts of the country who have joined in this effort. I hope very much this is the last of my series of special orders, I should say to my colleagues, and to the wonderful people who work here late at night, but I do believe that tomorrow we will be casting one of the most important votes in decades. I hope very much that my colleagues will say to President Bush, yes, you can sit down at the negotiating table and try to bring about an agreement which will improve the quality of life for both Americans and those in Mexico.

Mr. GRANDY. Mr. Speaker, I rise this evening in firm support of the President's request for the extension of fast track trade agreement implementing authority and in firm opposition to House Resolution 101 and any other attempt to sidetrack, split, disapprove, or alter the congressional fast-track procedures set forth in section 151 of the Trade Act of 1974.

Our Nation stands at the door of perhaps the greatest economic opportunity in our history. However, if the sponsors of House Resolution 101 had their way, we would not even knock so that the door may be opened and further exploration could take place. During the Kennedy administration of the early 1960's, this Nation adopted a policy stance of "Trade not Aid" with regard to Mexico and many other countries. Today, opponents of the North American Free-Trade Agreement [NAFTA] and the extension of fast track want to revert to the costly, ineffective, and regressive "Aid not Trade" policy that was discarded 30 years ago. I believe this would be a grave mistake. Tomorrow as we vote on this crucial issue, I trust we will not make this mistake.

I want to make five main points that all clearly indicate that the extension of fast track is in our Nation's best interests and that arguments against the extension are largely based on misinformation. These points are the following:

First, the main basis for denying the extension of fast track—sufficient tangible progress has not been made in trade negotiations—does not exist in fact.

Second, successful completion of the Uruguay round of GATT negotiations will be beneficial to the American agricultural sector.

Third, passage of House Resolution 101 could negate the protections provided for America's farmers in the GATT trigger or snapback provision of the Omnibus Reconciliation Act of 1990 [OBRA] and take the pressure off of our trade competitors to come to a GATT agreement.

Fourth, the administration has proven by recent actions that they are just as committed to fair trade as they are free trade and that implementation problems with existing agreements should not stand in the way of proceeding with at least the negotiation of potential new agreements.

Fifth, the argument that a North American Free-Trade Agreement or a GATT agreement could be entered into without fast track has been fueled by misleading information and is not supported by the realities of modern multilateral negotiations.

SUFFICIENT PROGRESS HAS BEEN MADE IN OUR TRADE NEGOTIATIONS

House Resolution 101 states that "the House of Representatives disapproves the request * * * for the extension * * * because sufficient tangible progress has not been made in trade negotiations." I find this statement hard to swallow given the documentation provided by the President and the private industry Advisory Committee for Trade Policy and Negotiation [ACTPN] that accompanied the President's extension request as required by the Omnibus Trade and Competitiveness Act of 1988. Both of these reports certify that sufficient tangible progress has been made.

The Uruguay round of GATT negotiations started in 1986. We, the U.S. Congress, however, did not set our agenda, and an ambitious one at that, until 1988, 2 years after the negotiations began. It should not surprise us then, that more time is needed and justified for the Uruguay round.

With regard to the progress made, here is what the ACTPN had to say in their report:

The ACTPN believes that our negotiators have made strenuous efforts to achieve the Uruguay round objectives laid down by the Congress and the private sector. As measured against the numerous reports issued by the ACTPN and other trade policy advisory committees over the years, there has been continuing progress since the start of the Uruguay round. This is especially true if one considers the complexity of the negotiations, the divergent interests of the many countries involved, and the fact that the objectives laid out in the 1988 act were formulated 2 years after the Uruguay round was launched. It is worth recalling that the Tokyo round, which was far less complicated than the Uruguay found, required a full 6 years to complete. If present problems over agriculture are resolved, the ACTPN believes the agreements that meet the U.S. objectives may yet be achieved in the Uruguay round.

Furthermore, the ACTPN clearly outlines the procedural fast track debate before us today by stating in their letter of transmittal:

The ACTPN therefore believes it is imperative that the United States continue aggressively to pursue comprehensive trade-liberalizing agreements. The private sector and the Congress always retain the ability to oppose and reject an adequate agreement. Fast-track does not commit us to accept the unacceptable; it simply ensures that the United States has the tools at its disposal that will enable it to negotiate the best agreement possible.

LIBERALIZED WORLD TRADE IS A WINNER FOR AGRICULTURE

Both the U.S. Department of Agriculture and Iowa State University have undertaken studies which reveal that U.S. agriculture and U.S. farmers stand to benefit substantially from the conclusion of a GATT agreement containing reasonably achievable reductions in market access barriers, internal trade-distorting supports, and in export subsidies.

In its May 1991 report, Economic Implications of the Uruguay round for U.S. Agriculture, USDA research indicates that by 1996 under a completed GATT agreement, U.S. agricultural exports would be $6–$8 billion or 16 to 22 percent higher than without an agreement. Farm income would be up $1–$2 billion which translates into $3,000 more per year per U.S. farmer. Most importantly, this additional income would come from the marketplace, not the Federal Government. This is the goal of both the 1985 and 1990 farm bills and under our increasingly tight budget, the way it appears it will have to be if our farm sector is going to survive.

Not to be misleading, there are a few farm sectors that have traditionally been more protected than others that would possibly experience reduced income under a GATT agreement. However, projected budget savings in commodity program outlays under a GATT agreement over the 5 years through 1996 are far larger than any reduction in returns to adversely affected producers. In other words, if the United States wanted to insure that some farmers were no worse off with an agreement, then GATT permitted nontrade distorting payments could be made without a negative budget impact.

The Iowa State University [ISU] study, which utilized a slightly higher estimate of the reduction in export subsidies, concluded that farm income would be $4 billion more in 1996 under a GATT agreement than without one. The ISU data also indicates that annual farm income would increase, on average, $3.75 billion from 1997–2000. At the same time, net Commodity Credit Corporation [CCC] outlays would be $1.93 billion less in 1996 with a GATT agreement than without. Additionally, average CCC savings from 1997–2000 would be over $2 billion a year.

These sets of figures are conservative, not liberal. For the baseline does not assume the detrimental behavior which will take place if a trade agreement is not achieved. Without a trade agreement, we could expect to see protectionist policies increase and our export markets shrink. Pressure on our U.S. budget would be increased, yet the dollars are not there for any increased supports and the farm votes aren't there even if the dollars were.

U.S. agriculture is inseparably linked to the global marketplace. Future growth in demand for U.S. products will largely be outside the United States. Reliance on our relatively stagnant domestic markets will result in a shrinking agricultural industry. Over the next 20 years, the U.S. population will add 30 million people. The world population will grow by nearly 2 billion, and 90 percent of that growth will occur in less developed countries where food needs are greatest.

Countries can only afford to purchase products, however, if they have foreign exchange generated by a healthy, diversified economy that is bolstered by a liberal free trade system envisioned under the Uruguay round.

With regard to a potential NAFTA, both the International Trade Commission [ITC] and General Accounting Office [GAO] studies have shown that increased free trade with Mexico and Canada would have a net positive effect on United States agriculture. Those sectors that may be adversely affected have received commitments from the administration, contained in the President's response to your letter, Mr. Speaker, that sufficient steps will be taken to protect their interests.

The NAFTA by itself is a great opportunity for U.S. agriculture. The fact that we also have the opportunity to enter a multilateral agreement under GATT within a similar timeframe can only provide an even brighter future for American farmers. However, without fast track, indications are that we will have a much more dismal future.

THE OBRA GATT TRIGGER WOULD BE TERMINATED IF HOUSE RESOLUTION 101 PASSES

Passage of House Resolution 101 could negate the protections provided for America's farmers in the GATT "Trigger" or "Snapback" provision of the Omnibus Reconciliation Act of 1990—OBRA, Public Law 101–508—and take the pressure off of our trade competitors to come to a GATT agreement.

Section 1302 of Public Law 101–508, provides that if the United States fails to enter into a GATT agreement by June 30, 1992, then the Secretary of Agriculture is required to take various steps to beef up our export programs and to undertake new support programs for farmers. The provision further provides that if that agreement has not entered into force by June 30, 1993, then further measures are to be taken including the reinstatement of all cuts made in agricultural spending under OBRA '90. These provisions are designed to keep the pressure on our trading partners to come to the negotiating table with realistic proposals and also to protect American farmers from the unilateral reduction in our farm programs while our trading partners continue policies which further depress world commodity prices.

However, due to the budget impact of section 1302, Mr. FRENZEL added a termination clause that removes the authority to undertake all of the above if the President can certify that Congress' failure to provide fast track approval for any implementation legislation was the cause of the failure to enter into a GATT agreement. Therefore, if we were to pass House Resolution 101 here today, or next week on the floor, we would be in effect removing the safeguards provided for the U.S. farm sector in the reconciliation bill and taking all of the pressure off the Europeans to come to the bargaining table. This would be disastrous and would be pulling the rug out from under our farmers.

ADMINISTRATION ACTIONS INDICATE FAIR TRADE ON EQUAL FOOTING WITH FREE TRADE

Recent administration actions regarding a dispute under the Canadian Free-Trade Agreement indicate that it is as committed to fair trade as it is free trade and will utilize its resources to ensure that United States inter-

ests are protected and that the integrity of United States trade laws are preserved.

Opponents of the extension of fast-track implementation procedures have often utilized compelling horror stories regarding tainted meat entering the United States from Canada, or the Canadian refusal to admit several bushels of wheat into Canada for making bread while truck loads of Canadian wheat flow into the United States. However, these problems, which deserve to be addressed, are not trade policy problems stemming from the contents of the United States-Canadian FTA, rather they are implementation and administration problems. We have the means to address these.

In one area alluded to above, the United States pork industry filed a complaint under United States countervailing duty law regarding the shipment of subsidized Canadian pork imports into this country. The Canadians challenged the duty which was imposed under United States law. A binational panel was formed to hear the dispute and, after several referrals back and forth to U.S. trade agencies, a decision was announced that would require the removal of the U.S. duty.

However, due to the unusually stringent remand instructions placed on United States agencies by the binational panel, several ITC Commissioners revealed in their ruling that they believed the panel had overstepped its bounds and violated United States law and the United States-Canadian FTA. The National Pork Producers filed a petition for an extraordinary challenge under the FTA dispute settlement provisions with the U.S. Trade Representative. No extraordinary challenge had ever been filed by either country under the FTA, and the Canadians were vehemently opposed to the petition.

Ambassador Hills did not step away despite these pressures. She kept to the facts. She stood on the principle of free but fair trade and showed her intention under the Canadian Agreement, and I have confidence, any United States trade agreement, to fight for the full enforcement of United States trade laws.

The process works. Instead of trying to shoot down potentially beneficial trade agreements due to dissatisfaction with current implementation issues, we need to hold the administration's feet to the fire on the enforcement end while proceeding with negotiations.

AGREEMENTS UNDER FAST TRACK VERSUS NO FAST TRACK

Claims have been made concerning the fact numerous trade agreements had been signed in the past 30 years without fast track procedures and, therefore, the Uruguay round and NAFTA could be completed successfully without fast track. If one examines the facts, however, it becomes clear that only 5 of the alleged 25 agreements needed implementation language and therefore even involved the House. The other 20 agreements only involved ratification by the Senate.

Furthermore, the five agreements which did involve the House were single issue agreements. In each of these cases the legislation involved only a specific group of articles—coffee, endangered species, or mind-altering drugs—a single set of laws, copyrights, or established new authorities in a specific area—ship pollution, endangered species. None involved the broad, complex range of subject matter and interests affected as do major trade agreements.

This agreement attempts to compare apples with the apple orchard. The Uruguay round alone involves over 14 negotiating groups addressing such divergent issues as farm supports, intellectual property rights, textiles, dispute settlement, investments, and food safety standards. If those who have expressed concerns over a potential NAFTA want labor rights, the environment, tariffs, food safety, and numerous other issues contained in the agreement itself, they are fooling themselves if they believe this could be done without fast track.

If I may repeat a quote used above made by the private industry Advisory Committee For Trade Policy and Negotiation [ACTPN] in its report certifying that progress has been made and fast track should be extended, I believe it clearly illustrates that it would be virtually impossible to conclude the GATT or NAFTA agreements without fast track.

"This is especially true if one considers the complexity of the negotiations, the divergent interests of the many countries involved, and the fact that the objectives laid out in the 1988 Act were formulated two years after the Uruguay round was launched. It is worth recalling that the Tokyo round, which was far less complicated than the Uruguay round, required a full six years to complete.

Fast track was in place for the Tokyo round, it is necessary for the Uruguay round.

Tomorrow is a historic day in our hemisphere's economic and political history. I pray that the U.S. Congress will help the history books to read that it was a step forward and not a step backward. Vote down House Resolution 101.

CIVIL RIGHTS ACT OF 1991

The SPEAKER pro tempore (Mr. RAY). Under a previous order of the House, the gentlewoman from Hawaii [Mrs. MINK] is recognized for 60 minutes.

Mrs. MINK. Mr. Speaker, the long-awaited time for the debate and deliberation on the Civil Rights Act has now been set for next week. We expect to have the matter of the rule determined on Wednesday and very possibly begin the debate on Wednesday or Thursday.

I serve on the Education and Labor Committee, and I am very proud of the fact that we made a very early and concerted effort to report this very important bill dealing with civil rights for all Americans in the country very early on. The bill was also assigned to the Judiciary Committee, and that committee also acted very promptly and reported out a bill, basically very similar to the two bills that were reported out by those committees about a year ago, for debate and deliberation in the Congress last year.

We all recall what happened last year. Because there was some concern about those who were not in favor of the passage of the bill, compromises were made. One of the major compromises that hit the floor last August 2, 1990, was a recommendation that with respect to damages, which are for the first time to be added and allowed under title VII, that there would be a limit established in terms of amount of damages that a person could collect under that kind of litigation.

That litigation is not a matter of conjuring up discrimination or trying to use group statistics for discrimination. We are talking about deliberate discrimination against an individual.

Because title VII, when it was first enacted in 1964, did not contain the provisions which would allow such persons who went to court, who suffered all of these disparaging and insulting and discriminating actions against them in the workplace, despite that, when they went to court all they could get in terms of remedies were back pay, if they were fired or quit their jobs, or in some cases, reinstatement to the jobs that they detested in any event because of what was going on at the workplace.

Title VII did not permit compensatory damages for suffering, for embarrassment, for all the indignities that the person suffered at the workplace. So as a consequence, there has been a growing body of law which clearly sets out this pattern of discrimination, this dual track of justice in America which can no longer be tolerated.

Last year on August 2, 1990, it was decided that the only way that a vetoproof number of votes could be acquired for that bill and perhaps to overcome the Presidential threat of veto, that in order to do this it was necessary to add a limitation on the amount of damages that an individual that had been found to have been intentionally discriminated against could receive from a court. And that cap was established at $150,000. That cap was voted on the floor. It did not really engender an enormous amount of debate. It was added to the civil rights bill, and there was a consensus that as a result of that action by the Congress last year, that the President would, in fact, sign the bill into law.

In fact, he did not. He vetoed it again.

This year when we began deliberations on H.R. 1, it was with the conviction that we would send to the Congress, to the House of Representatives, at least our body, the strongest possible civil rights legislation that was necessary. There are a number of reasons why this civil rights bill is necessary. The usual arguments you hear have to do with trying to reverse the very, very regressive decisions that were adopted since 1989 by the Supreme Court, which limits in many respects the opportunities for workers to be able to bring their cases and obtain justice before the law.

□ 2130

But the one that I want to talk about tonight has to do with the new provision with respect to title VII, the one that seems to again have come forward as a bargaining chip to try to gain support for this legislation, and to make it, as legislators say, vetoproof, by getting more than two-thirds vote on the passage by this body.

I think it is a very bad mistake to compromise away the rights, the very basic, fundamental rights, of a group of citizens within this country, and that is exactly what the placement of limits, of what you can get for damages does.

In terms of the history of damages for race discrimination, those who have gone the court and proven their cases and proven intentional discrimination based upon race have done so under a section which is referred to as 1981. It comes out under a post-Civil War statute enacted back in 1866.

Individuals who have suffered discrimination at the workplace and go to court and allege that this discrimination has been brought upon them because of their race have been able, through that provision in the law, the 1866 post-Civil War law, to obtain compensatory damages, have been able to obtain punitive damages, and have been able to obtain justice under our legal system.

Only all the others, and all the others unfortunately means women, women of this country, have not been able to take advantage of section 1981, under that 1866 post-Civil War statute. They have only been able to rely under title VII, and title VII did not provide for damages.

As a consequence, women who felt aggrieved and went to work and proved their cases beyond any doubt, to the satisfaction of juries and judges, that they were in fact victims of intentional discrimination, could get no damages whatsoever. They could be reinstated in the jobs that were really unacceptable to them, and in some cases, if they were in fact fired or lost their jobs, they were able to get back wages.

So the great progress that is being made in the civil rights bill, H.R. 1, is to correct this two-tier system of justice in our country, and to make people whole, and to make it possible for us to say that the principles of justice in this country are equal; that if you suffer discrimination at the workplace, you have the same entitlement in terms of relief: Back pay, reinstatement, front wages, compensatory damages for your suffering, medical expenses for the costs of whatever medical infringements you suffered as a result of the discrimination, and punitive damages also, if the discrimination that was foisted upon you was egregious and aggressively neglectful on the part of the employer.

I think if Members of this House understood that what H.R. 1 is attempting to do is to equalize the remedies under the law available to all Americans, to bring up to parity, finally, the ability of women, who are now the majority of people in the workplace, to bring them up to parity, so that if they are in employment in places that discriminate against women, deny them promotions and job opportunities, discriminate against them in other ways, in sexual harassment situations, then it seems to me that they are entitled to receive the same remedies as every other American.

The other group of citizens that H.R. 1 would benefit are the religious minorities. Those individuals are also left out in the scheme of equity.

So it seems to me very, very important that we pay attention also to the discrimination implicit in the notion that there should be a cap on the remedies.

The National Women's Law Center has put out a very interesting and thorough analysis of title VII's failed promises, as they call it in their report, the impact of the lack of damages remedy. It is a 1991 update of their report, and I submit that Members, I assume, have all been sent a copy of it.

Before this matter is taken up in our debate next week, I hope that Members will take the opportunity to look at it and read it and understand its implications. It goes into a very profound discussion of all of the cases that clearly illustrate the principles of inequity, and cite these cases as examples of why this particular inequity in the law must be changed.

The members of the Committee on Education and Labor fully understood what they were doing when they made the remedies under title VII the same as remedies under the 1981 section of the 1866 post-Civil War law. Because they understood the impact such a change would have on the workplace with respect to women, it was the unanimous consent of the committee to change the name of the bill from the Civil Rights Act of 1990 to the Civil Rights Act and Women's Equity in Employment Act of 1991, to emphasize the fact that finally the women in the workplace were going to have a chance to be considered equally in a court of law when they brought a case of intentional discrimination to our justice system.

Let me give you a few examples of the kinds of inequities that have been placed upon women plaintiffs who have brought their cases. These cases are not brought with any idle whim. Just as in rape cases, women who suffer these indignities at the workplace have to bear in mind the tremendous intimidation and additional harassment they must suffer, because they must work side by side and continue in employment if they expect to feed their families and survive. So the decision to go to court in the first place is a difficult one. To do so and not be able to get damages and be free of this discriminatory situation and go elsewhere for employment, I think, is a very egregious defect in the law.

Take the case of Nancy Phillips, who was fired when she told her employer that she was pregnant. This was a case finally decided in 1990, a recent case.

She lost her job, and, of course, as we all know when you lose your job, you also lose health insurance, at a time when it was absolutely critical for her to be able to have that coverage because of her pending childbirth. The family was unable to pay all of the attendant medical bills. They were harassed by the companies and threatened for nonpayment of their bills.

She became not only mentally, but physically distraught as a result of the fact that she had to go deeper and deeper into debt, not to mention the medical bills, but her inability to provide for her family at a time when it was so important.

She took the matter to court, and she won. The court found, the jury found, that she was a victim of sex discrimination, illegal sex discrimination, intentional.

All she could get from the court was back pay and a bit of her medical costs, but none of the funds that she had asked for with respect to the stress, the mental anxiety, and the humiliation that she suffered on account of the financial difficulties that were cast upon her with no fault on her part. The fact that she could recover nothing in terms of compensatory damages was because title VII did not allow it.

Take the case of Virginia Delgado, illegally harassed, discriminated against at her job place with respect to her salary. This was a Government case. During the years between the discrimination and her final vindication by the courts, if you want to call it that, she lived in almost total poverty, because she had to leave her job.

□ 2140

She scraped around enough money to survive, but she lives literally in poverty. She had a poor diet. She could not go to the doctor. Her health became impaired. She lost her teeth because she could not afford to go to the dentist, and all of this because she was discriminated against at the job site.

At the court trial, the court awarded her back pay, reinstated her in her job, which she declined because that was not a place that she considered healthful for herself to return. But she was never compensated for her mental suffering, her anguish, her medical injuries, and the stress and humiliation that she suffered, and that again because title VII did not allow any compensatory damages.

Take the case of Betty Sours who was denied a promotion to a permanent engineering aid position because she rejected her supervisor's sexual advances at the workplace, assaults too sordid for me to describe in this august Chamber. But she suffered a psychological breakdown which finally made her very, very ill.

The court found intentional sex discrimination had been placed upon her and awarded her back pay and a 9-month lump sum up-front payment to give her some time to find another job, but did not compensate her at all for the abuse that she suffered and all of her pain and suffering and mental anguish.

In each of these cases I do not think that it is responsible for us to say those were the faults of the individual supervisors or the individual coworker. What we must accept is the responsibility that the employer must share for tolerating these kinds of conditions at the workplace. That is what this whole debate is all about: To what extent are the employers permitting these kinds of activities to continue, even though they have been complained about, putting it aside, making light of it, not paying attention to the very grievous harm that is being caused upon these workers. That is what these cases are all about. And I suggest that employers simply are callous, neglectful, uncaring and do not consider these kinds of complaints that are being placed by women as serious enough for their attention.

There are so many cases that I could go down in order here, and they are listed in this wonderful catalog, and I hope Members will take the time to look at it.

One final case I do want to mention in this group is the case of Helen Brooms who was a nurse, and she was constantly harassed by her supervisor who routinely followed her around, showing her obscene pictures and making offensive gestures and comments. One day he pursued her to such an extent that trying to escape from this individual, she fell down a flight of stairs and became permanently disabled. Aside from being depressed and not being able to go back to work, the court found that she was intentionally discriminated against but could only, because of the limitations of title VII, only award her back pay. She received no compensation for her medical bills and all of the other attendant nonwage-related injuries that she suffered.

We could go on and on. Police officers, female police officers that have been discriminated against, firefighters, women in nontraditional professions have really had to suffer a myriad of indescribable indignities, and not only offensive because the individual perpetrator works alongside the women, but because these things are tolerated by the supervisors, by the heads of the companies, by the government officials that have responsibility to make sure that the workplace is genuinely fair and nondiscriminatory.

One other aspect of the discriminatory aspects of title VII is that in so many of these cases the women feel compelled to quit. They cannot possibly stay on the job because the conditions are so intolerable. When they quit, in many cases they are not able to recover anything because they have to prove that they were, in fact, fired by their employer, and sometimes this becomes a barrier to collecting any recovery at all, including back pay and other forms of compensation.

There are a number of other cases involving discrimination where the court found that they were fired, but that there were other reasons for firing them. The court admits that there was intentional discrimination, makes a finding that there was, and yet attributes the employee's leaving the company or departure from the company as not constituting a firing, or that there was a firing if they found one other reason other than the sex discrimination. And in those cases the plaintiffs have not been able to recover any back wages or have any recourse at all.

I think it is very important for the Members of this body to recognize what we are trying to do in H.R. 1. We are trying to achieve a simple concept of equity before the law. If we are going to have the opportunity for individuals to take their cases to court, to make an allegation of discrimination, whether it is sex discrimination or race discrimination, it ought not to make any difference, and the remedies ought to be the same, and that is what we are attempting to preserve under H.R. 1, the Civil Rights and Women's Equity in Employment Act of 1991.

The suggestion that we put a cap on the damages is highly offensive. It is inequitable by its very concept of putting a limit on damages where no limit exists for any other plaintiff except those coming under title VII. It should not be accepted.

There will be an effort made to go to the Rules Committee to get a rule to make in order an amendment to strike those provisions that set a cap on all of the substitutes that are being considered and being brought forth as substitutes for the two bills that have been reported out by the Committee on Education and Labor and the Committee on the Judiciary. I hope that the Members will take time to very carefully study the implications of supporting such a cap. That will constitute an admission by this Chamber and on the Members who vote for it that the concept of equal justice has no meaning in America, that you could put a cap arbitrarily for no reason whatsoever, because you do not trust the judiciary system, or you do not want women plaintiffs to get what a court, get what a jury believes is just compensation for the injuries that they have suffered.

So I hope that the Members of this body will reject that kind of a provision in the substitute and support the efforts of some of us who will be making that effort to strike those caps from all of the substitutes.

The efforts to bring out the substitutes has been very difficult to follow. Until the moment I am standing here I have not seen a written copy of the substitutes. I have heard it discussed. I have seen some summaries of it, but I do not know the precise language.

As a consequence, we have not heard from the community out there that is always so active in promoting the concepts of justice and equality in this country from whom we would like to hear. We like to know of their opinions. We treasure their comments. We look forward to their input. They have made valuable contributions over the years as we have developed the concepts of civil rights in America.

I want to point out a few of the letters that I have received over the last several weeks which I think are instructive for those Members who may be concerned about what the outside community other than the lawyers and the Members of the House and those who have leadership responsibilities are saying. Let us pay attention to what the outside community is saying.

□ 2150

Take, for instance, the Mexican American Legal Defense Fund and Educational Fund; by letter to, I am sure, all of the Members of the House dated April 30, and all of these letters are about the same vintage, this letter says:

> Our organization has represented the Hispanic community for the last two decades in civil rights litigation involving employment discrimination, school desegregation and voting rights. The health and well-being of our community, as well as the health of American society as a whole, requires the elimination of unfair practices in all of these areas. However, the most pressing civil rights issue for the men and women of the Hispanic community today is the need to abolish discrimination in the workplace on the basis of race, national origin, language and sex.
>
> As the testimony at the hearing on H.R. 1 has demonstrated, we have not succeeded in eliminating employment practices that are motivated by a person's gender or color of skin. Women of all backgrounds are frequently terrorized by sexual harassment in the workplace, while Hispanic, African American and Asian American men and women suffer racial harassment and other forms of intentional discrimination in their jobs.
>
> The testimony at the hearings has also demonstrated how the recent decisions by the Supreme Court have made it difficult, if not impossible, for workers to obtain relief from disparate impact discrimination or to obtain an adequate remedy for racial-harassment.

Opponents of H.R. 1 have made two assertions which are not based in fact. First, they have argued that the restoration of the standards of proof for disparate impact cases articulated by a unanimous Supreme Court in Griggs v. Duke Power Co., and essentially overruled by a new Supreme Court majority in Wards Cove Packing Co. v. Atonio, would induce businesses to establish quotas in order to avoid liability. Yet, during the eighteen years that the Griggs standard governed employment law, it did not lead to the establishment of quotas. Second, opponents have claimed that compensatory and punitive damages for the victims of intentional discrimination would lead to a lawyers' bonanza and the bankruptcy of businesses. This agrument is likewise unfounded. In a study conducted by the law firm of Shea and Gardner, it was found that in 85% of the race discrimination cases filed under the Civil Rights Act of 1986 during the last decade, no monetary awards were made; that when monetary damages were awarded, the average award was only $40,000; and that in only three cases did the damage awards exceed $200,000. Finally some have argued that a cap on punitive damages is necessary to protect businesses, yet they have failed to explain why injuries resulting from discrimination deserve less protection that other kinds of injuries.

And the letter goes on to make further arguments.

Federally Employed Women, an organization I have been long associated with, also writes in the same vein, and in their last paragraph of their letter says:

When H.R. 1 is considered by the House, I urge your vote for the bill and opposition to any crippling amendments, including any attempt to cap compensatory and punitive damages for women, religious and ethnic minorities, and persons with disabilities. FEW is counting on your full support and I look forward to hearing your position on this important legislation soon.

Wider Opportunities for Women, Inc., in a letter dated, again, April 30, in the middle of their letter, says:

Without the Civil Rights Act of 1991, women, people of color and religious and ethnic minorities will continue to face discriminatory practices in the workplace, with no legal recourse available to them. Women working in traditionally male-dominated jobs, which provide them with higher wages, are particularly at risk for discrimination and harassment on the job. Without the Civil Rights Act, these jobs will remain closed to women.

Because egregious examples of sexual harassment and other types of intentional discrimination against women and minority workers are all too common, the right for women to sue for punitive and compensatory damages is crucial. Any amendment to cap the amount of damages in these cases is unacceptable.

The National Education Association wrote about the same time, and in it said:

The other key aspect of the Civil Rights Act is the extension of damages to victims of intentional discrimination based on gender, religion, or physical disability. Under current law, only racial minorities may receive either compensatory or punitive damages when intentional discrimination is proven. H.R. 1 amends Title VII so that any individual who proves in court that he or she has been intentionally discriminated against can receive the same remedies including damages. This provision is crucial to the millions of working women whose only relief under current law is back pay.

The United States Catholic Conference, Department of Social Development and World Peace, in the middle of its letter, says:

We urge Congress to pass this legislation without delay and to forgo any amendments which would weaken the civil rights protection for all Americans—whatever their race, age, gender, ethnic origin, or disabling condition.

The Service Employees International Union, dated April 30, letter to Members of Congress says:

H.R. 1 would repair the damage done to our civil rights laws by those Supreme Court decisions. The bill prohibits intentional discrimination in hiring, firing and promotion of employees. The bill provides the same remedies for employment discrimination of women that racial and religious minorities have always received under Title VII.

The General Board of Church and Society of the United Methodist Church makes the same observation urging Members of this House to oppose any amendments that would weaken this important bill, and go on to emphasize the position of the United Methodist Church.

AFSCME, American Federation of State, County and Municipal Employees, on May 3 wrote to the Members of this House saying:

We believe H.R. 1 is necessary to guarantee that victims of employment discrimination have adequate means of redress. By extending the right to punitive damages to women, the disabled and religious minorities, H.R. 1 would ensure all victims of discrimination of equal justice.

That is what this whole debate is about, equal justice, not the continuation of a two-tiered, dual system of justice where women and the religious minorities and the handicapped persons, disabled individuals, will not be able to go to court and have full consideration of the damages that they have suffered because of the indignities and discrimination at the workplace.

We must have confidence in our system of law. We always applaud it. There are always wonderful words being expressed about how America is such a great place because we can depend upon the justice system to be fair and equitable. I believe that we have that confidence. We can have that confidence. We share it with respect to our judicial system.

Therefore, why would the Congress itself want to impose an inequitable provision which limits the capacity of a court of law to apply the individual circumstances and hardships and grievances of one case and say, "Well, I am sorry, we cannot give you punitive damages in excess of $150,000 because the Congress had no confidence in the judicial system to be making a fair decision."

Well, there are so many other letters. The National Council of Jewish Women wrote asking us to insist upon the level of fairness and equity allowing, it says, "Victims of discrimination to receive punitive damages for intentional discrimination."

I wonder how many have read these letters to see the plea for fairness and equity. That is all we will be doing when we come before the House next week, to ask the House to remove this cap on damages. It is unfair. It is inequitable. It is an insult to the judicial system and an insult to women, to religious and ethnic minorities, and to the disabled.

STATE OF THE ECONOMY

The SPEAKER pro tempore (Mr. RAY). Under a previous order of the House, the gentleman from California [Mr. PANETTA] is recognized for 60 minutes.

Mr. PANETTA. Mr. Speaker, after more than 2 years of steadily declining growth, our economy has fallen into recession. Many economic forecasters have predicted an early recovery, and indeed just this weekend the administration—in the person of OMB Director Richard Darman—has declared the recession over.

There are some strands of evidence to support the administration's claim. The unemployment rate declined in April, and industrial production may have hit bottom.

But the best evidence is that our economy is far from healthy. We cannot yet count the recession out with any degree of confidence; production shows no signs of significant growth, employment by the most reliable measure continues to decline, and the human costs mount.

But even more important, whenever this recession ends, the economy is poised for a weak recovery that will feel a lot like a recession. We are now reaping the bitter fruits of a decade of self-indulgent and complacent policies that leave us ill-prepared for the future.

The question at hand is not just where the economy is headed over the next 6 months, though that is certainly important. The question really is where we are headed over the next 6 years, and into the next decade and the next century. We need to take stock now because today's decisions affect our economic fortunes for years to come, just as did the fundamental changes in policy over the past decade. It is time for us to consider our economic prospects and policies; to determine what we have done right, and what we have done wrong; and to chart a new course to harmonize our short-term needs with our long-term goals.

The economic policies of the 1980's are not well designed to lead us out of this recession; but even more disturbing, they are inconsistent with a vigorous ultimate recovery. Instead, they are likely to lead us through the same sluggish building of our capacity to produce that we have experienced over the last 10 years, and which was masked only by the temporarily rapid rebound from the deepest recession since the Great Depression itself. We must put these facts in perspective, so that we can deal with our current challenge and move on to build for the future.

THE CURRENT RECESSION AND HOW WE GOT HERE

We now know that this recession began in July 1990, even before the shocks caused by Iraq's invasion of Kuwait and the resultant sharp rise of oil prices. We have this timing on the unanimous authority of the seven distinguished economists who comprise the Business Cycle Dating Committee of the National Bureau of Economic Research, the private nonprofit economic research organization that has been the recognized authority on U.S. business cycles for many decades.

High interest rates and scarcity of credit were the proximate causes of the slowdown that began in July; the slowdown merely worsened when the gulf war shocks were added. However, the roots of our current economic weakness go back much further.

This economy suffers from excessive burdens of debt, and low productivity growth. In the current slowdown, these weaknesses have drained both worker purchasing power and corporate profitability. And they follow directly from the policies of excess practiced over the 1980's.

In the early 1980's, the administration set upon a policy of debt. Its hope was that added incentives for society's most fortunate would flood the Treasury with revenues.

When the flood of revenues did not materialize, the administration rationalized its choices: A large Federal deficit was not a problem; it would not lead to higher interest rates. A large trade deficit was a sign of strength. Although the Congress gave the administration all the spending cuts it asked in 1981, the Congress was at fault for not giving more. Unfettered and unsupervised financial institutions would lead to growth and efficiency.

Most fundamentally wrong was the administration's own policy of debt. The Federal Government itself crowded the credit markets, driving up interest rates and thereby the dollar. Investment was inhibited; imports were encouraged. Later, foreign financial powers were given an open season to purchase our assets, when the international value of the dollar had to fall from its stratospheric levels of the early 1980's.

Worst of all, this policy of debt sent a most damaging message to the American people, and to American business: that financial responsibility was unnecessary, and that prudence and planning for the future could be replaced by irrational hope. One function of government is to lead by example, and in the 1980's, the Federal Government led the rest of the economy far off course.

No wonder U.S. business went on an unprecedented debt and takeover binge. For most of the 1980's, the debt of nonfinancial corporations has been rising relative to their production. There has been an actual decline of equity financing. Rising interest burdens have reduced profitability and made corporations more vulnerable to economic setbacks.

No wonder American households, in the face of a dazzling array of savings incentives and record high real interest rates, saved less of their incomes that at any time since the end of World War II. Consumer installment credit has risen to a record high percentage of personal income, making households more vulnerable to bad times.

We applied these misplaced priorities not only to how little we saved as a nation, but also to how we used those savings.

Net business investment was a lower percentage of our GNP in the 1980's than in the preceding three decades.

Further, much of that investment, prior to the 1986 tax reform, was directed to record levels of commercial real estate development, not to productivity-improving business plant and equipment. The result was universally recognized overbuilding, and high-flying financial institutions with portfolios of bad real estate loans and junk bonds. The real cost of the savings and loan collapse was the funds wasted on bad investment projects over the last decade.

As a result of our policy mistakes, the economy has trundled through the 1980's at rates of growth slower than in previous expansions. The recovery from the long and deep 1981–82 recession was surely a relief to households. However, over the entire 1980's expansion, productivity growth has been disappointing, averaging 1 percent per year in nonfarm business compared with 1.9 percent from the end of World War II through the 1970's. As a result, growth in the living standards of the typical American family has been equally disappointing.

By the end of the day, all of the employment growth over the 1980's was in service industries, where wages are often lower and productivity growth is slower and generally unsatisfactory. The service industries monopolized new employment because our manufacturing sector was hammered by a high dollar that made imports irresistible here, and priced our manufacturers out of the markets overseas. Despite the dollar's subsequent fall and the recovery of manufacturing, we continue to pay a price in lost market share at home and abroad. Again the root cause was the Federal Government's enormous deficits, which forced us to sell bonds to foreigners in unprecedented amounts, driving the dollar up.

In 1989 and 1990, productivity actually declined. Declines in productivity hold back both corporate profits and real wages. Corporate profits have been on a downtrend since late 1988. Real hourly wages and salaries, as measured by the Employment Cost Index, have been falling ever since 1986. Real wages of production workers are barely above where they were in 1979.

These weaknesses of our economic performance—a shortage and misdirection of investment, and low productivity growth—can be traced directly back to our policy mistakes, a buildup of debt and lax financial regulation and supervision.

People do not like to face up to these problems. But in this recession and its aftermath, the problems are going to face up to us, like it or not.

WHEN DOES THE RECOVERY BEGIN?

The conventional wisdom last winter was that the recession would be short and shallow; the administration did not even use the term "recession" in its budget, but said only that the economic expansion had been interrupted. Although most private economists still forecast that the recession will be shorter than the postwar average, with a smaller decline of GNP and smaller increase in unemployment, recent evidence leads me to question that assumption.

First, what does the average recession look like? Since 1945, recessions have lasted an average of 11 months from the time that the downturn begins until the economy finally hits bottom; real GNP falls by 2.6 percent, and employment drops by 2 percent. More important, it takes 10 months of recovery until employment regains its prerecession level. That's almost 2 years of excessive unemployment.

By these standards, what does a mild recession look like? Well, in terms of length and job losses, past recessions that were milder than the average ran about 10 months of decline with a 1.6 percent drop in employment. Real GNP declined by a little over 1 percent.

We have already equaled the short and shallow recessions of the past. Since the recession began in July, 10 months ago, real GNP has fallen by 1.1 percent. There are 1.5 million fewer payroll jobs, a 1.4-percent decline; 1.4 million more people are unemployed; and industrial production has fallen by 4.8 percent. If this recession is of the short and shallow variety, we should already see signs that things are picking up.

Economic forecasting is as much an art as a science; the path ahead for the

economy is rarely obvious, and is frequently genuinely obscure. There are some signs that the economy may be hitting bottom: The stock market is rising, consumer confidence has increased from the dismal level last winter, and homebuilding and home sales have begun to rise. However, these indicators are mainly measures of expectations, not measures of actual production, and each often begins to increase long in advance of GNP and employment. In the last recession, the Commerce Department's Index of leading Economic Indicators, driven by these same measures, began to increase 10 months before the economy finally began to recover. Buy this standard, we could be in recession almost all year. The index of industrial production did rise in April, by the smallest possible amount, but this was due to a rebound in auto production that is not being supported by a comparable rebound in sales.

The recent easing of monetary policy by the Fed is certainly welcome, although it was long overdue. Lower interest rates and relief from the credit crunch are essential to get the recovery started, and I hope that Chairman Greenspan and the Fed share our concern that the real risk for this economy is on the down side, and act accordingly.

However, there are some real signs that we may have several more months at the bottom before the worst is over. Economists assess the state of the economy by analyzing the major sections and by looking for signs of strength or weakness in each. This review suggests that the risks are great that the recession will continue into the summer.

Consumer spending accounts for nearly two-thirds of GNP, and recovery there is essential for a general upturn. The outlook for consumers is mixed; confidence was given a boost by the end of the war, but that hasn't been converted into much of an increase in purchases, particularly of autos. In fact, sales of autos and other consumer goods both fell in April.

The main roadblock is that real household income is weak. Real disposable after tax income in March is still almost 1½ percent below last July's level—and that is in total dollars, spread over a growing number of consumer households with a growing number of mouths to feed. Consumer spending grew faster than income in both February and March but fell again in April, so that real retail sales excluding autos were still nearly 2.5 percent lower than in July. Sales of domestic cars in April fell to below the depressed January level. Households are either unwilling to reduce their savings further, or cannot get the credit they need to buy.

If employment continues to fall for several months, consumers will likely remain cautious until they see some improvement in their own incomes and feel more secure that they will keep their jobs. The fact that payroll employment dropped by 124,000 last month and nearly half a million more people apply for unemployment compensation each week does not suggest to me that consumers are about to lead us out of the recession very soon.

Business investment in equipment has been a driving force in the economy since 1986, especially investment in computers and high-technology machinery. But it gradually slowed under the pressure of relatively high interest rates and the credit crunch in 1990, and the fall in consumer spending led to a cutback in equipment investment at a 15.5 percent rate in the first quarter. New orders for non-defense capital equipment excluding aircraft in real terms fell for the fifth straight month in March, a sign that investment and industrial production will continue to decline.

The Fed's action to lower interest rates will encourage new investment, but industry has considerable excess capacity now as well as high levels of debt, and will hesitate to add more until it sees demand rising.

Homebuilding was the first sector to go into the recession, and seems to be the first to come out. Housing starts picked up in February and March, Permits to building homes also increased significantly in the last 2 months. Lower interest rates are going to help, but not too much until household income gains some ground.

Foreign trade holds the best hope for pulling us out of the recession soon. Exports grew faster than any other component of GNP from the beginning of 1987 through the end of 1990, but were flat in the first quarter. Measures of our relative competitiveness show that our goods and services can hold their own in world markets, and maybe even gain some, but the rise of the dollar in recent weeks poses a threat to export orders in the second half of 1991. Even more important is the weakness in other major economies: Canada and Britain are in recessions, and Japan and most European countries are expecting slower growth.

My conclusion is that the greatest risks are that the recovery will be later than sooner; that more Americans will lose their jobs and not be covered by unemployment compensation, and that the administration is not prepared to take an active role in coming to their aid.

THE LONGER-TERM PROSPECTS

What are the prospects for a full and vigorous recovery? Very clouded, given the legacy of past mistakes and policies.

The same problems that threaten to postpone the recovery are likely to make the eventual recovery sluggish and slow.

Slow productivity growth, and the resulting slow wage growth, are going to hold back consumer incomes, and consumer spending. That will hold back the recovery.

Our shaky financial institutions will be reluctant to lend to consumers who want to buy homes or automobiles, and the businesses who want to invest. That will hold back the recovery.

Our manufacturers will be reluctant to invest, as consumer spending continues slow and the recent rise of the dollar slows our exports. That will hold back the recovery.

And finally, businesses and consumers already heavily in debt will hesitate to make commitments in uncertain economic times. And that will hold back the recovery.

With those roadblocks in the way, we can expect unsatisfactory growth over the recovery and expansion that follow this recession. Real wage growth will continue sluggish, holding back living standards. And following from the models of previous recessions, it will take 2 years or more before we reattain the unemployment rate from before this slowdown began.

So what can we do to spark a more vigorous recovery?

CONCLUSION

ECONOMIC POLICIES FOR RECOVERY

One possibility that we must reject completely is a repeat of the overexpansionary policies of the early 1980's: Massive tax cuts and defense spending inceases. Such policies would lead to an explosion of Federal debt and interests payments. On the way, while the Fed was still attempting to keep the lid on inflation, we could again see huge trade deficits and crowding out of housing and business investment.

That means that we cannot give the economy another self-indulgent, short-term tax-cut "high." We cannot give consumption another artifical stimulant, and expect our economy to be clear headed and healthy in the years to come. Even a tax cut that was intended to be temporary would almost certainly became permanent, because every political incentive would prevent us from allowing it to expire. So, any tax cut would continuously drain our savings, drive up interest rates and the dollar, and inhibit the investment and exports that we need for long-term growth.

Thus, we face a complex challenge; we must guide the economy out of the recession in the short run, but also set it on a path toward solid growth over the long term. While a general tax cut would be bad policy, the recession is not yet over, and we cannot go neglecting its innocent victims. The Federal Government can and should help. Most obviously, the recession is exposing the inadequacies of the unemployment compensation system.

Strengthen unemployment insurance: In this recession, far fewer of the jobless are covered by unemployment compensation than in past recessions. But workers have already paid much of the taxes that are needed to restore coverage. There is a positive balance in the trust fund. In the depth of the 1975 recession, more than three-quarters of those out of work qualified for unemployment benefits. Today, the figure is little more than one-third. That percentage may rise as the recession continues; nevertheless, a majority of those out of work are not likely to qualify for benefits under the current system, and the number of workers exhausting the maximum 26 weeks of benefits is on the rise.

During a recession, many workers need more than the full term of benefits, precisely because the job market is weak. Even though the measured unemployment rate fell in April, the number of persons unemployed for 27 weeks or more increased to more than 1 million. It was for such instances that the "extended benefits" program, providing an extra 13 weeks of benefits in serious recessions, was created. Yet now the extended benefits program has shrunk into insignificance. The program is no longer triggered by the national unemployment rate, but instead by outmoded State-by-State indicators that no longer track actual unemployment in the States. Furthermore, there is no longer a 100-percent federally financed supplement to benefits during recessions, when States typically lack the resources to do the job entirely on their own.

To be eligible for any unemployment benefits, workers must have a significant work history. Benefits are only a fraction of lost wages, and they are fully taxable. The evidence shows that in many instances, unemployment insurance is needed to keep families from falling below the poverty line, even in these times of the two-worker married couples. Unemployment compensation is not mad money; it is a necessity for those hit by the indiscriminate hardship of recession.

Strengthening the unemployment insurance system would not only help those most hurt by the recession; it would also make the Federal budget more responsive to conditions in the economy. When recession hits and unemployment increases, unemployment benefits increase as well, softening the blow to total household buying power; when the economy recovers and unemployment subsides, unemployment benefits decline, removing that boost to the economy just when it would become counterproductive. Unemployment insurance is therefore the kind of "automatic stabilizer" that keeps the economy in balance. Rebuilding the unemployment compensation program should be our first priority in this recession.

Keep interest rates low: Beyond a stronger unemployment insurance system, the economy needs lower interest rates. Lower interest rates will make domestic investment more attractive to American businesses; investment will help our business sector service not only our own consumers, but also our export markets overseas. Exports and investment have remained strong as the rest of the economy slowed over the last 2 years. Given the slow growth of wages in the household sector and the current high unemployment, exports and investment are the most likely sources of strength to turn the economy upward again.

Lower interest rates would have further advantages for the economy:

Interest-sensitive sectors such as housing will be further stimulated.

Debt burdens will be lightened. Many businesses and consumers have adjustable-rate debt, and their out-of-pocket expenses will be reduced by lower interest rates. Many others with fixed-rate debt will be able to refinance and free up spendable income.

The contraction resulting from strict regulation will be lessened—in the right way, not by lowering standards again but by expanding loan eligibility. A borrower who was not creditworthy when the prime rate was 10 percent will be better able to make the loan payments now that the prime rate is 8½ percent.

As interest rates go down, the market for typically credit-financed assets—especially real estate—is broadened, and prices can stabilize.

Financial institutions will be strengthened, and the need for bank rescues over and above the savings and loan cleanup reduced. Banks and similar financial institutions flourish in a climate of declining interest rates and suffer when rates are rising. Such institutions are interest payers as well as interest receivers, and in many cases the rates they have to pay to their depositors and other creditors move more rapidly than the rates they receive on their loans.

Despite the manifold advantages that would come from lower interest rates, the Federal Reserve has been hesitant and slow in responding to the budget agreement and the recession. In part, this reflects the caution and gradualism that have been the hallmarks of the Greenspan Fed—policy attributes which have some advantages and may yield better results over the longer run. But for now, this caution contributes to serious risks in the outlook. Excessive monetary policy caution will itself inhibit investment that could enhance productivity growth.

Given the importance of low interest rates, it is imperative that the Federal Reserve follow an appropriate anti-recession policy. It is also necessary for the Congress and the President to facilitate that policy. And low interest rates are needed not just to achieve the earliest recovery, but also to keep the economy healthy for years to come.

ECONOMIC POLICIES FOR THE LONG TERM

Increase private investment: Keeping interest rates low is also imperative for the long-term health of the economy, because low interest rates will facilitate one necessary element of a long-term growth policy: increased private investment.

New factories and machines help to increase productivity, raise future wage rates, and meet the retirement needs of the baby-boom generation in the next century. The record of productive investment since 1986 has been good. However, solid investment cannot continue unless the budget deficit is brought under control.

Maintain the discipline of the budget agreement: Continued high budget deficits would drive interest rates higher, and thereby discourage investment directly. High deficits would also tend to pull in credit from overseas, driving the dollar higher and discouraging exports.

Thus, as recently acknowledged in congressional testimony by Fed Chairman Alan Greenspan, the single surest and most important way to increase national saving, and thereby facilitate economic growth, is to reduce the Federal budget deficit. We have a deficit reduction agreement in place, but it is being challenged from all sides. Keeping faith with the budget agreement is the first step toward increased saving and investment. Still, we may need to adjust our Federal budget deficit targets over the lifetime of the current agreement, and beyond.

But private investment alone is not enough to drive the economy forward for the long haul. Beyond private investment and the budget discipline needed to facilitate it, there are four more prerequisites of growth:

Increase public investment: Private investment does not operate in a vacuum. Public capital is needed to make the economy go.

Right now, our economy is afflicted by a deterioration of our public capital base; this deterioration is well documented. The condition of roads and bridges is unsatisfactory; the number of bridges in questionable or dangerous condition, and the number of miles of roads in need of repair are both too high. Our eroded ground transportation network causes delays and increases repair costs, both of which add to consumer prices and reduce productivity.

Our air transportation is also deteriorated. Unsatisfactory air traffic control hardware and inadequate airport facilities also add to travel times and business costs.

Deteriorated water and sewage treatment facilities increase environmental hazards and reduce the quality of life.

Within our public budgets—Federal, State, and local—we must make room for sufficient investment to rebuild our infrastructure to world-class standards. The link between quality infrastructure and business costs and productivity is too strong to ignore. This does not mean the indiscriminate approval of new projects; it does require a considered but aggressive program to catch up on the deterioration caused by years of neglect in repairs and maintenance, and new construction.

Increase investment in people: The United States has long been a leader because of its educated and energetic work force. In recent years, however, we have lagged behind in educational achievement, and our health care performance has fallen below the standards of the rest of the industrialized world.

Improved educational performance is an elusive target. We need leadership, energy, and other intangible human contributions. But we also need money. Most school systems cannot afford to hire and retain talented math and science teachers. And many students enter the first-grade classroom unprepared for school physically or intellectually.

We have health and education programs for children that are known to be successful: WIC, childhood immunization, and Head Start are only the most prominent. Most eligible children and families are not served by these programs. This omission is a national disgrace.

Again, we must set our priorities to educate and prepare a capable labor force, or our economic leadership will evaporate. We cannot maintain the world's highest standard of living without a superior performance from our labor force. Children left behind will reduce living standards for our entire society. And as our economic performance deteriorates, so will our world leadership. We could enforce high standards of international behavior in Kuwait because we had the necessary economic strength to mount that effort. If we continue to lose ground in the world economy through shortsighted policy, someone else will be calling the shots; and those calls may be different.

Increase investment in technology: The United States is the world leader in science, and even in product innovation. Where we lag is in production—taking our product innovations to market and producing them profitably. Part of the reason may be that the United States has drawn an artificial line between science and technology, in an attempt to avoid interference in the free market economy. Instead, we should distinguish between generic technologies—those usable by a broad range of manufacturers, and therefore unlikely to be researched and developed by any one firm—and appropriable technologies—those useful for only a narrow group of firms, who can reap the profits if they innovate on their own.

The National Science Foundation has long judged proposals for public support on the basis of both the likely value of the outcome and the probability that the research would be undertaken without public support. We can judge projects in technology on the same basis. Our major international competitors—Japan, Germany, and the other nations of Europe—have long maintained a variety of programs to develop technology with public support. Some of those programs might be thought to interfere in the free workings of the marketplace, but many do not.

The United States has succeeded in vast technological undertakings unmatched by our commercial competitors—the space program, the building of our national defense—because we made those our priorities. We must consider whether in a peaceful but economically competitive world, the development of commercial technology should be an equal priority to us.

Maintain a sound tax system: Those who believe in a free and competitive marketplace, in which investors make their choices on the basis of economic returns and not government dictates, should apply that belief to our tax system.

Throughout the post-World War II era, the U.S. income tax was an exercise in relative subsidy. Almost everyone who was rich and powerful lobbied Washington for a tax break; the only question was whether your tax break was bigger than the next guy's. The loser was the businessman or entrepreneur who had no tax break, but had to pay higher tax rates because of all the revenue we lost passing out the favors.

Everyone believed that his or her work, or his or her investments, made a vital contribution to the economy. And everyone was right. But everyone believed that, for that reason, he or she deserved a tax subsidy. And we could not subsidize everyone relative to everyone else.

So in 1986, we changed all that. We cut out the tax breaks, and reduced tax rates for everyone, especially productive business investment. Since 1986, investment in equipment as a percentage of our GNP has increased to post-World War II record levels. It was investment that fueled our economic expansion over the last half of the 1980's.

Still, lobbyists are clamoring to get their tax breaks back. It would be the best of both worlds: I keep my tax break while everyone else gives up his, and we all get the same low tax rates. But the system doesn't work that way. Once the President and the Congress start giving in, the process will never stop, and before long we will have the same loopholes and the same high tax rates with which we started.

Before we start down that road, we should remember a few things:

A capital gains tax break does not help the homeowner; he already gets $125,000 of capital gain tax free when he nears retirement age. A capital gains tax break does not help the entrepreneur who wants to work a business for life and pass it on to spouse and children; he or she pays no capital gains tax anyway. A capital gains tax break does enrich those who buy and sell existing assets, which does not add to our productivity and wealth. For this reason, the capital gains tax break was the most important reason why the United States—in the judgment of every objective observer—grossly overinvested in real estate until tax reform. The real estate industry is an important contributor to growth when it builds buildings that the economy needs. But we will not compete effectively with the Japanese and the Germans by putting our energies and our capital back into building half-empty office buildings and shopping centers across America.

Restoring tax-deductible individual retirement accounts [IRA's] will not help middle-income Americans; about three-quarters of all taxpayers can already make deductible contributions to IRA's. It will help those who already have enough income to save comfortably, and who have already benefited the most from the lower tax rates in the law. And if taxpayers take money they would have saved anyway and put it into IRA's, the increase in the budget deficit detracts from our total savings, and makes our economy weaker, not stronger.

We must look at our tax system with some degree of objectivity. We now have the lowest tax rates of any industrialized nation on earth. Our highest tax rate on individuals is less than half of what it was at the beginning of the 1980's. Even with the changes made in the 1990 budget deficit reduction agreement, we are way ahead on incentives to work, save, and invest. There is no cause for panic, and no justification for concern that the U.S. tax system is confiscating income and stifling initiative.

To pay our bills as a nation, and to reduce the deficit and facilitate private investment, we may need to make some changes in the years ahead. But we can keep our tax rates way below those of other nations, and way below where we were in the decades of our fastest economic growth in the 1950's and 1960's. If necessary, we might also consider tax changes that would encourage conservation of scarce energy resources, to reduce our vulnerability to economic disruption or political blackmail from cutoffs of foreign supplies.

So these are the prerequisites for economic recovery: a strengthened unemployment compensation system, and lower interest rates.

And these are the prerequisites for solid long-term economic growth: reducing the Federal budget deficit, and thereby increasing private investment; increasing public investment; increasing investment in people; increasing investment in technology; and maintaining a sound tax system.

Over the coming weeks, I will address these long-term, structural economic issues in a series of special orders. I hope that these statements will stimulate discussion and debate on the economic issues that are critical to our prosperity at home and our economic and political leadership around the world.

□ 2220

FAST TRACK WOULD BENEFIT THE UNITED STATES AND MEXICO

The SPEAKER pro tempore. Under a previous order of the House the gentleman from Pennsylvania [Mr. RITTER] is recognized for 60 minutes.

Mr. RITTER. Mr. Speaker, in recent days I have been taking to the floor to discuss this issue of fast-track authority to the President to negotiate with the North American Free-Trade Agreement and also continuing the so-called Uruguay round, which deals with world trade questions.

I have sought to focus my attention on manufacturing, made in America. What happens to workers in manufacturing with this fast track going through, with the President having the authority to negotiate on behalf of the whole United States, a mechanism which essentially gives the President authority as opposed to giving 435 Members of the House authority plus 100 Senators authority to somehow get out and negotiate trade policy agreements with foreign countries.

I found that in this debate over fast-track authority that some of my colleagues sound like Chicken Littles saying that the sky is falling or, in this case, the Mexicans are coming.

I just want to convey to my colleagues and to the American people that I have a great deal more faith in the skill and productivity of the American workers.

I have spent in my time in the U.S. Congress, some 12 years now, much of my effort extolling the virtues of manufacturing and quality.

Made in the U.S.A. is a particular pursuit of mine. I have worked hard to try to set the climate right for made-in-America.

So, when I talk about quality, I mean quality with a capital Q. The quality process is a process that turns companies and even countries from lethargic Old World producers into high-technology, highly productive manufacturers. I am talking about a process that turns people who once looked out only for their paycheck into a team proud of its accomplishments.

Manufacturing in the United States of America is more and more engaging in this quality revolution, a revolution that says that if you perfect the process, the process of making things, how you do it, if you continuously improve that process, you continuously improve the products that you make and your competitiveness as workers, as a company, as a country increase substantially.

So, made-in-America has really benefited, as America in the decade of the 1980's has more and more turned to quality, to this idea that each and every worker becomes his or her own best manager. If you give that worker the tools, the education, and the training, then you give that worker the responsibility, the recognition, and reward and one can do wonders.

That is what we are having more and more in America. That is what characterizes more and more the made-in-America label.

To me, manufacturing, making things, production, these are the crown jewels in a modern industrialized society. Our manufacturing, once thought to have been given away, is making a huge comeback, mostly due to quality revolution.

Now, I want to share with my colleagues and with the American people some recent front page headlines. Here is one in the April 21 edition of the New York Times, a front page story which says, "Boom in Manufactured Exports Provides Hope for U.S. Economy."

It basically talks about a two-pronged fork that has helped to promote U.S. manufacturing and U.S. manufacturing jobs and made-in-America. The two prongs are composed of a lower value of the dollar with respect to foreign currencies and the other prong being quality and productivity that go with quality.

Just the cheaper dollar would not have done it. Another country is not going to buy goods it does not want just because those goods are cheaper.

The demand for quality worldwide is the name of the game today.

Another story, recently in the Washington Post on the front page, this past Monday, May 20, states, "U.S. Firms Stage Competitive Revival." It goes into the strong growth in the latter part of the 1980's in the export of manufactured goods. The bottom line is for everyone, the billions of dollars of manufactured goods coming out of the United States into foreign countries, each billion dollars provides 20,000 to 25,000 jobs. Now, when you think about it, that is a lot of employment in a State like Pennsylvania.

In Pennsylvania, according to a brochure put out by the United States Department of Commerce, the International Trade Administration, where it takes a State-by-State review, it looks at United States exports to Mexico, part of what we are dealing with in this fast-track arrangement. But also it looks at U.S. exports worldwide. Let us take a look at just Pennsylvania's export to the world—$8.5 billion.

□ 2230

So, at 20,000 to 25,000 jobs, it is about 200,000 jobs that we are talking about here, and these are high-quality manufacturing jobs because, if one is exporting, one is competitive with the rest of the world. They are selling high-value-added material. Their workers are paid well.

Let us see. Let us take a look at Mexico because Mexico is a critical part of this debate, as I mentioned. Ever since Mexico began to liberalize its trade policies in the latter 1980's, we went from $181 million of exports, largely almost entirely in manufacturing, to $475 million in 1989. Well, it is 1991. We are well over $500 million. It is half of a billion dollars in exports to Mexico and growing strongly.

And where do these exports come from? Well, computers and industrial machinery, $97.5 million. Electric and electronic equipment, $85.8 million. Primary metals industries, $71.7 million. Chemicals, $68.7 million. Food products, $25 million. All of these exports mean jobs.

The good news for the American economy in the latter 1980's, the crux of our economic growth has been export-led, and it is export-led in manufacturing. Yes, made-in-America is alive and kicking and driving our economy forward.

Let me talk about some examples of American manufacturing companies who, having turned to quality, turned around. Ford Motor Co., for example, I believe it was in the very early 1980's, maybe 1980 itself, lost $1.9 billion in 1 year. People wondered whether there would be a Ford Motor Co. Ford Motor Co. turned to quality, and they turned around, and they became very profitable in the course of the 1980's.

Xerox, a company that invented xerography, the Xerox copier and its name, was almost out of it in the early 1980's. They turned to quality, and they turned around.

Mr. Speaker, these are American manufacturers that are very competitive in the global economy today. Corning Glassworks is another company that almost lost it, and they turned to quality, and they turned around, and each of these companies is increasing its market share. Motorola is another company facing global competition, facing Japanese competition, doing very well. They turned to quality and turned around, and probably all of the companies I just mentioned would have been out of business.

What I am trying to say is that there is a lot here in America that we can do to make ourselves more competitive, more capable as exporters, creating jobs for our people and being part of this global economy. We can do it here. We should fear Mexico less and sell to it more. We should fear the world less, get our house in order, do what we need to do here to make our manufacturing, our crown jewels, all that they can be.

In addition we will produce these 20,000 to 25,000 jobs for every billion dollars of exports that we send out of this country.

The good news about economic growth, as I mentioned, is that manufacturing and manufacturing productivity rose rapidly, faster here, than in our competitor nations, and the economy of the United States was driven by manufacturing, and I mentioned a few companies that turned to quality. Thousands of companies are turning to quality every day, and they are becoming more competitive. When they do that, given the transportation infrastructure we have in the United States, given the communications capability that we have in the United States, given the educational institutions and opportunities that we have in the United States, we should not be Chicken Little when it comes to Mexico. The sky is not falling on us. We can do very, very well exporting our high-value-added goods to Mexico, far more than Mexico can export back here, even if we send companies down there to open facilities, simple assembly, perhaps even reducing the price and making our own goods in total more competitive in the global economy.

Mr. Speaker, it is not a bad thing, and I have to say this:

When a dollar is spent in Mexico on imports, 70 cents of that is spent in the United States. If facilities are in Mexico, they were probably made in the United States. The machine tools come from the United States. The computers come from the United States. The materials come from the United States.

As my colleagues know, Mexico as an industrial power may well be half a century behind us. On the whole they do not have a highly trained, highly educated work force like ours. Our work force is still the most productive work force in the world on average. Not in all industries, and certainly the Japanese have made great strides in the automobile industry, consumer electronics, but overall, and it may come as a surprise to some, but our overall productivity as a nation per worker is on average higher than that of Japan.

Mexico, however, is not Japan, it is not Great Britain, it is not Germany. They do not have the latest technologies that we have. Their level of education is still far below ours. They have not embarked broadly on the journey to quality as we have.

Remember on the expanded North American Trade Agreement, the so-called North American Free-Trade Agreement, we are talking about increasing our trade with Mexico, and this is a country that is desperately trying to catch up, that does not have near the capability that we have, but they need our exports to them. They need our exports to them far more than we need exports from Mexico. Let us face it. Mexico does not have companies like General Motors, who incidentally in recent years, in the latter part of the 1980's, has turned very strongly to quality, and Ford, and Xerox, and Corning, and Motorola, or IBM, or Apple, or DEC, or Hewlett Packard, or AT&T, or Bethlehem Steel in my own district, or Mack Trucks, or Air Products and Chemicals, which I will talk about later. I mean they really do need to import our high-quality, high-value-added products in order to move into the 20th century, while we move into the 21st century. It is kind of a natural marriage.

Mr. Speaker, yesterday I sent to each and every Member of Congress an op-ed that appeared in the pages of the Allentown Morning Call. It is a paper in my congressional district. That op-ed was written by Dexter Baker, chairman of the board and CEO of Air Products and Chemicals, Inc., as well as next year's chairman of the National Association of Manufacturers and the chemical industry's chief adviser to Carla Hills. Now Mr. Baker and I share a similar perspective on this topic. In his article he notes that American manufacturers, using creativity and technology, produce high-quality, innovative goods and services, can be very, very successful in Mexico with precisely the types of goods and services that Mexico so desperately needs to get in the 20th century.

□ 2240

Due to high import barriers, United States products have often not been competitive in Mexico. A lowering of these barriers, which is what a North American expanded trade agreement is all about, would open up whole new markets for American quality products.

Our barriers to trade with Mexico are already low. Theirs are very high, relative to ours, so if you open up the trade with Mexico and you reduce all the barriers or most of the barriers, who benefits? We benefit.

I mentioned Pennsylvania and its increased exports to Mexico, nearly tripled since the liberalization began. We will see major new job opportunities in this industrial heartland State of Pennsylvania, and I might add that such is the case with other States.

From that same brochure, put out by the Department of Commerce, I would like to talk about Ohio. We have had people on the floor of the House on the other side of the aisle from Ohio get up here and tell us that the sky is falling and tell us that the Mexicans are coming and that we are going to lose all these jobs. We are going to be denuded of our manufacturing jobs in the State of Ohio. That simply does not reflect the record.

Let us look at the record for a second. From 1987 to 1989, 3 years, Ohio's exports to Mexico almost entirely in manufacturing went from $245 million to $464 million. And where are those exports coming from? Computers and industrial machinery, $111 million, primary metal industries, $86 million; chemicals, $84 million; rubber and plastic products, $46 million; transportation equipment, $36 million, nearly half a billion dollars in exports providing jobs for Ohio workers are there because Mexico is buying our products. And if we lower the barriers to United States goods, as I said before, the barriers to Mexican goods are already low, we should have more industrial heartland jobs, solid manufacturing jobs in the State of Ohio.

Incidentally, Ohio's exports to the world total some—and this is 1989—total some $13,323,000,000. That is a lot of jobs—25,000 jobs per billion dollars worth of exports. That is a lot of high-quality manufacturing jobs in the State of Ohio.

I would like to look at one more industrial heartland State. When you talk about industrial heartland, when you talk about manufacturing, you are talking Pennsylvania. You are talking Ohio. You are talking Michigan. That is not to say anything about California, which I will let Californians talk about California, but for our industrial heartland, Middle Atlantic and the Midwest, Michigan certainly is a key State.

In 1989, Michigan exported $1.7 billion worth of goods, nearly entirely manufacturing goods, to Mexico. And where did that figure come from? What is it composed of? Well, $798 million are in transportation equipment. That is right. The United States of America is exporting substantial amounts of transportation equipment, which means trucks, buses, cars are going from the United States to Mexico. The tariff on automobiles going from the United States to Mexico is 20 percent. The tariff coming from Mexico on automobiles is 2.5 percent. One would think, and one does not have to be a rocket scientist to figure this out, if we got rid of all of the tariffs, there would be a heck of a larger movement of American cars exported to Mexico, which means American auto worker jobs. And there would be less pressure to locate a plant in Mexico if the tariff on a United States export to Mexico was less.

In addition to this $798 million in transportation equipment going from Michigan, $191 million in military

equipment; computers and industrial machinery, $161 million; fabricated metal products, basic industrial goods, $147 million; electric and electronic equipment, $139 million. Michigan, an industrial heartland State, exported to the world 21 billion dollars' worth of goods, nearly all manufactured goods, a limited amount of services exported, $21 billion.

Well, at 20,000 to 25,000 jobs, $21 billion, you are talking about nearly half a million jobs due to exports. And these are, again, high quality, high value-added jobs in manufacturing.

Let me discuss a few examples of how this is working in my own congressional district, the Lehigh Valley of Pennsylvania, comprising the cities of Allentown, Bethlehem, and Easton, and it is quite a manufacturing-intensive area, very union labor intensive as well.

I have already mentioned Dexter Baker earlier in my remarks. His company—he is chairman and CEO of Air Products and Chemicals—has a production site in Mexico because it sells industrial gas to Mexican plants. However, the support for this plant comes from the Lehigh Valley. Some nearly 100 Air Products employees made their way to Mexico last year. These 86, I think specifically 86 employees, owe at least part of their jobs to the Mexican market. The market for industrial gases, which is one of Air Products' mainstays, will increase as Mexico's economy moves forward, thereby increasing Air Products' employment in the Lehigh Valley.

The design, the manufacturing, the construction of these facilities that go into Mexico will be done in the Lehigh Valley to a very large extent, and the many other jobs that Air Products and Chemicals and the support services will gain from this increased business.

In my district we have some very major AT&T facilities. They produce in the Lehigh Valley the latest in integrated circuits and microprocessors for telephone digital switching equipment. Not only will increased Mexico trade bring down the high tariff costs on this product or an expanded, let me say an expanded trade agreement bring down the high tariff costs on this product, but the demand for telecommunications infrastructure improvement inside Mexico will increase as the Mexican economy improves. It is enormous.

Mexico is going to sop up American telecommunications technology and equipment like a sponge sops up water.

Therefore, it is highly likely that AT&T is going to sell many more of these digital switches to Mexico. The digital switch is a very major piece of equipment. They are not about to produce it in Mexico, but they need it if they want expanded telephone service. So this is going to create yet more employment opportunities in the Lehigh Valley.

Bethlehem Steel also has growing commercial interests in Mexico. They are going to benefit from expanded trade in Mexico in several ways. They will be able to market high-quality steel rails to Mexico. As Mexico's economy grows, Mexico will have a greater need for rails and other high-quality steel products made by Bethlehem. It is about time we did some more exporting of steel, steel having turned to the quality revolution producing the kind of products that are not necessarily reproducible in Mexico. We will have markets there for high value-added steel.

Also the North American Free-Trade Agreement and subsequent agreements emerging from fast track can help put an end to the practice of dumping foreign steel in the United States. And out of these agreements, we are going to negotiate a new steel trading arrangement where they cannot dump in the United States, or that is the aim in any event. Members like this one will be looking very closely to see if that is the result.

In any event, trade agreements resulting from giving the President fast track will not change U.S. trade laws regarding dumping, which is selling in this market subsidized goods at a far lower price here than they sell back home.

□ 2250

It will not change our trade laws on dumping or injury or other trade laws.

Another company in my district, Union Pacific Corp., is headquartered in Lehigh Valley. They are also going to benefit from increased trade with Mexico. Union Pacific Railroad carried an increased amount of traffic to the Mexican border, and from the border into the United States. They have got a major railyard in Laredo, TX, which serves as their primary border crossing point. Increased trade will mean increased work for their employees, increased prosperity for the company, and an increased presence in the Lehigh Valley, where they are headquartered.

My district is also home to the Victaulic Co., the leading producer of innovative pipe couplings in America. They have had great success marketing their products in Canada. However, they have had a real hard time breaking into the Mexican market, due to the high tariffs on American products trying to go into Mexico, tariffs at rates that Mexican products do not face coming here.

The lowering of these tariff barriers is going to mean a whole new market for their products. Now, considering Mexico's vast petroleum industry, this is no small market. Again, this would create more jobs in the Lehigh Valley for Lehigh Valley workers.

The Surefit Co., in my district, is a large manufacturer of furniture covers and quilts and bedcovers, and it operates a plant in my district with several hundred employees, one in Texas and one in Mexico.

They have been able to benefit from the recently lowered trade barriers. The Mexican operations support hundreds of better, higher paying jobs in my district that may not have been there, were it not for their arrangements with Mexico. Maybe the whole kit and caboodle would have gone to Asia.

Now, in addition to those I mentioned, we have companies in the Lehigh Valley like Bennie and Smith, the world's leading maker of crayons and art products. They have the whole line of Crayola products. It should sell like hotcakes if you reduce some of the tariff barriers in Mexico.

Daytimers, Inc., the Fuller Co., which makes high tech cement producing equipment. Boy, Mexico needs infrastructure, roads and bridges. Cement making is going to be very important. We can help them. Reduce some of those tariff barriers, and we will do business with them. It will mean more Fuller jobs in the Lehigh Valley.

Ingersoll Rand, which is in our area, they produce pumps. Do you ever look at what you need for oilfields and oilfield equipment and refinery equipment? You need a lot of pumps. Ingersoll Rand can sell pumps to them. Reduce some of those tariff barriers, and we will sell a lot more pumps. This will mean jobs for people in the Lehigh Valley.

Just born Candies, happens to make the greatest jelly beans the world has ever known. They have discovered the physics and chemistry of flavor. You can close your eyes, pop one of 35 different flavors in your mouth, and you can tell what it is, which is, I might add, different from some of the competition. You close your eyes and you do not see the color, and you do not know what it is. But they can sell more to Mexico.

Lutron Electronics, which makes dimmer switches, can sell more to Mexico.

Mack Trucks, you all know what a Mack Truck is.

Pfizer Chemical, Rexroth, which makes fluid control systems for industry. Rodale Press, which publishes Prevention, Bicycling, Backpacking, and Runner's World Magazines, they can see expanded horizons in Mexico.

Stanley Vidmar, which manufactures steel storage cabinets and inventory management systems for industry. They are all constituents of mine that stand to benefit from expanded trade with Mexico.

I mentioned the situation with automobiles and the low tariff that face cars coming in from Mexico, but the high tariff that faces cars coming into Mexico from the United States.

Let me just repeat that. There is a low tariff on cars coming into the United States from Mexico. There is a very high tariff on cars that go from the United States to Mexico.

These kind of barriers just boost U.S. unemployment by encouraging U.S. companies to locate down there and gain access to their closed markets.

There is no doubt in my mind that a strong working relationship across the United States-Mexican border helps keep auto workers' jobs from going from Detroit to Asia.

Other companies, like Warnaco, which is an apparel company, have seen a rapid rise in exports to Mexico from the reduction of trade barriers in recent years. They expect their exports to grow with the North American Free-Trade Agreement. Their Mexico sewing operations support over 1,000 jobs in Pennsylvania, Georgia, Alabama, Connecticut, and California.

These jobs are not low paying, low skilled jobs, but are skilled cutting jobs, distributing, and sales employment jobs.

With Mexico serving as a partner, United States jobs have been preserved, instead of shipped off to the Far East, and that trend will continue with an expanded trade agreement. In fact, that trend should accelerate, since once again the tariffs are a lot higher for our goods going into Mexico than they are for Mexican goods coming into the United States.

We will preserve the best jobs, the better jobs, the higher quality jobs, if we share with some of the lower value added production jobs.

But I would say that even lower wage jobs, which we have here, and lower wage jobs that are at stake, if their companies provide quick response to rapidly changing market demand, if their companies can produce quality, if they are close to their manufacturing contractors, like many apparel jobs in my district, they will not only survive, they will prosper, and some of those manufacturers might still be in the United States, because they have some Mexican operations.

That is what we are dealing with. We are dealing with a globalized economy. You have got to stay competitive. If we can be more competitive in the overall apparel-textile industry, we will preserve as many jobs as possible. If we are not competitive, we are going to lose them all.

Take a look at an electronics company, Zenith. They make TV's. Once there were many U.S.-owned manufacturers of television. Now there is only Zenith.

How did Zenith survive? Zenith established some business operations in Mexico instead of moving their entire operation to the Far East. In total, Mexican operations have helped to preserve about 8,000 United States jobs at Zenith, as well as another 1,000 United States jobs at Zenith's vendors. It also preserved the only U.S.-owned company manufacturing television sets in North America.

Another good example is Honeywell. Honeywell opened up a Tijuana, Mexico, factory, and saved about 200 engineering and manufacturing jobs in the United States that otherwise would have gone overseas, likely to Asia.

Additionally, the Tijuana plant uses 32 million dollars' worth of U.S. goods, produced by U.S. workers, for its assembly operations.

Again, if you have a company that locates a manufacturing facility in Mexico for the overall economics of the firm, that potentially preserves other jobs in the United States by reducing costs, when that company, located in a factory in Mexico, buys equipment, buys facilities, buys computers, buys furnishings for the office, they buy them in the United States. If the operation moved to Asia, nothing is bought in the United States. It is all gone.

As we mentioned, $1, today, out of every $1 of imports into Mexico, 70 percent is spent in the United States. Seventy cents of that dollar is spent in the United States.

□ 2300

In short, manufacturing jobs in the United States are going to be saved by an expanded trade agreement that encompasses Mexico, gives us the world's largest, richest trading bloc, bigger than EC 92, bigger than Japan's latest version of the East Asia Co-Propsperity Sphere.

We will save jobs, we will produce jobs, good jobs here in the United States. We will promote "made in America."

We could not live, no Member of Congress lives in a vaccuum. We do know that increased economic activity via trade is going to result in some job losses, some shifting of jobs. So I would say that Congress needs to address that by providing for adequate and effective job training and worker adjustment programs.

The President has outlined his willingness to help workers who through no fault of their own have lost their jobs due to shifts and changes in the trading pattern.

We also need to address the environmental and worker rights concerns arising out of this agreement. Again, I think the President's action plan provides us in the Congress with a blueprint to achieve these goals.

There is no doubt in my mind that an expanded arrangment between Mexico and the United States is going to stimulate them to keep a cleaner environment, to promote a cleaner environment. A poverty-stricken Mexico cut off from us, desolate, is not about to think about environmental concerns. How many Third World countries are thinking about environmental concerns these days? But linking them to the United States, to our values, to our culture, to our promotion of environmental quality, we will get greater environmental quality in that part of the world, greater environmental quality in the border areas of Mexico up against Texas.

Extending fast track authority will allow us to negotiate a new North American trade agreement, and that is an agreement that we can make favorable to us. We have every incentive to make a favorable agreement and not an unfavorable agreement. Then Congress has the right to say, and this Member has the right to say yes or no, this a good agreement or it is not a good agreement. But you can imagine us trying to say yes or no to 10,000 different items in an agreement with 535 special trade representatives constituted by 435 Members of the House and 100 Members of the Senate? It would never happen.

We can increase United States exports to Mexico and create more United States manufacturing jobs while preventing larger scale job loss to the Far East. Again, just look at what has happened in our industrial States, in Pennsylvania, Ohio, and Michigan when it comes to exports.

So I believe a vote for fast track is a vote for American workers. It is a vote for made in America and a vote for quality U.S. manufacturing and a vote for a stronger, more export-rich United States economy.

Mr. Speaker, I include an article from Columns and Viewpoints on this issue.

The article referred to follows:

[From Columns & Viewpoints]

TRADE AGREEMENT WITH MEXICO WOULD BENEFIT LEHIGH VALLEY

(By Dexter F. Baker)

For the past five years I have been privileged to serve as the U.S. chemical industry's principal adviser to the federal government on trade issues. During the period no trade issue has been as critical as whether Congress should extend President Bush's fast track negotiating authority beyond June 1, 1991.

"Fast track" allows the president to negotiate trade agreements with other nations knowing that Congress can either approve or reject them in their entirety. Congress cannot restructure an agreement based on local or regional political considerations.

Fast track would simply extend authority presidents have had for close to two decades. Fast track allows the United States to stay in the business of negotiating trade agreements with other nations.

Current congressional opposition to fast track focuses on President Bush's drive to negotiate a free trade deal with Mexico as part of a North American free trade agreement involving Canada, Mexico and the U.S. To accomplish that goal the president needs fast track authority. Opponents of a U.S. trade partnership with Mexico have attacked fast track as a strategy to kill the president's initiative with Mexico.

They argue that a trade agreement with Mexico will accelerate the movement of jobs

south of the border. Unfortunately, low- and semi-skilled jobs have for many years moved to low labor cost economies, including Mexico and Pacific Rim nations. Some of that movement will continue whether or not we negotiate a trade agreement with Mexico.

The Lehigh Valley's economy and employers need the growth that will come from a North American free trade agreement. The world's key economies are grouping into large regional blocs: The European Community is integrating its internal market to become a more formidable economic powerhouse. The Asia-Pacific area is growing more cohesive around Japan. To compete, North America must base its future on the economic strength of a United States-Canada-Mexico trade union, one that will be larger in size than the European Community. A North American free trade agreement will have a buoyant effect on all three economies and will accelerate Mexico's transition to a market-oriented economy which will create growth markets for U.S. exports.

But, if Congress does not extend the President's fast track authority, the upcoming trade talks with Mexico almost certainly will be cancelled. Mexico's President Carlos Salinas de Gortari has staked his political credibility on the success of these talks. Cancellation could sour our political and commercial relationships with Mexico and force Mexico to turn elsewhere for development help.

Using our national creativity and our technological skills, American manufacturers need to do what we do best: produce innovative, high-quality goods and services and sell them to new markets. The alternative is to become protectionist as America did when we imposed prohibitively high tariffs in 1930. I doubt that many Americans want to endure the fallout that could result again from that kind of protectionism.

When the investment climate improves in Mexico—and it will have to if Mexico wants to be part of a North American free trade agreement—low labor cost businesses will be more likely to locate in Mexico, less likely in Southeast Asia. That's good for both Mexico and the United States. The resulting jobs and economic growth will create a Mexican buying boom.

Today, Mexico imports 70 percent of its foreign-produced goods from the United States. Tomorrow, a growing Mexican economy will be capable of buying more and more U.S. goods and services, some of which will be made by Lehigh Valley workers. (Pennsylvania already exports products and services worth more than one-half billion dollars a year to Mexico.) On the other hand, if those same plants are built in Asia, the resulting economic boom will primarily benefit Japan and her Pacific Rim neighbors.

Our company, Air Products, is a good example of how an investment in Mexico also creates jobs in the Lehigh Valley. Since 1980, we've been a partner in Mexico's largest and most successful industrial gas company. We invested in Mexico, not to take advantage of low-cost labor, but because we must situate our industrial gas plants in markets we serve. Mexico's future economic growth, spurred by a North American free trade agreement, will open new markets for our Mexican business. This means we will remit stronger earnings to the United States which we can invest in other opportunities here.

Our investment in Mexico has created Lehigh Valley jobs. Because Mexico is our neighbor, it is more efficient to provide specialized technical and administrative support people from the Lehigh Valley rather than maintain a large support group in Mexico. Last year, 86 Air Products employees made more than 200 trips to Mexico to provide support to our business there. In other words, at least 86 Lehigh Valley-based Air Products employees owe some portion of their employment to the existence of our Mexican investment.

Our Mexican business also requires specialized equipment from the United States. In recent years we have sent approximately $15 million of U.S.-manufactured equipment to Mexico. Most of that equipment was manufactured by Air Products in Northeastern Pennsylvania.

Bethlehem Steel also has growing commercial interests in Mexico for a broad range of products. The improved market access resulting from a successful North American free trade agreement would help Bethlehem Steel market rails to Mexico. Bethlehem Steel has a strong interest in achieving more effective international measures to limit unfair trade practices. Our friends at Bethlehem Steel would like to see a negotiated multilateral steel agreement replace the voluntary restraint agreements due to expire next year. That agreement can be achieved provided fast track authority is extended.

AT&T's business in Mexico is expanding. Mexico's leaders appreciate the importance of a world class telecommunications infrastructure. They are investing heavily to upgrade their network. Mexico's newly privatized telephone company, Telmex, will spend more than $15 billion during the next five years for further network upgrading. AT&T expects that a North American free trade agreement will help it gain a large share of that business. This growth will certainly be good news on Union Boulevard.

The recent financial results of another Lehigh Valley company indicate the potential of increased trade with Mexico. Union Pacific Railroad's freight revenues on traffic exchanged between the United States and Mexico has been growing rapidly, and Union Pacific is currently in the process of tripling the capacity of its rail yard in Laredo, Texas, its major border-crossing point for United States-Mexican traffic.

Easton's Victaulic Co. believes that Mexico has a sizable untapped market for its products. Until now, Victaulic has had a hard time penetrating the Mexican market because of high Mexican tariffs. Victaulic endorses extension of the President's fast track negotiating authority in order to pave the way for gradual elimination of those tariffs.

The bottom line is that a trade agreement with Mexico will spur the growth of healthy new customers for Pennsylvania and Lehigh Valley products. We will be closer to those customers than our competitors from Asia and Europe. And, only we and Canada will have preferential duty-free access to the Mexican market. It shapes up to be a bullish opportunity for the U.S., for Pennsylvania and for the Lehigh Valley.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Ms. ROS-LEHTINEN) to revise and extend their remarks and include extraneous material:)

Mr. DORNAN of California for 5 minutes, today.

Mr. HUNTER, for 5 minutes, today.

Mr. KOLBE, for 60 minutes, today.

Mr. WALKER, for 5 minutes, today.

Mrs. BENTLEY, for 60 minutes, on June 4, 5, 6, 11, 12, and 13.

(The following Members (at the request of Mr. ABERCROMBIE) to revise and extend their remarks and include extraneous material:)

Mr. ALEXANDER, for 5 minutes, today.

Mr. WISE, for 5 minutes, today.

Mr. MONTGOMERY, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. FASCELL, for 5 minutes, today.

Ms. PELOSI, for 60 minutes, today and 60 minutes on June 5.

Mrs. COLLINS of Illinois, for 60 minutes, today.

Mr. MCCLOSKEY, for 60 minutes, on May 29.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Ms. ROS-LEHTINEN) and to include extraneous matter:)

Mr. GOSS in two instances.

Mr. SCHAEFER.

Mr. MACHTLEY in eight instances.

Mr. LIVINGSTON.

Mr. GALLEGLY.

Mr. SCHULZE.

Mr. WEBER.

Mr. CRANE.

Mr. GEKAS.

Mr. COX.

Mr. BLILEY.

Mr. MICHEL.

Mr. CUNNINGHAM.

(The following Members (at the request of Mr. ABERCROMBIE) and to include extraneous matter:)

Mr. BONIOR.

Mr. TORRES.

Mr. VENTO.

Mrs. COLLINS of Illinois.

Mr. GUARINI.

Mr. ERDREICH.

Mr. HOCHBRUECKNER.

Mr. NEAL of Massachusetts.

Mr. WILLIAMS, in two instances.

Mr. KILDEE, in two instances.

Mrs. BOXER.

Mr. MCMILLEN of Maryland.

Mr. HAMILTON.

Mr. DINGELL.

Mr. DELUGO.

Mr. MRAZEK.

Mr. EDWARDS of California.

Mr. WOLPE.

Mr. ENGEL.

Mr. SMITH of Florida.

Mr. ANTHONY.

ADJOURNMENT

Mr. RITTER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 4 minutes p.m.)

the House adjourned until tomorrow, Thursday, May 23, 1991, at 10 a.m.

OATH OF OFFICE, MEMBERS, RESIDENT COMMISSIONER, AND DELEGATES

The oath of office required by the sixth article of the Constitution of the United States, and as provided by section 2 of the act of May 13, 1884 (23 Stat. 22), to be administered to Members, Resident Commissioner, and Delegates of the House of Representatives, the text of which is carried in 5 U.S.C. 3331:

"I, A B, do solemnly swear (or affirm) that I will support and defend the Constitution of the United States against all enemies, foreign and domestic; that I will bear true faith and allegiance to the same; that I take this obligation freely, without any mental reservation or purpose or evasion; and that I will well and faithfully discharge the duties of the office on which I am about to enter. So help me God."

has been subscribed to in person and filed in duplicate with the Clerk of the House of Representatives by the following Member of the 102d Congress, pursuant to the provisions of 2 U.S.C. 25:

Hon. SAM JOHNSON, Third District of Texas

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1336. A letter from the Secretary of Agriculture, transmitting the 1989 Annual Report on the Food and Agricultural Sciences, pursuant to 7 U.S.C. 3125; to the Committee on Agriculture.

1337. A letter from the Administrator, Environmental Protection Agency, transmitting a draft of proposed legislation to amend the Federal Insecticide, Fungicide, and Rodenticide Act to provide for the collection of certain fees by the U.S. Environmental Protection Agency; to the Committee on Agriculture.

1338. A letter from the Secretary of the Army, transmitting a cost-comparison study of the commissary storage and warehousing function at Fort Leavenworth, KS; to the Committee on Armed Services.

1339. A letter from the Secretary of the Army, transmitting a cost-comparison study of the commissary storage and warehousing function at Redstone Arsenal, AL; to the Committee on Armed Services.

1340. A letter from the Secretary of the Army, transmitting notification of a final decision to retain the commissary storage and warehousing function as an in-house operation at Fort Meade, MD; to the Committee on Armed Services.

1341. A letter from the Secretary of the Treasury, transmitting the Council's Special Report on the Proposed Increase in the Resources of the International Monetary Fund; to the Committee on Banking, Finance and Urban Affairs.

1342. A letter from the Secretary of Education, transmitting notification of Final Funding Priorities for Research in Education of Individuals with Disabilities Program, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

1343. A letter from the Secretary of Education, transmitting Final Regulations—Assistance for Local Educational Agencies in Areas Affected by Federal Activities and Arrangements for Education of Children Where Local Educational Agencies Cannot Provide Suitable Free Public Education, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

1344. A letter from the Chairman, Federal Energy Regulatory Commission, transmitting the 1990 Annual Report of the Federal Energy Regulatory Commission pursuant to 16 U.S.C. 797(d); to the Committee on Energy and Commerce.

1345. A letter from the Federal Cochairman, Appalachian Regional Commission, transmitting a report on the activities of the Office of Inspector General, pursuant to Public Law 95-452, section 5(b) (102 Stat. 2526); to the Committee on Government Operations.

1346. A letter from the Chairman, Federal Communications Commission, transmitting a copy of the annual report in compliance with the Government in the Sunshine Act during the calendar year 1990, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Operations.

1347. A letter from the Chairman, Federal Election Commission, transmitting a report on the activities of the Office of Inspector General, pursuant to Public Law 95-452, section 5(b) (102 Stat. 2526); to the Committee on Government Operations.

1348. A letter from the Chairman, Federal Maritime Commission, transmitting a report on the activities of the Office of Inspector General, pursuant to Public Law 95-452, section 5(b) (102 Stat. 2526); to the Committee on Government Operations.

1349. A letter from the Secretary, Smithsonian Institution, transmitting a report on the activities of the Office of Inspector General, pursuant to Public Law 95-452, section 5(b) (102 Stat. 2526); to the Committee on Government Operations.

1350. A letter from the Deputy Associate Director for Collection and Disbursement, Department of the Interior, transmitting notice of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

1351. A letter from the Executive Director, American Chemical Society, transmitting the Society's annual report and financial audit for the calendar year 1990, pursuant to 36 U.S.C. 1101(2), 1103; to the Committee on the Judiciary.

1352. A letter from the Secretary, Department of Veterans Affairs, transmitting a report covering the disposition of cases granted relief from administrative error, overpayment, and forfeiture by the Administrator in 1990, pursuant to 38 U.S.C. 210(c)(3)(B); to the Committee on Veterans' Affairs.

1353. A letter from the Board of Trustees, Federal Hospital Insurance Trust Fund, transmitting the 1991 annual report of the Board of Trustees of the Federal Hospital Insurance Trust Fund, pursuant to 42 U.S.C. 1817(b)(2) (Doc. No. 102-89); to the Committee on Ways and Means and ordered to be printed.

1354. A letter from the Board of Trustees, Federal Old-Age and Survivors Insurance and Disability Insurance Trust Fund, transmitting the 1991 Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Disability Insurance Trust Funds, pursuant to 42 U.S.C. 201(c)(2) (Doc. No. 102-88); to the Committee on Ways and Means and ordered to be printed.

1355. A letter from the Executive Director, Resolution Trust Corporation, transmitting the status report for the month of April 1991: Review of 1988-89 FSLIC Assistance Agreements, pursuant to 12 U.S.C. 1441a note; jointly, to the Committees on Appropriations and Banking, Finance and Urban Affairs.

1356. A letter from the General Counsel of the Department of Defense, transmitting a draft of proposed legislation to amend section 5584 of title 5, section 2774 of title 10, and section 716 of title 32, United States Code, to increase from $500 to $2,500 the maximum aggregate amount of a claim that may be waived by the head of an agency under those sections; jointly, to the Committee on Armed Services and Post Office and Civil Service.

1357. A letter from the Attorney General, Department of Justice, transmitting the 1990 annual report on the number of applications that were made for orders and extension of orders approving electronic surveillance under the Foreign Intelligence Surveillance Act, pursuant to 50 U.S.C. 1807; jointly, to the Committees on the Judiciary and Intelligence (Permanent Select).

1358. A letter from the Board of Trustees, Federal Supplementary Medical Insurance Trust Fund, transmitting the 1991 Annual Report of the Board of Trustees of the Federal Supplementary Medical Insurance Trust Fund, pursuant to 42 U.S.C. 1841(b) (Doc. No. 102-90); jointly, to the Committees on Ways and Means and Energy and Commerce, and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FORD of Michigan: Committee on Education and Labor. H.R. 656. A bill to provide for coordinated Federal research program to ensure continued U.S. leadership in high-performance computing; with amendments (Rept. 102-66, Pt. 2). Referred to the Committee of the Whole House on the State of the Union.

Mr. BEILENSON: Committee on Rules. House Resolution 158. Resolution providing for the candidate of two resolutions on the subject of "fast track" procedures for consideration of bills to implement trade agreements (Rept. 102-72). Referred to the House Calendar.

Mr. SWIFT: Committee on House Administration. H.R. 1362. A bill to authorize appropriations for the Federal Election Commission for fiscal year 1992 (Rept. 102-73). Referred to the Committee of the Whole House on the State of the Union.

Mr. HEFNER: Committee on Appropriations. H.R. 2426. A bill making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1992, and for other purposes (Rept. 102-74). Referred to the Committee of the Whole House on the State of the Union.

Mr. BEVILL: Committee on Appropriations. H.R. 2427. A bill making appropriations for energy and water development for the fiscal year ending September 30, 1992, and

for other purposes (Rept. 102–75). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. HEFNER:

H.R. 2426. A bill making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1992, and for other purposes.

By Mr. BEVILL:

H.R. 2427. A bill making appropriations for energy and water development for the fiscal year ending September 30, 1992, and for other purposes.

By Mr. ALEXANDER:

H.R. 2428. A bill to create the office of Delegate for U.S. Citizens Abroad; to the Committee on House Administration.

H.R. 2429. A bill to amend the Immigration and Nationality Act for children born to U.S. citizens abroad; to the Committee on the Judiciary.

H.R. 2430. A bill to amend the Internal Revenue Code of 1986 to expand the types of foreign source income which may be excluded from gross income by individual citizens and residents of the United States living abroad; to the Committee on Ways and Means.

By Mr. CONDIT:

H.R. 2431. A bill to amend the Wild and Scenic Rivers Act by designating a segment of the Lower Merced River in California as a component of the National Wild and Scenic Rivers System; to the Committee on Interior and Insular Affairs.

By Mr. GONZALEZ (for himself, Mr. WYLIE, and Mr. ANNUNZIO):

H.R. 2432. A bill to strengthen Federal supervision, regulation, and examination of foreign bank operations in the United States, to enhance cooperation with foreign banking supervisors, to improve reporting of bank stock loans, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. HENRY (for himself, Mr. HORTON, and Mr. KLUG):

H.R. 2433. A bill to amend the Higher Education Act of 1965 to require the disclosure of athletic activity revenues and expenditures; to the Committee on Education and Labor.

By Mr. KILDEE (for himself, Mr. FORD of Michigan, and Mr. GOODLING):

H.R. 2434. A bill to amend the General Education Provisions Act to authorize the National Assessment of Educational Progress to conduct certain trial assessments in the fiscal year 1994 and to develop certain other trial assessments for administration in such fiscal year, and for other purposes; to the Committee on Education and Labor.

By Mr. KILDEE (for himself and Mr. FORD of Michigan):

H.R. 2435. A bill to establish a National Council on Education Standards and Testing; to the Committee on Education and Labor.

By Mr. MURPHY:

H.R. 2436. A bill to expand the Fort Necessity National Battlefield, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. ROYBAL:

H.R. 2437. A bill to amend the Rehabilitation Act of 1973 to revise and extend the program regarding independent living services for older blind individuals; to the Committee on Education and Labor.

By Mr. SABO:

H.R. 2438. A bill to amend title 5, United States Code, to provide additional health benefits plan coverage options; to the Committee on Post Office and Civil Service.

By Mr. SANDERS:

H.R. 2439. A bill to provide certain protections to cable television subscribers; to the Committee on Energy and Commerce.

By Mr. SCHUMER:

H.R. 2440. A bill to amend the Truth in Lending Act to require additional disclosures with respect to credit accounts, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. WAXMAN:

H.R. 2441. A bill to amend the Public Health Service Act to extend the program of grants regarding the prevention and control of sexually transmitted diseases; to the Committee on Energy and Commerce.

By Mr. WILLIAMS:

H.R. 2442. A bill to amend title 18, United States Code, to improve the administration of the firearms laws, and for other purposes; to the Committee on the Judiciary.

By Mr. WISE:

H.R. 2443. A bill to amend title 5, United States Code, to clarify laws relating to disclosure of records maintained on individuals; to the Committee on Government Operations.

By Mr. BATEMAN:

H.R. 2444. A bill to revise the boundaries of the George Washington Birthplace National Monument; to the Committee on Interior and Insular Affairs.

By Mr. REGULA (for himself, Mr. MURTHA, Mr. SCHULZE, Mr. MINETA, Mr. SPRATT, Mrs. BYRON, Mrs. JOHNSON of Connecticut, and Mr. KASICH):

H.R. 2445. A bill to amend chapter 15 of the National Security Act of 1947 to define critical technologies important to our national security, establish a Critical Technologies Commission, provide for national security impairment cases, and for other purposes; jointly, to the Committees on Ways and Means; Banking, Finance and Urban Affairs; and Rules.

By Mr. RITTER (for himself, Mr. BARTON of Texas, Mrs. BENTLEY, Mr. LAGOMARSINO, Mr. RAVENEL, and Mr. REGULA):

H.R. 2446. A bill to amend the Internal Revenue Code of 1986 to provide incentives for the purchase of long-term care insurance, and for other purposes; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. PAYNE of New Jersey (for himself, Mr. FORD of Michigan, Mrs. LOWEY of New York, Mr. PERKINS, Mr. MURPHY, Mrs. UNSOELD, Mrs. MINK, Mr. FUSTER, Mr. OWENS of New York, Mr. SERRANO, Mr. JEFFERSON, Mr. SAWYER, Mr. DE LUGO, Mr. ROE, Mr. GALLO, Mr. MARTINEZ, Mr. DORNAN of California, Mr. GORDON, Mr. WOLPE, Mr. CLEMENT, Mr. VANDER JAGT, Ms. LONG, Mr. GUARINI, Mr. FASCELL, Mr. HYDE, Mr. STAGGERS, Mr. SMITH of Florida, Mr. LANCASTER, Mr. JACOBS, Mr. VALENTINE, Mr. MAZZOLI, Mr. COSTELLO, Mr. BOUCHER, Mr. JONES of Georgia, Mr. MCDERMOTT, Mr. OBERSTAR, Mr. TALLON, Mr. SOLARZ, Mr. NAGLE, Mr. QUILLEN, Mr. HARRIS, Mr. HUCKABY, Mr. MATSUI, Mr. WALSH, Mr. CHAPMAN, Mr. ROSE, Mr. DYMALLY, Mr. ALEXANDER, Mr. PICKETT, Mr. HAYES of Illinois, Mr. DELLUMS, Mr. SMITH of New Jersey, Mr. FALEOMAVAEGA, Mr. LAFALCE, Mr. DWYER of New Jersey, Ms. KAPTUR, Mr. HAMMERSCHMIDT, Mr. LIPINSKI, Mr. ATKINS, Mr. GOODLING, Mr. SISISKY, Mr. MONTGOMERY, Mr. SANGMEISTER, Mr. ANDREWS of New Jersey, Ms. PELOSI, Mr. WEISS, Mr. ERDREICH, Mr. LANTOS, Mr. HOYER, Mr. PALLONE, Mr. WILSON, Mr. TAUZIN, Mr. GRAY, Mrs. VUCANOVICH, Mrs. BOXER, Mr. MILLER of Ohio, Mr. VENTO, Mr. PRICE, Mr. COLEMAN of Missouri, Mr. RAMSTAD, Mr. HUGHES, Mr. DE LA GARZA, Mr. POSHARD, Mr. EDWARDS of Texas, Mr. BILBRAY, Mr. SANTORUM, Mr. MFUME, Mr. MCGRATH, Mr. MCNULTY, Mr. APPLEGATE, Mr. WAXMAN, Mr. ROGERS, Mr. GEREN of Texas, Mr. RINALDO, Mrs. COLLINS of Michigan, Mr. CALLAHAN, Mr. ECKART, Mr. BONIOR, Mr. ACKERMAN, Mr. GRANDY, Mr. DIXON, Mr. JENKINS, Mr. BRUCE, Mr. EMERSON, Mr. BLILEY, Mr. BLAZ, Ms. HORN, Mr. ESPY, and Mr. MACHTLEY):

H.J. Res. 259. Joint resolution designating July 2, 1991, as "National Literacy Day"; to the Committee on Post Office and Civil Service.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

132. By the SPEAKER: Memorial of the Senate of the State of Maine, relative to outlawing the use of permanent replacement workers; to the Committee on Education and Labor.

133. Also, memorial of the House of Representatives of the State of Michigan, relative to automobile manufactures installing accessible recovery attachment points on the front and rear of all passenger vehicles; to the Committee on Energy and Commerce.

134. Also, memorial of the Senate of the State of Louisiana, relative to the extension of the "fast track" authority proposal of the President; jointly, to the Committees on Ways and Means and Rules.

135. Also, memorial of the Senate of the State of Iowa, relative to the lack of progress and results of investigations of the 2,285 Americans missing in action in Southeast Asia; jointly, to the Committees on Government Operations, Armed Services, and Foreign Affairs.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 8: Mr. WEISS.

H.R. 12: Mr. JONTZ and Mr. LEVINE of California.

H.R. 53: Mr. ENGEL, Mr. RAMSTAD, Mr. ERDREICH, Mr. GONZALEZ, Mr. SCHUMER, Mr. HENRY, Mr. TAYLOR of North Carolina, Mr. OBERSTAR, Mr. GILCHREST, and Mr. SERRANO.

H.R. 200: Mr. MARLENEE, Mr. LIVINGSTON, Mr. WILLIAMS, Mr. PURSELL, and Mr. ROYBAL.

H.R. 371: Mr. LEWIS of California.

H.R. 381: Mrs. LLOYD, Mr. CARPER, Mr. STUDDS, Mr. CAMPBELL of California, Mr. KENNEDY, and Mr. CLAY.

H.R. 382: Mr. CARPER and Mr. CLAY.

H.R. 384: Mr. MCMILLEN of Maryland, Mr. ENGEL, and Mr. FAZIO.

H.R. 573: Mr. ROE.

H.R. 576: Mr. FAZIO, Mr. MFUME, Mr. GORDON, Mr. AUCOIN, Mr. SCHUMER, Mr. JOHNSON of South Dakota, Mr. STUDDS, Mr. FRANK of Massachusetts, Mr. ANDREWS of New Jersey, Ms. MOLINARI, and Mr. LAGOMARSINO.

H.R. 643: Mr. OLIN.

H.R. 658: Mr. HALL of Texas and Mr. YOUNG of Florida.

H.R. 722: Mr. FRANK of Massachusetts.

H.R. 723: Mr. RHODES and Mr. FRANK of Massachusetts.

H.R. 744: Mr. KOSTMAYER.

H.R. 745: Ms. KAPTUR and Mr. HUBBARD.

H.R. 791: Mr. SERRANO.

H.R. 812: Mr. BORSKI, Mrs. BOXER, Mr. COLEMAN of Texas, Mr. CLINGER, Mr. TRAXLER, Mr. SERRANO, Mr. EMERSON, and Mr. RHODES.

H.R. 828: Mr. LANCASTER, Mr. MCMILLEN of Maryland, and Mr. MARTINEZ.

H.R. 840: Mr. DICKS, Mr. ROSE, Mr. WHEAT, and Mrs. PATTERSON.

H.R. 843: Mr. LANTOS.

H.R. 859: Mr. HENRY, Mr. SOLOMON, Mr. EMERSON, Mr. ZELIFF, and Mr. FAWELL.

H.R. 886: Mr. ECKART, Ms. SNOWE, and Mr. BORSKI.

H.R. 978: Mr. ACKERMAN, Mrs. LLOYD, Mr. ARCHER, Ms. SNOWE, Mr. WILSON, Mr. MCGRATH, Mr. JONTZ, Mr. BORSKI, and Mr. ROSE.

H.R. 1072: Mr. ESPY, Mr. EVANS, and Mr. LANCASTER.

H.R. 1073: Mr. ESPY, Mr. EVANS, and Mr. LANCASTER.

H.R. 1237: Mr. BUSTAMANTE, Mr. COX of California, Mr. GALLO, Mr. LAGOMARSINO, Ms. LONG, Mr. LUKEN, Mr. MAZZOLI, Mr. OWENS of Utah, Mr. POSHARD, Mr. RHODES, Mr. TANNER, Mr. THOMAS of Wyoming, and Mr. VOLKMER.

H.R. 1240: Mr. DOWNEY and Mr. MOODY.

H.R. 1245: Mr. GEJDENSON, Mr. HEFNER, Mr. CARR, Mr. ROSE, Mr. PENNY, Mr. HOBSON, Mr. CLEMENT, Mr. BEREUTER, and Mr. TAUZIN.

H.R. 1251: Mr. ACKERMAN, Mr. DOOLEY, Ms. SNOWE, Mr. SERRANO, Mr. CONDIT, Mr. MARTINEZ, Mr. RICHARDSON, and Mr. WAXMAN.

H.R. 1252: Mr. ACKERMAN, Mr. DOOLEY, Ms. SNOWE, Mr. SERRANO, Mr. CONDIT, Mr. MARTINEZ, Mr. RICHARDSON, and Mr. WAXMAN.

H.R. 1253: Mr. ACKERMAN, Mr. DOOLEY, Ms. SNOWE, Mr. SERRANO, Mr. CONDIT, Mr. MARTINEZ, Mr. RICHARDSON, and Mr. WAXMAN.

H.R. 1293: Mr. WAXMAN.

H.R. 1341: Mr. GLICKMAN and Mr. MFUME.

H.R. 1360: Mr. REED, Mr. KOPETSKI, Mr. PEASE, Mr. MINETA, Mr. ROSE, and Mr. MARTINEZ.

H.R. 1394: Mr. FROST, Mr. NEAL of Massachusetts, Mr. KENNEDY, Mr. GONZALEZ, Mrs. LOWEY of New York, Mr. FLAKE, Mr. DEFAZIO, Mr. MINETA, and Ms. NORTON.

H.R. 1430: Mr. WYDEN.

H.R. 1445: Mr. HATCHER.

H.R. 1450: Mr. WOLF, Mr. NICHOLS, Mr. MILLER of Washington, Mr. THOMAS of California, Mr. MORRISON, Mr. LEWIS of Florida, Mr. NUSSLE, Mr. MORAN, and Mr. BUSTAMANTE.

H.R. 1472: Mr. WISE and Mr. LAGOMARSINO.

H.R. 1473: Mr. KLUG and Mr. BRUCE.

H.R. 1512: Mr. BILIRAKIS, Mr. BRUCE, and Mr. FAZIO.

H.R. 1516: Ms. SNOWE.

H.R. 1527: Mr. TAYLOR of Mississippi.

H.R. 1541: Mr. DICKINSON.

H.R. 1549: Mr. FISH and Mr. KOLBE.

H.R. 1554: Mr. SMITH of Florida.

H.R. 1611: Mr. MOORHEAD.

H.R. 1618: Mr. GALLO, Mr. MINETA, Mr. SMITH of Oregon, Mr. HORTON, Mr. DELAY, Mr. TALLON, Mr. LOWERY of California, Mr. WYDEN, Mr. KYL, Mr. THOMAS of Georgia, Mr. HERTEL, Mr. OWENS of Utah, Mr. SLAUGHTER of Virginia, Mr. BARNARD, Mr. JONES of Georgia, Mrs. LLOYD, Mr. AUCOIN, Mr. KOPETSKI, Mr. ATKINS, Mr. SPENCE, Mr. ALLARD, Mr. SWIFT, Ms. KAPTUR, Mr. LAGOMARSINO, Mr. FROST, Mr. WILSON, Mr. SHAYS, and Mr. SANTORUM.

H.R. 1628: Ms. NORTON, Mr. LANCASTER, Mr. COLEMAN of Texas, Mr. DEFAZIO, Mr. BOUCHER, Ms. SLAUGHTER of New York, Mr. OWENS of Utah, Mr. PAYNE of Virginia, Mr. MORAN, Mr. VANDER JAGT, Mr. TRAFICANT, and Mr. SAXTON.

H.R. 1633: Mr. MAZZOLI, Mr. HOCHBRUECKNER, Mr. MFUME, Mr. PEASE, Mr. PETERSON of Florida, Mr. MOORHEAD, Mr. STARK, Mr. KOPETSKI, Mr. JONTZ, Mr. GILCHREST, Mr. RAMSTAD, Mr. TORRES, Mr. ENGEL, Mr. ROYBAL, Mr. SMITH of Florida, Mrs. BOXER, and Mr. MOODY.

H.R. 1711: Mr. JONTZ.

H.R. 1739: Mr. ECKART, Mr. BEREUTER, Mr. WILLIAMS, and Mr. JONTZ.

H.R. 1779: Mr. FORD of Tennessee, Mr. DIXON, Mr. LEWIS of Georgia, Mr. MINETA, Mr. ESPY, Mr. JONES of Georgia, and Mr. TRAFICANT.

H.R. 1900: Mr. SANTORUM.

H.R. 1955: Mr. PARKER and Mr. ECKART.

H.R. 1956: Mr. PARKER.

H.R. 1970: Ms. SLAUGHTER of New York, Mr. SHAYS, Mrs. BOXER, and Mr. PANETTA.

H.R. 2008: Mr. GORDON and Mr. GILCHREST.

H.R. 2114: Mr. PENNY, Mr. DE LUGO, Mr. WILSON, Mr. FORD of Tennessee, and Ms. PELOSI.

H.R. 2115: Mr. EMERSON and Mr. COOPER.

H.R. 2235: Mr. JONTZ and Mr. NICHOLS.

H.R. 2268: Mr. BRUCE and Mr. MYERS of Indiana.

H.R. 2279: Mr. BENNETT and Mr. EVANS.

H.R. 2280: Mr. JAMES.

H.R. 2299: Mr. FROST.

H.R. 2309: Mr. ABERCROMBIE, Mr. KENNEDY, Mr. HYDE, Mr. LENT, Mr. LIPINSKI, Mr. LAGOMARSINO, and Ms. ROS-LEHTINEN.

H.R. 2361: Mr. BOUCHER.

H.R. 2389: Mr. RUSSO and Mr. WHEAT.

H.J. Res. 73: Mr. FISH and Mr. ENGEL.

H.J. Res. 107: Mr. WALSH.

H.J. Res. 138: Mr. ANDERSON, Mr. ANTHONY, Mr. BUNNING, Mr. COBLE, Mr. COLEMAN of Texas, Mr. DELLUMS, Mr. DINGELL, Mr. DORGAN of North Dakota, Mr. FAWELL, Mr. GALLEGLY, Mr. GEREN of Texas, Mr. GONZALEZ, Mr. GORDON, Mr. HOYER, Mr. LEWIS of Georgia, Mr. MCMILLEN of Maryland, Mr. MONTGOMERY, Mr. NAGLE, Mr. ORTIZ, Mr. RAY, Mr. SISISKY, Mr. SKAGGS, Mr. SKELTON, Ms. SLAUGHTER of New York, Mr. STENHOLM, Mr. STOKES, Mr. TANNER, Mr. WELDON, Mr. WHEAT, Mr. WOLPE, Mr. YATES, Mr. ANDREWS of Maine, Mr. COX of Illinois, Mr. CUNNINGHAM, Mr. EDWARDS of Texas, Ms. HORN, Mr. PETERSON of Minnesota, Mr. SANDERS, Mr. SWETT, Ms. WATERS, Mr. MCEWEN, Mr. JONES of Georgia, Mr. DREIER of California, and Mr. RIDGE.

H.J. Res. 142: Mr. BOEHLERT, Mrs. ROUKEMA, Mr. DELAY, Mr. BALLENGER, Mr. BUNNING, Mr. WALSH, Mr. SHUSTER, Mr. HOUGHTON, Mr. MILLER of Washington, Mr. FISH, Mr. BROWN, and Mr. HAYES of Illinois.

H.J. Res. 188: Mr. CLAY, Mr. DELLUMS, Mr. ESPY, Mr. LEWIS of Georgia, Mr. MARTINEZ, Mr. PERKINS, Mr. RANGEL, Mr. ACKERMAN, Mr. FOGLIETTA, Mr. GUARINI, Mr. TORRICELLI, Mr. JEFFERSON, Mr. SAVAGE, Mr. REED, Mr. VALENTINE, Mr. JONTZ, Mr. ROE, Mr. SANDERS, Mr. ANDREWS of Maine, Mr. KILDEE, Mr. FRANK of Massachusetts, Mr. GEJDENSON, Mr. HAYES of Illinois, Mr. PAYNE of New Jersey, Mr. FEIGHAN, Mr. HALL of Ohio, Mr. HERTEL, and Mr. OWENS of New York.

H.J. Res. 212: Mr. HAMILTON, Mr. HARRIS, Mr. CALLAHAN, and Mr. BEVILL.

H.J. Res. 217: Mr. ATKINS, Mr. MRAZEK, Mr. NAGLE, Mr. DEFAZIO, Mr. FAZIO, Mr. DORNAN of California, Mr. MAVROULES, Mr. JOHNSON of South Dakota, Mr. BATEMAN, Mr. ABERCROMBIE, Mr. MURPHY, Mr. MOAKLEY, Mr. MCNULTY, Mr. MCCOLLUM, Mr. LEVIN of Michigan, Mr. LANCASTER, Mr. LAGOMARSINO, Mr. JONES of North Carolina, Mr. IRELAND, Mr. HUTTO, Mr. GUARINI, Mr. GRANDY, Mr. ERDREICH, Mr. ECKART, Mr. DYMALLY, Mr. MCDADE, Mr. SMITH of Florida, Mr. NATCHER, Mr. HUGHES, Mr. PALLONE, Mr. PAXON, Mr. MILLER of California, Mr. SHAYS, Mr. MARTINEZ, Mr. BONIOR, Mr. LANTOS, Mr. ROEMER, Mrs. JOHNSON of Connecticut, Mr. CARR, Mr. MORAN, and Mr. LEWIS of California.

H.J. Res. 219: Mr. MILLER of Washington, Mr. PAXON, Mr. JEFFERSON, Mrs. BENTLEY, Mr. VOLKMER, Mrs. JOHNSON of Connecticut, Mr. LENT, Mr. RAHALL, Mr. DOOLITTLE, Mr. SERRANO, and Mr. EVANS.

H.J. Res. 233: Mr. POSHARD, Mr. COX of Illinois, Mrs. VUCANOVICH, Mr. PETERSON of Florida, and Mr. SPRATT.

H.J. Res. 239: Mr. MORAN, Mr. WEBER, Mr. NAGLE, Mr. BERMAN, Mr. OBERSTAR, Mr. LEVINE of California, Mr. GREEN of New York, Mr. ENGEL, Mr. WEISS, Mr. BONIOR, and Mr. GUARINI.

H.J. Res. 254: Mr. WHEAT, Ms. NORTON, Mr. TANNER, Mr. MARTINEZ, Mr. NEAL of Massachusetts, Mr. OWENS of New York, Mr. CLEMENT, Mr. MAVROULES, and Mr. RAVENEL.

H. Con. Res. 8: Mr. LAROCCO, Mr. COX of California, and Mr. KLUG.

H. Con. Res. 30: Mr. BREWSTER.

H. Con. Res. 65: Mr. DONNELLY and Mr. YATRON.

H. Con. Res. 89: Mr. ACKERMAN, Ms. SNOWE, Mr. SERRANO, Mr. CONDIT, Mr. MARTINEZ, Mr. CHANDLER, and Mr. WAXMAN.

H. Con. Res. 101: Ms. KAPTUR, Mr. BEREUTER, and Mr. VALENTINE.

H. Con. Res. 120: Mr. RAMSTAD, Mr. JEFFERSON, Mr. DWYER of New Jersey, and Mr. ROE.

H. Con. Res. 135: Mr. FROST and Mr. FAZIO.

H. Con. Res. 152: Mr. RIGGS, Mr. MACHTLEY, Mr. GUARINI, Mr. GILMAN, Mr. MCDADE, Mr. FEIGHAN, Mr. LEHMAN of Florida, Mr. PALLONE, Mrs. VUCANOVICH, Mr. KENNEDY, Mr. BONIOR, Mrs. MORELLA, Mr. LENT, Mr. CARDIN, and Mr. STARK.

H. Res. 131: Mr. ABERCROMBIE, Mr. APPLEGATE, and Mr. FROST.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 960: Mr. HATCHER.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

83. The SPEAKER presented a petition of the Association of the Bar of the City of New York, relative to combat exclusion laws; which was referred to the Committee on Armed Services.

SENATE—*Wednesday, May 22, 1991*

(Legislative day of Thursday, April 25, 1991)

The Senate met at 9:30 a.m., on the expiration of the recess, and was called to order by the Honorable J. ROBERT KERREY, a Senator from the State of Nebraska.

The PRESIDING OFFICER. Today's prayer will be offered by the guest chaplain, the Reverend Dan Munson.

PRAYER

The guest chaplain, the Reverend Dan Munson, of First Baptist Church, 123 West 7th Street, Cedar Falls, IA, offered the following prayer:

Let us pray:

Heavenly Father, we praise You today for the way that You continue to love us. Thank You for Your presence in our lives. Thank You for never leaving us or forsaking us. You have blessed us with many gifts, both individually and as a nation.

Grant to each of us wisdom as we make decisions concerning this great country that You have allowed us to live in.

Lord we pray that what we do and say today will make a positive difference in our country and our world.

When we are weak grant us Your strength. When we are out of answers to the problems of life please remind us that You haven't forgotten us. Remind us that Your Spirit gives wisdom and revelation to those who call upon Your name.

Thank You, dear Lord, for the reminder in Your Word that when we are at the end of our resources we have You as our refuge and strength, a very present help in times of trouble, therefore we do not have to fear.

Dear Lord, bless the U.S. Senate today with Your wisdom as they share in the leadership of this great country of America. May our focus be on You, Lord, at all times. May our prayer be "not my will, but Thy will be done, on Earth as it is in Heaven."

All this we pray in the name of our Lord and Savior, Jesus Christ. 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 assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, May 22, 1991.

To the Senate:

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

ROBERT C. BYRD,
President pro tempore.

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

RESERVATION OF LEADER TIME

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

THE GUEST CHAPLAIN, REV. DAN MUNSON

Mr. GRASSLEY. Mr. President, I have the privilege of presenting the guest chaplain for the Senate today, Rev. Dan Munson of the First Baptist Church of Cedar Falls, IA. Pastor Dan has been serving the Lord and the congregation at my home church in Cedar Falls for the past 4 years. He is a faithful minister for the Lord and has been in the ministry for 13 years.

Pastor Dan, and his wife, Renee, are people who live their faith. They have opened their hearts and home to four adopted children—the oldest of which will be graduating from high school this weekend.

Although Barbara and I spend a great deal of our time here in Washington, Pastor Dan has taken the time to get to know both of us personally. He has been a blessing and an inspiration to us through his ministry at First Baptist Church. We appreciate his service—he has been with us in our times of need, to share our sorrows and to provide comfort and Godly counsel.

I want to thank Dr. Halverson for sharing the opportunity of leading the Senate in prayer with Pastor Dan Munson this morning.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for morning business, not to extend beyond the hour of 9:45, with Senators permitted to speak therein.

The Senator from Massachusetts is recognized.

Mr. KENNEDY. Mr. President, I ask unanimous consent to be able to proceed for 7 minutes.

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

The Senator from Massachusetts is recognized.

Mr. KENNEDY. I thank the Chair.

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

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

The ACTING PRESIDENT pro tempore. Under the previous order the Senator from Pennsylvania is recognized for up to 3 minutes.

NATIONAL AND COMMUNITY SERVICE ACT OF 1990

Mr. WOFFORD. Mr. President, I am rising to speak on another matter in which Senator KENNEDY has given leadership, along with at least a dozen Members of this body from both parties who contributed to the passage, on October 16, of the National and Community Service Act of 1990. That act authorized some $55 million to be devoted this year to the support of State and local programs of service by young people especially and older citizens, and it authorized some $5 million for the President's Points of Light Foundation.

Although signed into law 3 weeks later, the President refused to implement the act unless Congress enacted changes permitting the President to make the appointments to the 21-member Commission on National and Community Service without the originally required input of the Speaker of the House and the majority leader of the Senate.

The bipartisan coalition which produced this law, led by Senator KENNEDY as chairman of the Labor and Human Resources Committee, decided to accept the so-called remedial amendments insisted upon by the Attorney General rather than further delay the implementation of the act while the objections raised by the President and Attorney General were litigated in the courts. The required amendments satisfying the Attorney General and the President were adopted early this year.

Yet, I call to this body's attention the fact that the Commission on National and Community Service has still not been appointed. What is the President waiting for? Why is he continuing to block the implementation of the act

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

by refusing to move on the recommendations for appointments made to him long ago?

Existing and proposed State and local programs of youth service, both school based and community based, part time and full time, including Conservation Corps and Urban Service Corps, around the country have looked to the resources provided in this creative act in order to move forward in engaging citizens, especially the oncoming generation, in work that meets some of the pressing needs of our society.

As the organizer of the Governor's Office for Citizen Service in Pennsylvania, I know first hand that the expansion of these programs is a direct and effective way to counteract the recession that has been upon us these many months, the same months the President has delayed in appointing the Commission.

Asking and enabling young people to service, instead of being served, is one of the best ways I know to take action to see that young people go from school to service and work instead of to joblessness, drugs, prison, or welfare.

In the Great Depression, President Roosevelt and the Congress created the Civilian Conservation Corps that helped millions of young Americans become productive workers and good citizens.

This Congress has moved in that direction by combining the constructive ideas of Senators BUMPERS, GRAHAM, DODD, HATCH, MIKULSKI, MOYNIHAN, ROBB, NUNN, PELL, and KENNEDY and ideas from Members of the other body.

Yet, the President has still not acted to let this vital program go forward in this time of special need.

I understand that week after week, the White House has indicated that the appointments will be made tomorrow and tomorrow and tomorrow.

How long, Mr. President, how long will it be before the will of Congress is respected and the National and Community Service Act of 1990 becomes a reality? How long?

DON MULLALLY, DISTINGUISHED VERMONTER

Mr. LEAHY. Mr. President, it is a pleasure to introduce my fellow Senators to a Vermonter who is loved and admired by all who know him.

Don Mullally is one of those wonderful people who becomes so much a part of the community that it is difficult to imagine one without the other.

He is the person who serves as an officer in the local service club, helps lead a fund drive for a worthy cause, takes part in local theatrical productions, is a distinguished member of his lodge and a veteran who was there when his country needed him.

One of the most familiar voices in Caledonia County—Don was honored recently by his fellow Vermonters who live in the Northeast Kingdom.

Named by the Northeast Kingdom Chamber of Commerce as Citizen of the Year, Don was the subject of a very fine article written by Bethany M. Dunbar, a reporter for the Barton Chronicle.

I ask unanimous consent that Ms. Dunbar's piece be printed in the CONGRESSIONAL RECORD as written in order that Americans throughout the country can learn more about the contributions made by Don Mullally—and how much we Vermonters appreciate all he has done for his community, State, and country.

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

[From the Barton Chronicle, May 1, 1991]

DON MULLALLY

(By Bethany M. Dunbar)

ST. JOHNSBURY.—A radio man since just after World War II, Don Mullally has hobnobbed with politicians from former Governor Phil Hoff to Presidents Dwight Eisenhower and Harry Truman.

But he's more likely to be found announcing for the cavalcade of cattle, sheep and roosters at the Caledonia County Fair, or singing, "Sentimental Journey" with the area's 17-piece Big Band.

In fact, Mr. Mullally is involved in so many local clubs and activities on top of his job at WSTJ radio that there's not many nights he isn't already booked up for some engagement or another.

He'll be missing the Big Band's next gig in Montpelier May 4 in order to attend a dinner to be given in his honor by the Northeast Kingdom Chamber of Commerce. Mr. Mullally was chosen citizen of the year.

Mr. Mullally shook his head when the award was mentioned. It came "straight out of the blue and a real shocker," he said, looking a little embarrassed at the attention.

"There are many, many more that are more deserving," he added.

Possibly, but it's hard to imagine there are very many people involved in more community activities.

Mr. Mullally is a member of Passumpsic Lodge number 27 F&AM (Masons), the Order of the Eastern Star, the Veterans of Foreign Wars, the American Legion, past president of Kiwanis, an honorary member of the Lions Club, director of the Caledonia County Fair Association, works on the annual Stars and Stripes festival, ice shows, and used to be in the St. Johnsbury Players.

He said he got into all these things simply because he was asked. His philosophy is that if someone calls and asks if he'll do something, as long as he has the time free, he agrees to do it.

"I think it's a way of paying back," he said.

Mr. Mullally grew up in St. Johnsbury. His parents were originally from Montpelier but lived in Massachusetts for a little while, moving back to St. Johnsbury in 1938. Mr. Mullally was in the class of 1947 at St. Johnsbury Academy, but went to war before he graduated. He ended up graduating with the class of 1948.

"I classify myself as a member of both," he said, for the purposes of alumni activities.

A radio operator in the Navy, Mr. Mullally decided to go to Massachusetts Radio and Television School, and learned about the electronic end of radio. But he thought it wasn't for him.

He got a job for a while in the receiving department of an auto parts store. Then decided to apply for a position at WSTJ, which opened in 1949.

He said he went in and had an interview with the owner at the time, E. Dean Finney.

"The next thing I knew I was hired as a night man," he said. That shift was from 3 p.m. to sign-off. The longer he worked there, the better hour he got. He moved from night to mid-afternoon and then to where he's been for years, the morning slot, 4:30 a.m. to 12:30.

When he first worked at the station, it was completely independent. Later it joined with NBC and then CBS.

"We used to carry some of the major programs, like Arthur Godfrey," he said.

Most recently, the station gets national news and disk jockeys from the Starlight Music News via satellite. The format is adult comtemporary—music from the 1950s, '60s, '70s and '80s, and the show is broadcast to some 300 stations across the country.

Mr. Mullally likes it all right but misses the independence the station used to have.

"We don't dig back into the library," he said, for music of the Big Band Era. Well, actually, he said, "I guess we do throw something on once in a while."

The station maintains its local emphasis, particularly in the area of sports. Mr. Mullally is a Red Sox fan and likes to hear those games, but he's especially proud of the station's policy of following local high school football and basketball clubs, even on away games.

"We do both boys and girls," he said. "We stand pretty proud about that because we're one of the few stations that travel all over."

He talked to politicians mostly when he was covering their campaigns. He said he doesn't often get tongue-tied, but he felt that way around Eisenhower and Governor Deane Davis. He's not sure why he was nervous around Mr. Davis. He thought maybe it was because of his age.

He met Eisenhower when Ike was campaigning in New Hampshire. WSTJ's sister station, WIKE in Newport, had been named after him. So the reporters went up with a microphone and stuck it in Ike's face to take a picture.

"The Secret Service almost had a fit," said Mr. Mullally, recalling the scene. But no bombs went off, and the picture hangs at WIKE.

"The night Harry Truman won, we called him and got him out bed," Mr. Mullally recalled. He said the headlines were that he had lost, but they turned out to be wrong. He said he can't remember exactly what the President said, but basically the same things he said to the newspapers.

He met all the governors for the last several years, but he got to know Mr. Hoff the best and believes he is coming to his award dinner. He remembers when they met, at an event celebrating the Fairbanks company and museum.

Mr. Mullally's three children were on a balcony near Mr. Hoff, and the Governor grabbed Michael to hold up in the crowd. One of the big magazines—Time or Life—ran a picture of them.

Mr. Mullally met his wife, Velvier, when she was working as a lab technician at the former Brightlook Hospital.

"It was a blind date. I was home on leave at the time," he said. The romance developed

into a marriage, and the Mullallys have raised three children. Lynda is a private secretary for a large law firm in Washington, D.C., Don Jr. works at IBM in Essex, and Michael works at the medical center in Colchester as a radiology technician.

Mr. Mullally got his love of entertainment from his father, who used to be a minstrel man and was one of the founders of a barbershop singing group in Littleton. He also ran businesses, including a dairy bar and antique shop, and he worked at Fairbanks long enough to get a union going there.

His mother, Abbie Mullally who just died in March, gave her son Don his outgoing nature, he said.

"It made no difference whether you came in with manure on your shoes or hightop boots," he said. "You got the same kind of treatment."

His mother was called Molly, a pun on her last name, by all her friends. She was a buyer for different companies, most lately Hovey's. She was 95 when she died of complications from a collapsed lung.

Mr. Mullally said she wasn't much for hospitals or doctors but agreed to go see a doctor when she became "a little short of breath" lately, as she put it. Her doctor had not seen her for six years.

When he's not announcing something for someone (the only thing he hasn't done is a harness race, he said), Mr. Mullally likes to hunt, play golf, and go look at the foliage in the fall.

Hunting camp is a great retreat, he said.

"Every once in a while I forget and take the gun," he said, laughing. On the Friday night before the season, he and his friends have a tradition. The six who are in the jazz band part of the Big Band come up to the camp in Lunenburg, which belongs to Loren Phelps. His father, Robert Phelps started this tradition, Mr. Mullally added.

They crank up the saxophones, trumpets and trombones and let'er rip. Sometimes Mr. Mullally will even sing. "Who's Sorry Now?" Maybe.

He did not say what effect this concert has on the wildlife or the hunters' chances the next day, but clearly it's a big part of the overall experience of hunting camp.

Mr. Mullally said people sometimes ask him when he is going to retire. He tells them as soon as the rubber band in his jaw wears out.

S. 922—REBATES ON ENERGY CONSERVATION MEASURES

Mr. DASCHLE. Mr. President, conservation is a critical part of our national energy policy. That is why I have introduced legislation, S. 922, to ensure that rebates on energy conservation measures given by electric utilities to their residential, commercial, and industrial customers are exempt from taxation. I am joined in this effort by my colleague Senator CHARLES GRASSLEY of Iowa.

Over the years, Congress has passed significant legislation to address concerns about the environment. Most notable are the Clean Water Act and the Clean Air Act. These statutes place significant burdens on utilities to make technological and other changes that will preserve and protect the environment. A revised Clean Air Act will only increase these burdens on electric utilities, many of which are powered by fossil fuels.

During the past decade, electricity demand has increased at nearly 3 percent per year. The legislation we have introduced would help reduce the need for new generating capacity, thus serving our environmental objectives. Just as Congress must consider a variety of measures to address our national energy concerns, electric utilities have been forced to take a multifaceted approach to adopting environmentally sensitive technology and procedures. Encouraging their customers to conserve electricity, particularly at times of peak usage, has proved an effective demand-side management strategy for electric utilities. It is estimated that 35 to 50 percent of the Nation's electric utility consumers are served by utilities that have some form of energy efficiency rebate program.

We in Congress can greatly enhance these conservation programs through the legislation Senator GRASSLEY and I have introduced. Allowing customers to exclude electric utility rebates from taxable income is a fair and efficient way to achieve this goal. It benefits the environment both directly through increased energy efficiency and indirectly by easing the burden on electric utilities and enabling them to meet new environmental standards.

Excluding conservation rebates from income also recognizes the fact that, while conservation measures may save the consumer money in the long run, substantial expenditures may be necessary initially in order to obtain the long-term savings. For example, consumers may need to install new and more efficient equipment in their homes or businesses. A conservation rebate exclusion gives a needed extra incentive for consumers to make this initial efficiency investment.

I urge my colleagues to support this legislation.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. The period for morning business has now expired.

Morning business is closed.

SENATE ELECTION ETHICS ACT

The ACTING PRESIDENT pro tempore. The Senate will now resume consideration of S. 3 which the clerk will report.

The legislative clerk read as follows:

The bill (S. 3) to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits for Senate election campaigns, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

(1) Boren amendment No. 242, in the nature of a substitute.

(2) McConnell modified amendment No. 252 (to amendment No. 242), to strike provisions relating to spending limits and taxpayer funding of Senate campaigns.

(3) Wellstone amendment No. 253 (to amendment No. 242), relating to a candidate's personal contributions or loans to his campaign.

AMENDMENT NO. 252, AS MODIFIED

The ACTING PRESIDENT pro tempore. Who yields time? The Senator from Kentucky is recognized.

Mr. MCCONNELL. Mr. President, campaign finance reform is about the rules of the game in our democracy. Obviously, he who crafts the rules can control the game. The bill before us, S. 3, many people feel, is about partisan advantage, an effort by the majority to try to craft a set of rules that benefits it to the detriment of the minority. Certainly that is true, Mr. President, but it is about more than that. It is also about the Federal budget deficit, and, yes, it is about the first amendment.

Mr. President, there has to be money in politics. It is necessary. Without money in politics the best known candidate would always win, the celebrity, the sitting Governor, and, yes, virtually every time the sitting Senator. The money Mr. President, can come from only two places. It can come from our constituents, under the current system, a whole lot of them in limited amounts, fully disclosed, or it can come from the Federal Treasury.

The vote we are about to have on the McConnell amendment, in my view, will be one of the two or three big issues of the 1992 election. The American people have spoken on the question of public finance of political campaigns. They vote every April 15, Mr. President, and over 80 percent of them vote no to divert a dollar of taxes they already owe to the Presidential system.

And there are other surveys, Mr. President. The Wall Street Journal, NBC poll of last December indicated that the American people were against public funding of congressional campaigns by a margin of 55 percent to 38 percent.

Mr. President, a vote for the amendment we will consider at 10 o'clock is a vote against establishing a "food stamp program for politicians," a vote against allowing all of us to reach into the cookie jar to get some of those tax dollars for our campaigns.

The vote for the McConnell amendment, also, Mr. President, is a vote against allowing the FEC to soon become the size of the Veterans' Administration. That is what will happen. Mr. President, the FEC came before the Rules Committee. I asked them how many auditors they currently had. They said they have about 25. I asked them how many auditors they would need if we extended something like the Presidential system to 535 races. They

said, "We will probably need, 2,500 auditors." The FEC would be a growth industry, Mr. President; it would get so big we would not recognize it.

A vote for the McConnell amendment is also a vote against funding fringe candidates, because once you open up the Federal Treasury to political candidates, you cannot just say only Republicans and Democrats get it. Lenora Fulani and Lyndon La- Rouche have gotten $1 million of each of our tax dollars to run for President. And, Mr. President, if we extend that to 535 additional races, every crackpot in America who got up in the morning and looked in the mirror and said, "Gee, I think I see a Congressman," is going to be able to reach into the Federal cookie jar and get some of those tax dollars to run for President.

A vote for the McConnell amendment is a vote in favor of unlimited participation by the American people in the political system, unlimited participation through the contributing of small and fully disclosed amounts of money for our campaigns.

The ACTING PRESIDENT pro tempore. The Senator's 3½ minutes have expired.

Mr. McCONNELL. Mr. President, I ask unanimous consent for an additional minute.

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

Mr. McCONNELL. Also, Mr. President, a vote for the McConnell amendment is a vote in favor of campaign finance reform, because the President of the United States has made it clear that he will not sign a bill that includes either spending limits or public financing.

Finally, Mr. President, and I think most importantly, a vote for the McConnell amendment can make this bill constitutional. In its current form it would have about as much chance surviving in the Supreme Court as Saddam Hussein would have surviving at an Army-Navy game. It is blatantly unconstitutional.

So, Mr. President, for all of those reasons, I hope the Senate will approve the McConnell amendment upon which we will be voting in a few moments.

Mr. BOREN. Mr. President, I yield 2½ minutes.

Mr. President, with all due respect to my good friend from Kentucky, this is not a partisan matter. I think we can understand what happens in a system without any spending limits when incumbents already raise more money than challengers at a rate of 8 to 1 in the House and 3 to 1 in the Senate.

It puzzles me how anyone on the minority side in the Congress in either House would feel that they would benefit by the current system. Clearly, the current system is an incumbent protection plan. If anything, it would benefit the party now in the majority side.

What is the real issue about this amendment? This is not a vote on public financing. A vote for the McConnell amendment is not a vote on public financing. We have already indicated through a sense-of-the-Senate amendment that we are not going to finance any of the incentives in this bill by imposing additional tax burdens on individual taxpayers.

What really is at the heart of the McConnell amendment is the McConnell amendment strikes out all of the spending limits in this bill. The sky is the limit. There would be no restraint on any amount of money that could be raised to finance campaigns. More and more and more over the last 12 years we have gone from $600,000 to win an average U.S. Senate race to $4 million. The sky is the limit without any spending limits.

So, Mr. President, this is really a time for truth for us in the Senate. There are times in which we have a responsibility to sit down and ask ourselves some very difficult questions. Do we think what is going on with the current way we finance campaigns with unlimited amounts to be spent, is good for this country? Can we honestly look at ourselves in the mirror and say it is a good thing that the cost of campaigns has skyrocketed up to $4 million?

Members of the Congress have to become full-time fundraisers and part-time Senators and Congressman. Is that good for the country?

Is it good for the country that 97 percent of the Members of the House and Senate get reelected every election cycle because incumbents are able to outraise challengers by 8 to 1, as I said, and 3 to 1 so that new people trying to break into the system do not have a chance?

Is it good for the country that Members of this Congress have to go in other States and more of the campaign money raised by candidates comes from outside their home States and home districts, where people are not even very well known to those candidates; where they have to go raise money from those individuals and then perhaps later find out that they have tainted reputations, casting a cloud over the integrity of this body in terms of public perception?

Can we honestly say that 85 percent of the American people, even those polled in the home State of my distinguished colleague across the aisle, are wrong when they say they want spending limits imposed? Can we honestly say that they are misinformed when they say, over 75 percent of them, that the fact that Members have to raise so much money causes them to have doubts in the political process and to wonder whether the average individual citizen really has a say in the process anymore?

I do not think we can honestly say that. Let us vote down this amendment. Let us have an opportunity to impose spending limits and stop the money chase in American politics.

Mr. President, I believe I have 45 seconds remaining before the leader's time. I yield that to the Senator from Nebraska [Mr. EXON].

Mr. EXON. I thank my friend and colleague.

While I am not totally happy with the campaign finance reform bill advanced by the Senator from Oklahoma, I hope that my colleagues would not vote for the McConnell amendment. Part of the McConnell amendment I would certainly agree with, and that is the part that strikes public financing. But throwing off all spending limits and providing no incentives whatever would be a step in the wrong direction.

I assure my colleagues that they are going to have a chance on an amendment sponsored by this Senator and others to strike taxpayer campaign finance spending under the voucher system, and I hope, therefore, that they would maybe take a look at that amendment which will follow and not gut the whole bill as I believe the McConnell amendment would. I yield back any time remaining and yield the floor.

The ACTING PRESIDENT pro tempore. The Senator's time has expired.

The Republican leader is recognized.

Mr. DOLE. Let me indicate, as I have many times before, this is not an easy issue. And I regret we were not able to find some bipartisan solution. But I think we ought to point out that S. 3 provides the following public financing goodies: Broadcast vouchers equaling 20 percent of the general election spending limit; Treasury outlays to politicians to respond to independent expenditures; Treasury outlays to compensate politicians if their opponents exceed the spending limits; and deep discount mail rates.

The Office of Management and Budget estimates that this combined public financing package will cost the taxpayers $91 million in 1994 alone.

The Republican Policy Committee goes one step further, estimating the taxpayer price tag for S. 3 will exceed $231 million during the course of the upcoming 6-year election cycle.

Now, that seems like a pretty high price to pay. And I do not believe there is any glamour out there for public financing of our campaigns. Only one in five Americans voluntarily check off the Presidential fund on the Federal income tax form. And we ought to do away with that, repeal that public financing system as well.

There is no public support for public financing. I do not think there is even majority support on the other side of the aisle; there may be the votes but that does not mean there is support for public financing on the other side.

It would seem to me that we are going down the wrong track, if we are talking about finding some bipartisan or nonpartisan way to give the challenger at least some equality, some parity with the incumbent. I have worked with the majority leader—and certainly he has done his best; I hope we have done our best, in trying to find a solution—we have identified areas where a compromise between the two parties can be readily achieved—PAC's, broadcasting rates, bundling, independent expenditures, candidate use of personal funds, and reform of the Federal Election Commission.

So there are many issues other than spending limits and public financing on which the two parties can agree.

I commend the majority leader for his willingness to engage in these bipartisan discussions.

Maybe there ought to be an unusual conference where the leaders are in fact conferees, if in fact we go to conference with the House. Perhaps we cannot find some way out of this very sticky, very difficult issue.

So, I am fearful that without bipartisanship we are going to have a lot of sound and fury and rhetoric and nothing is going to happen. If it passes, the bill will be vetoed and the President will sustain the veto. So I have not given up, but I think one way to help us down the road of bipartisanship would be to vote for the McConnell amendment.

Mr. President, last year, my colleagues on the other side of the aisle followed the Republican lead by proposing a ban on political action committees.

This year, Democrats have not been as wise, clinging to public financing as the centerpiece of their reform package.

As I said when debate began last Wednesday, public financing is a nonstarter with Republicans.

And it is a nonstarter with the American people too.

In its current form, S. 3 provides the following public-financing goodies: Broadcast vouchers equaling 20 percent of the general-election spending limit; Treasury outlays to politicians to respond to independent expenditures; Treasury outlays to compensate politicians if their opponents exceed the spending limits; and deep discount mail rates.

The Office of Management and Budget estimates that this combined public-financing package will cost the taxpayers $91 million in 1994 alone.

The Republican Policy Committee goes one step further, estimating that the taxpayer price tag for S. 3 will exceed $231 million during the course of the upcoming 6-year election cycle.

That is too high a price for me.

And, you can bet, it is too high a price for the American people who have already said "thumbs-down" to the Presidential taxpayer financing system.

Mr. President, the results are in.

Only 1 in 5 Americans voluntarily check off the Presidential fund on the Federal income tax form.

And I have no doubt that the participation rate will be even lower when it comes to the so-called Senate election fund proposed in S. 3.

THE NEED FOR BIPARTISANSHIP

Mr. President, during the past several months, I have worked with the distinguished majority leader, Senator MITCHELL, in identifying areas where compromise between the two parties can be readily achieved—PAC's, broadcasting rates, bundling, independent expenditures, candidate use of personal funds, and reform of the Federal Election Commission.

As you can see, there are many issues—other than spending limits and public financing—on which the two parties can agree.

And I want to commend the majority leader for his willingness to engage in these bipartisan discussions.

I am absolutely convinced that bipartisanship is the key to enacting legislation that will eventually be signed into law by President Bush. Without bipartisanship, this week's debate will be nothing more than that—a debate "full of sound and fury, signifying nothing"—and certainly failing to produce a bill acceptable to the President and to the American people.

In case there is any doubt about where the President stands on S. 3, I have received a statement of administration policy indicating that the President's senior advisers will recommend a veto.

The bottom line is that S. 3 is unconstitutional, proincumbent, and yet another unwelcome raid on the pockets of the American people.

So, Mr. President, the Senate may pass a bill later this week—a public financing and spending limits bill.

But, when all is said and done, the Senate will have failed to advance the ball 1 yard on the issue of campaign finance reform.

That is unfortunate. And I hope that my colleagues on the other side of the aisle will come to realize—before it is too late—that there has to be give on both sides if we are to enact meaningful reform this year.

Mr. President, I ask unanimous consent that the statement of administration policy and the Republican Policy Committee cost estimate be printed in the RECORD immediately after my remarks.

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

(See exhibit 1.)

Mr. DOLE. Mr. President, I urge my colleagues to support the amendment offered by distinguished colleague from Kentucky, Senator MCCONNELL.

A vote for the McConnell amendment is a vote to protect the taxpayers of this country.

EXHIBIT 1

OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, May 16, 1991.

STATEMENT OF ADMINISTRATION POLICY

(S. 3—Senate Election Ethics Act of 1991, Boren and 21 others)

Although the Administration agrees that the current campaign finance system suffers from a number of serious defects and that there is a need for reform, the Administration strongly opposes enactment of S. 3. If S. 3 is presented to the President in its current form, his senior advisers will recommend that it be vetoed. The following statement details several of the Administration's most serious objections to the bill. It does not, however, represent an exhaustive list.

The Administration recognizes the need for a comprehensive reform package that confronts the twin evils of the current system—(1) practices which give incumbents unfair advantages, and (2) the role played by special interest political action committees (PACs) subsidized by corporations, labor unions, and trade associations. The President proposed such a package in 1989. S. 3, however, would aggravate many of the worst features of the existing financing system.

Campaign finance reform must employ neutral principles that foster free competition in ideas and do not threaten the constitutional guarantee of freedom of speech. S. 3 would coerce Senate candidates into agreeing to participate in a program of unconstitutional campaign spending limits. If a nonparticipating candidate reported that he or she had exceeded the spending limit, a participating major party candidate would be entitled to public funds in the amount of two-thirds of the spending limit. The participating candidate would be entitled to an additional payment in the amount of one-third of the spending limit if the nonparticipating candidate exceeded the limit by another one-third.

The expenditure ceilings would restrict challengers' efforts against incumbents and limit the quantity of political speech in which candidates could engage. In doing so, S. 3 would place unconstitutional burdens on the rights of individual candidates to make campaign expenditures as well as on the rights of contributors. Only a compelling interest of the Government, such as preventing corruption or the appearance of corruption, could warrant such a restriction on political speech. No such justification applies here.

In addition, by attempting to equalize campaign financial resources, the proposed program would stack the deck even more heavily in favor of incumbents, who enjoy substantial name recognition at the start of a campaign. In a time of significant fiscal constraints, there is no justification for wasting taxpayer dollars on an incumbent protection scheme.

Several of the provisions of S. 3 that purport to regulate political advertisements also violate the First Amendment rights of political candidates. Nonparticipating candidates must, for example, include in all their advertisements the sentence: "This candidate has not agreed to abide by the spending limits for this Senate election campaign set forth in the Federal Election Campaign Act." The requirement would not only mislead the public into believing that the candidate is not complying with the law, thus further coercing candidates to accept expenditure limits, but would also strike at

the heart of the First Amendment by imposing disruptive government regulation on political messages. Other regulations on political advertising imposed under the bill (i.e., in section 203) are also unreasonable and go well beyond the measures needed to ensure proper disclosure.

The President favors the abolition of all special interest PACs subsidized by corporations, unions, and trade organizations. S. 3 would go beyond this by enacting a broad ban on campaign contributions and expenditures by independent, unsubsidized organizations and associations. These organizations are not part of the problem of public corruption. Thus, a ban on these organizations participating in election politics cannot be justified by an interest in avoiding corruption. This overbroad ban creates needless constitutional difficulties that could be avoided by narrower prohibitions suggested by the Administration.

In addition, the Administration strongly objects to the provision of the bill that sets a postal subsidy bearing no relationship to cost. Currently, reduced postage mailers (e.g., charitable and religious organizations) pay direct costs associated with their mail. S. 3, however, grants political candidates an even greater subsidy. This level of subsidization is inconsistent with the Postal Service Reorganization Act and sets an unwise precedent.

SCORING FOR THE PURPOSE OF PAY-AS-YOU-GO AND THE CAPS

The Boren substitute for S. 3 is not subject to the pay-as-you-go requirement of the Omnibus Budget Reconciliation Act (OBRA) of 1990. As currently worded, benefits from the Senate Election Campaign Fund are subject to the availability of appropriations.

If S. 3 were fully funded, there would be significant outlay consequences. OMB's preliminary estimate of the outlays that could occur if the bill were fully funded is as follows:

Outlays

	Millions
1994:	
Expected	43
Maximum	73
1996:	
Expected	31
Maximum	68

The 1994 outlays would be subject to pay-as-you-go if mandatory spending language such as that in the reported version of S. 3 were restored. The outlays would be scored under the discretionary caps if spending were instead subject to appropriation action.

The Boren substitute would also result in additional outlays from the Postal Service revenue foregone appropriation. OMB's preliminary estimate of these outlays (which are not scored for pay-as-you-go purposes) is as follows:

Outlays

	Millions
1991	
1992	
1993	
1994	18
1995	
1996	16

[U.S. Senate Republican Policy Committee, May 16, 1991]

S. 3, THE SUBSTITUTE: IT STILL COULD COST $1 BILLION

S. 3, the Democratic leadership's campaign reform bill, came to the Senate floor yesterday. That bill is going to cost taxpayers and broadcasters a billion bucks over the next six years.

But a billion dollars is now too costly even for S. 3's own sponsors, and they have fled from S. 3, as reported, to support a Boren-Mitchell-Ford-Byrd substitute that, in the words of the principal sponsor, "keeps . . . the cost of the bill at an absolute minimum."

This suggests a philosophical difference between Republicans and Democrats: Democrats propose five new subsides for politicians and then cut costs "to an absolute minimum" by reducing one of them—a $62 million taxpayer subsidy—to $24 million. Most Republicans have a different idea for protecting the taxpayer. Republicans think the best way to keep costs to a minimum is not to give subsidies to politicians in the first place.

ESTIMATED COST OF S. 3 FOR 1994

[In millions of dollars; this bill affects Senate races only]

	As reported (CBO estimates)		Boren-Mitchell substitute	
	1 eligible candidate	2 eligible candidates	1 eligible candidate	2 eligible candidates
Reduced mail rates	9	18	9	18
Excess expenditure amount	61	NA	61	NA
Voter communication voucher	31	62	12	24
Administrative costs (2 yr)	2	2	2	2
Totals in 1994	103	82	84	44
6-yr cycle (estimate)	283	226	231	121

Plus:

Hundreds of millions of dollars in taxpayer subsidies to the thousands of candidates who will run for the House of Representatives over six years;

Hundreds of millions of dollars in private subsidies provided directly to politicians by the broadcast industry which is required to sell time to politicians at one-half the rate available to all others;

Tens of millions of dollars in taxpayer subsidies to candidates from minor political parties of every description;

Tens of millions of dollars in taxpayer subsidies to respond to "unfriendly" independent expenditures that are made by free citizens exercising their First Amendment rights to speak on politics and government; and

Tens of millions of dollars in "indexed" benefits so that S. 3's subsidies to politicians can keep up with inflation.

Over six years, the Boren-Mitchell substitute will cost taxpayers and broadcasters about $500 million if both candidates in each race take public subsidies. If only one candidate in each race takes public money to run for Congress, subsidies will stay about right where they started—One Billion Dollars Over Six Years!

Mr. DURENBERGER. Mr. President, I rise in support of the amendment offered by my distinguished colleague, Senator MCCONNELL. Mr. President, I am sure if we took a poll of the American people, they would overwhelmingly support the idea of voluntary spending limits, and would object to the idea of spending taxpayer dollars to finance campaigns.

The best guidepost I am aware of concerning public attitudes on taxpayer financing of campaigns is the tax checkoff on the Federal income tax form. According to IRS statistics, less than one in five Americans checks the "Yes" box for public financing. That ought to tell my colleagues how the American public really feels about public financing.

Yet I recognize that given the constitutional framework we are operating under and the urgency of for real electoral reform, I am prepared to accept some form of public financing. However, I do not believe that we should be supporting the open-ended type of public financing that is set forth in this bill. I would support a proposal for broadcast vouchers for television commercials that are at least 5 minutes long. Under this bill, vouchers would be available for campaign commercials that are only 1 minute long. That will just perpetuate the sound bite, the attack ad, the continuation of campaigns without substance.

Mr. President, I also support public financing that provides individuals with an incentive to participate in the electoral system. The best way to achieve that is through restoration of a tax credit for individual contributions. I have introduce legislation that would provide a modest tax credit for in-State contributions.

Mr. President, if we adopt this amendment I believe it will allow us to work to develop a more targeted, modest, and responsible public finance mechanism to encourage candidates to keep within spending limits. I fear that if we maintain the broad public spending provisions in the current bill, in a few years public spending for campaigns will become another uncontrollable line item in the Federal budget.

I urge my colleagues to support this amendment.

Mr. HOLLINGS. Mr. President, today I am casting my vote in opposition to the McConnell amendment because it is not substance, it is subterfuge. Last week, I gave my own analysis of my own druthers, a bipartisan constitutional amendment that would—in one sentence—grant to Congress the power to impose strict overall spending limits in congressional campaigns. Such a constitutional amendment would leapfrog the hurdle of Buckley versus Valeo and allows us to strike right at the heart of the campaign finance mess, which is the problem of too much money and too much time spent by candidates chasing money.

I have followed the debate on this campaign finance reform bill closely. On the one side, we have the distinguished Senator from Oklahoma [Mr. BOREN]. He has acknowledged that spending limits are the only way we can rein in the bucks-run-amok approach to financing campaigns, the only way we can restore public confidence in our electoral system. I applaud Senator BOREN for keeping his eye on the ball, which is the problem of too much money. And I sympathize with the contortions he had to resort to in trying to fashion a legislative route around the absurdities of Buck-

ley versus Valeo. Nonetheless, Senator BOREN's carrot-and-stick approach of limited public financing and voluntary spending limits is simply too vulnerable to the inevitable manipulations of sharp lawyers and clever campaign consultants. In addition, I firmly believe that public financing is unnecessary and that raising taxes to pay for political campaigns is simply intolerable.

Senator MCCONNELL, however, is a disciple of the sky's-the-limit theory of campaign finance, and he is a master of the nonsequitur. His most eloquent defense of unlimited spending in campaigns is his lame assertion that Americans spend more on cat food than on political campaigns.

Today, the junior Senator from Kentucky proposes to strike the public financing provisions and the spending limits from the Boren bill. Of course, under the Buckley decision, you cannot have spending limits without the public financing. The Court said that spending limits could only be imposed if they were voluntary, and the spending limits are designed to serve as an inducement to the voluntary compliance. So I think Senator BOREN is wrong in using public financing as a carrot, but I am very sympathetic as to his dilemma. He is seeking a constructive way out.

Not so in the case of the Senator from Kentucky. His motives and objectives are transparent. He seeks, pure and simple, to kill any authentic reform. And, above all, he seeks to kill any possibility of caps on campaign spending.

As I have stated repeatedly, I oppose public financing and have consistently voted against it. When the vote on final passage of the Boren bill comes, I will oppose it on the grounds of public financing. Nonetheless, on this particular amendment, I do not intend to be a party to Senator MCCONNELL's posturing and obstructionism on one of the most important issues of our time.

Mr. LEVIN. Mr. President, I oppose the McConnell amendment to eliminate the spending limits in the campaign finance reform bill currently before the Senate. The McConnell amendment would strip the guts of the campaign reform in S. 3—the spending limits. Strict and enforceable limits on the amount of money that can be spent in Senate campaigns are the most important aspect of reform in the bill. Any amendment which removes the limits is tantamount to a motion to table the bill. I urge my colleagues to join me in opposing this amendment.

Mr. MITCHELL addressed the Chair.

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

Mr. MITCHELL. Mr. President, I believe the remaining time has been reserved for my use. Is that correct?

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. MITCHELL. Mr. President, I want to say to the Republican leader that I do appreciate the effort that has been undertaken and he correctly stated that we reached agreement on many issues, narrowed the gap on others, could not close it on the two principal issues. But like him, I have not given up hope of a prospect for bipartisan agreement. And while we have to go through this process and there will inevitably, and in this case necessarily, be differences of opinion, I hope that the door will not be closed to continuing discussions with a view toward trying to get a meaningful change in law that can be signed into law.

Mr. President, everyone should understand what the issue is here and what the McConnell amendment will do. It will kill campaign finance reform. That is its intention. That will be its effect. If this amendment is adopted, campaign finance reform will be dead, because this amendment deletes the heart of the bill—spending limits on Senate election campaign.

Without a limitation of spending for Senate elections, there cannot be true campaign finance reform. That is the position of the American people who have expressed their clear support for campaign spending limits in poll after poll for many years. That is the position of Democrats in the Senate who have argued vigorously over the years that the endless chase for money in Senate elections must stop.

That is the issue, the principal issue, that separates the two parties here in the Senate. Democrats support spending limits in Senate election campaigns. Republicans are opposed to spending limits, and this amendment clearly intends, as stated, to delete the spending limits from this bill. Democrats believe the current system must be changed to give challengers a fair chance.

No one should be misled about the issue here. Proponents have tried to portray this as an issue of public financing of elections. Yet every year, the Republican Party receives millions of dollars in taxpayer funds to send out subsidized direct mail. No complaint is heard here about that. And every 4 years the Republican Party and its candidates receive tens of millions of dollars in public funds, taxpayer money for Presidential elections.

Former President Reagan alone received more than $90 million in taxpayer funds, public financing for his elections to run for President. That would fund almost two full Senate election cycles under this legislation—66 Senate campaigns, just in the money received by President Reagan alone from taxpayers. And, in the four Presidential elections since 1976, the Republican Party and its candidates have received $240 million in taxpayer funds; almost a quarter of a billion dollars, enough to fund all Senate election campaigns for 10 years under this legislation.

So, Members of the Senate, the issue here is not public financing. The Republican Party has received hundreds of millions of dollars in public financing over the last few years. The issue here is spending limits.

So today the Senate has a choice, with this amendment, and with this bill. It can vote in support of the McConnell amendment to preserve the existing discredited system. Or it can vote to support the leadership substitute to reform the Senate election finance system, to clean up the system and give challengers a fair chance to restore the confidence of voters.

Every Senator should understand what this vote means. If a Senator likes the current system, if a Senator is pleased with the attitudes it has created among the American people, then that Senator should vote for the McConnell amendment. If a Senator opposes campaign finance reform, if a Senator opposes spending limits, then a Senator should vote in support of the McConnell amendment.

But if a Senator believes, as I do, that the Federal election campaign process needs reform, if a Senator believes as I do that spending limits are the essential element of that reform, then that Senator should vote against the McConnell amendment and bring about true reform in the system.

The PRESIDING OFFICER (Mr. ROBB). All time has expired. The question is on agreeing to the amendment of the Senator from Kentucky, as modified.

Mr. BUMPERS. Mr. President, have the yeas and nays been ordered?

The PRESIDING OFFICER. The yeas and nays have not been ordered.

Mr. MITCHELL. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. All time has expired. The question is on agreeing to the amendment of the Senator from Kentucky, as modified. The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Arkansas [Mr. PRYOR] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. HELMS] is absent due to a death in the family.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 42, nays 56, as follows:

[Rollcall Vote No. 68 Leg.]

YEAS—42

Bond	Gorton	Nickles
Brown	Gramm	Packwood
Burns	Grassley	Pressler
Chafee	Hatch	Roth
Coats	Hatfield	Rudman
Cochran	Jeffords	Seymour
Cohen	Kassebaum	Simpson
Craig	Kasten	Smith
D'Amato	Lott	Specter
Danforth	Lugar	Stevens
Dole	Mack	Symms
Domenici	McCain	Thurmond
Durenberger	McConnell	Wallop
Garn	Murkowski	Warner

NAYS—56

Adams	Exon	Metzenbaum
Akaka	Ford	Mikulski
Baucus	Fowler	Mitchell
Bentsen	Glenn	Moynihan
Biden	Gore	Nunn
Bingaman	Graham	Pell
Boren	Harkin	Reid
Bradley	Heflin	Riegle
Breaux	Hollings	Robb
Bryan	Inouye	Rockefeller
Bumpers	Johnston	Sanford
Burdick	Kennedy	Sarbanes
Byrd	Kerrey	Sasser
Conrad	Kerry	Shelby
Cranston	Kohl	Simon
Daschle	Lautenberg	Wellstone
DeConcini	Leahy	Wirth
Dixon	Levin	Wofford
Dodd	Lieberman	

NOT VOTING—2

Helms	Pryor

So the amendment (No. 252), as modified, was rejected.

Mr. BOREN. 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.

AMENDMENT NO. 253

The PRESIDING OFFICER. Under the previous order, there will now be 10 minutes' debate on the Wellstone amendment numbered 253.

The Senate will be in order.

The Chair recognizes the Senator from Oklahoma [Mr. BOREN].

Mr. BOREN. Mr. President, I have an inquiry of the Chair. Have the yeas and nays been ordered on the Wellstone amendment?

The PRESIDING OFFICER. The yeas and nays have not been ordered on the Wellstone amendment.

Mr. MCCONNELL. Mr. President, I inform my friend from Oklahoma there is a good chance we can accept the Wellstone amendment if we can suspend for a moment, maybe put in a quorum call for a couple minutes.

Mr. BOREN. I would suggest perhaps the Senator from Minnesota, who deferred last night giving the full explanation of his amendment, might proceed to give some explanation and comments he wants to make while we determine whether or not a rollcall would be required.

The PRESIDING OFFICER. Under the previous order, the Senator from Minnesota [Mr. WELLSTONE] is recognized for up to 5 minutes.

Mr. WELLSTONE. I thank the Senator from Oklahoma and the Senator from Kentucky.

Mr. President, last night in our debate about campaign reform, I said I really believe the way in which money has come to dominate politics has become the ethical issue of our time. What I said last night is that for all too many people what has happened in our country is we have moved dangerously far away from the principle that each person counts as one and no more than one; that what we have is a systemic corruption which is far more serious than the corruption of an individual office holder, far more serious than the wrongdoing of an individual office holder; that we have moved to a system where there is an imbalance of power between the few who have the financial wherewithal and the many people who feel left out of the political loop within our country.

Mr. President, when I speak in Minnesota—and, for that matter, in other States across the country—and get a chance to meet people in cafes, union halls, schools, synagogues, over and over people tell me they believe politics has become phony; it has become fake; it has become corrupt. Over and over again, Mr. President, they talk about money and politics. The sad reality is that many, many people in our country, too many people in our country, do not believe this Capitol, this Capitol in which we stand, the Senate and the House of Representatives, belongs to them. They feel as if it belongs to people with the big bucks.

We have heard a lot of discussion in the debate we have had on campaign reform about taxpayer entitlement programs. Mr. President, I argue that is not the issue. The issue is whether or not we can put some lid on campaign expenditures. The issue is whether or not we can have some accountability. The issue is whether or not people can reclaim democracy, reclaim this Capitol, reclaim Government, reclaim good politics, reclaim the politics where money does not speak so loudly.

It is in this spirit I propose my amendment. The amendment is simple and straightforward. It amends S. 3 to say the amount of money a candidate can contribute to his or here own campaign should not be set at $250,000, but rather, $25,000.

There is reason for this, Mr. President. I want to make sure no individual should have an inherent advantage because of his or her wealth. It seems to me this threshold test of $250,000 is a test most regular people cannot meet. Most people simply do not have this kind of money that they can directly contribute to their own campaign or loan to their own campaign.

Moreover, Mr. President, I point out at the Presidential level, in exchange for benefits we set the limit at $50,000. So if an individual can only give $50,000 to his or her own Presidential campaign nationally, then it makes no sense to have that figure 5 times $50,000 for one race in one State. It is a matter of proportionality, which I think is another matter.

Those are the reasons for the amendment. I think it is a small but important step in the right direction. I think it communicates an important message to people in our country which is we want to make our elections a little more fair, a little more just, and a little more equitable. I think it is a positive amendment. I am very pleased it is being met with widespread support.

I thank the Chair.

I yield my time back to the Senator from Oklahoma.

The PRESIDING OFFICER. The Chair recognizes the Senator from Oklahoma.

Mr. BOREN. Mr. President, the distinguished manager of the bill on the other side of the aisle has indicated to me it is very likely he can accept this amendment. He stepped off the floor just briefly. I ask unanimous consent that we have a quorum call with the time charged to neither side, and then I think we will be able to probably work out accepting this amendment without a rollcall.

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 with the time subtracted equally from both sides, although the Senator from Minnesota has very little time remaining.

Mr. BOREN. I ask unanimous consent that the time not be charged against either side.

The PRESIDING OFFICER. Without objection, time will not be charged to either side.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BOREN. 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. BOREN. Mr. President, I have conferred with my distinguished colleague, the manager of the bill on the Republican side. He has indicated to me, I believe, that there is no plan for a rollcall on his side. I know of no request for a rollcall on our side.

Mr. MCCONNELL. Mr. President, we are prepared to accept the Wellstone amendment.

The PRESIDING OFFICER. There is time remaining on the time controlled by the Senator from Kentucky.

Mr. MCCONNELL. I yield my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Minnesota.

The amendment (No. 253) was agreed to.

Mr. BOREN. 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. BOREN. Mr. President, if I might, I would like to inquire for the information of Members as to our schedule for the remainder of the morning and early this afternoon.

I believe that the Senator from Kentucky has indicated to me that there are two or three amendments that Members wish to offer on the other side of the aisle, or three or four, which is perfectly acceptable to us on this side of the aisle that those amendments be offered and be considered in a timely fashion.

Then there is one amendment on our side by the Senator from Massachusetts, Senator KERRY, Senator BRADLEY, and others, which relates to the public financing or the full public financing alternative which perhaps could be offered after three or four amendments have been offered on the other side. Then we would revert back to any additional amendments to be offered.

I wonder if that would be an agreeable way to proceed with my colleague from Kentucky, and if he might indicate if he knows what some of the amendments are that might be offered, for information of the Members on the other side.

Mr. McCONNELL. We are prepared to lay down an amendment shortly. We have three or four ready on this side, and we are prepared to move ahead. I think it will facilitate the action as quickly as possible.

Mr. BOREN. Mr. President, I yield to those on the other side of the aisle at this point to allow them to offer any amendment which they want to offer at this time, too.

I suggest the absence of a quorum. I withhold my request.

Mr. McCONNELL. Mr. President, I would like to make just a couple of observations about the vote we just had a few moments ago, and then I am prepared to send an amendment to the desk.

Mr. President, the vote we had a few moments ago was the important amendment during this campaign finance debate. It was an opportunity for the Senate to resurrect, if you will, campaign finance, and to give it a chance to become law.

I received just this morning once again a letter from the President of the United States, which shortly I will ask to be made a part of the RECORD. But let me read the most important paragraph. It is a letter dated May 22, 1991, to me from the President of the United States. The most important paragraph reads as follows:

Spending limits, on the other hand, would disadvantage challengers and thereby entrench incumbents further. Ironically, spending limits tend to favor powerful special interests over individuals, because these interests would retain the financial and organizational resources to work around the limits. Therefore, I intend to veto any campaign finance "reform" legislation which features spending limits or taxpayer financing of congressional campaigns.

Mr. President, the President of the United States has made it clear once again this morning that if we want to have meaningful campaign finance reform legislation, it must be bipartisan. It must be real campaign finance reform, not a partisan effort to recraft the rules in a way to benefit the majority at the expense of the minority.

So, Mr. President, I ask unanimous consent that that letter from the President to me appear in the RECORD.

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

THE WHITE HOUSE,
Washington, DC, May 22, 1991.

Hon. MITCH McCONNELL,
U.S. Senate, Washington, DC.

DEAR MITCH: In my State of the Union address in January, I expressed my strong desire to achieve genuine campaign finance reform this year. We must curtail special interest influence in elections, promote electoral competition, and increase the participation of individual citizens and the political parties.

Since my first year as President, I have called for abolishing political action committees that are subsidized by corporations, unions, or trade associations. That critical step, combined with measures to reduce unfair advantages of incumbency, would markedly improve both the perception and the reality of our electoral process.

I hope that Congress does not waste this opportunity for reform on efforts to insulate incumbents further, by limiting overall speech in campaigns to challenge them, or on new schemes to provide taxpayer subsidies for congressional elections.

The legislative initiative which you and many of your colleagues recently introduced would eliminate political action committees and accomplish several other reforms I have proposed in the past, including tighter regulation of "soft money" and the use of union dues for political purposes. In addition, your bill promotes electoral competition in several respects consistent with my previous proposals.

Spending limits, on the other hand, would disadvantage challengers and thereby entrench incumbents further. Ironically, spending limits tend to favor powerful special interests over individuals, because these interests would retain the financial and organizational resources to work around the limits. Therefore, I intend to veto any campaign finance "reform" legislation which features spending limits or taxpayer financing of congressional campaigns.

Further, I am deeply opposed to campaign reform legislation that proposes different rules concerning political action committees for the Senate and House. We must not further balkanize ethics and election reform.

As you know, there are two critical ingredients to campaign reform: curbing the divisive role of special interests and enhancing the quality of representation through real electoral competition. I believe both of these goals can be achieved and are essential to revitalizing our electoral process.

I look forward to working with you and your colleagues to enact meaningful campaign finance reform consistent with these aims.

Sincerely,

GEORGE BUSH.

Mr. McCONNELL addressed the Chair.

Mr. BOREN. If the Senator will withhold just a moment so I could comment on the remarks he just made, Mr. President. I certainly respect the Senator from Kentucky, who is my friend. I understand his philosophical position on the matter that is pending.

But it would not surprise our colleagues that I would have some different interpretation as to the meaning of the vote which just occurred. I do agree that this is the most important vote that has occurred thus far in the debate on this bill. It is likely to be the most important vote on any amendment which has come before us, because it really is a vote about how we intend to proceed in the general framework of what is going to be necessary if we are to have true campaign finance reform.

I, too, hope that when we finally produce a product, it will be a bipartisan product. I certainly understand that before the President of the United States is going to sign a bill we are going to have to have some support on both sides of the aisle for it before he is going to afix his signature to it.

I have had some discussions with the President about this myself. I have had discussions with his legal counsel, and with others at the White House, and with the distinguished minority leader, the Senator from Kansas, as well. I am convinced that we can still work to fashion such a product that will meet that test.

We are moving early enough in this Congress. We will have a full opportunity for the other House to act. There is every indication the other House will act, and that will set the stage for us to have a conference committee which we were not able to have the last time.

We acted on this matter in the Senate. I hope that conference committee will include a wide range of representative views; not only those of us who have worked directly on this legislation, like the Senator from Kentucky and myself, but I hope it will include people like the majority leader, the minority leader, the Speaker, and the minority leader of the House of Representatives, and that we would be able then in the process of the conference committee to interact with the White House, and to develop a final bipartisan blueprint that will receive the acceptance of the vast majorities of both Houses of Congress by the time we are finished.

Given the fact we have time to act this year, I am convinced that is a

good-faith effort that not only should take place, can take place; but I think it is a good-faith effort that will take place, having had numerous discussions with those on the other side of the aisle, as well as on this side of the aisle.

I think, on the other hand, my interpretation of the vote on this amendment—I realize we have had a very honest difference of opinion about it—is that I think it signals that the Senate is really serious about doing something about campaign finance reform.

There is no way, in my opinion, that we can have a piecemeal effort. If we simply say we are going to rule out political action committee financing, but we do not put any limits on total spending, I think that money will pop up in a new form somewhere else.

S. 3 is a bill which is a comprehensive approach. It closes the soft-money loophole. It not only shuts off special-interest money, PAC financing, as the President has requested himself, but it also has a standby mechanism of limiting in the aggregate the PAC contributions if the constitutional challenge to that provision is successful.

I think that is very important. That was one of my disappointments in the amendment of the Senator from Kentucky, he struck that standby mechanism to provide overall aggregate limits on PAC financing in the event that the Supreme Court struck down a total PAC ban. Some believe that it might.

But the essence of all is this: There simply are many of us who believe that if we are really serious about doing something about the campaign finance problem, we just simply cannot do it without stopping the money chase, the upward spiral of money pouring into campaigns. We have to do something about it.

As I said in my brief closing remarks of the debate, I do not see how in the world we can look at ourselves in the mirror and say what we are doing now is good for the country.

When the cost of campaigns goes from $600,000 to $4 million in 12 years, how is that good for the country? When it jumps just in the last 2 years of the election cycle from $1.40 to $1.80 per voter, how is that good for the country? When Members are having to spend their time raising the money instead of tackling the problems of the country; when spending, unlimited spending, so clearly benefits incumbents because they are able to raise money, so that 97 percent of incumbents get elected in the House, and 96 percent in the Senate, and new people are squeezed out of the process, how is that good for the country?

When Members are faced with the possibility that when they go out and raise money in other States where they do not know the people well, they may end up raising contributions from people who have tainted reputations and, unbeknown to those Members, casting a cloud on the Members and the institution, how is that good for the country?

One of my favorite quotations is from a Texas business leader, H. Ross Perot, who is known for his straight talk. He challenges those of us in politics by saying, "Do you want to talk about something, or do you want to do something about the problem?"

Mr. President, I think that is what the vote on this amendment was all about. I think a majority of the Senate said we want to do something about it, not just talk about it. You clearly cannot do something about the problem with the way campaigns are financed in America without doing something about this money chase, without finally doing something to shut off the money spigot and return the money back to the people at the grass roots, to those who cannot afford to make the $1,000 and $500 contributions; and that is what our bill provides for, an additional amount of money that can be raised in small contributions in the home State.

So, Mr. President, I think really what the Senate has signaled, with due respect to my good friend from Kentucky—and I respect him; no Member of this body knows more about this subject and spent more time or has better educated himself about it, and I respect that knowledge and the study he has put into this issue. I respect that he certainly has the right to have a philosophical difference of opinion with me.

I want to put on the record my interpretation of the meaning of this amendment. I think it is important that we agree on that completely. I think it is an important vote. But this vote means, I think, that we are serious about trying to solve the problem. We rejected an attempt to strike out all of the spending limits and the inducements to people to accept spending limits which are required as a result of the Supreme Court decisions. We all understand that. We struck out the standby mechanism that would impose limits on special interest PAC contributions. We maintained that standby mechanism by defeating the amendment. I think we have demonstrated that we are serious, we want to go forward, and we want real reform, not just talking about it.

I believe we will have an opportunity, through the full process in the conference committee, to do something about it. I hope that the Senator from Kentucky and I can be a part of that constructive process. We can break the Gordian knot and find a way to cut through and to reconcile our differences, and our leaders will be able to do the same. We can bring the President on board. I am encouraged by the fact that the President himself has also placed this matter on his personal agenda. He has talked about an end to special interest financing and PAC contributions and participation in the process. He clearly understands the status quo is not working and something needs to be done. We may have different views about how to proceed, but it is encouraging to me that the President himself has said this is a matter that belongs on the national agenda.

So without prolonging debate, I simply wanted to put my own interpretation of what this vote means into the RECORD. The Senator from Kentucky and I have even considered that we should go on the road, because we have a road show; since we have debated this so often, I think that we can switch sides, and he would be able to give my arguments as well as I could, and I could give his as well as he could. We even have our one liners pretty well down.

Let me say that I appreciated the fact that on a matter of this importance to the country—and it is a very important matter—we have been able to proceed with comity. We are proceeding in an expeditious fashion, and we have not found it necessary to undertake any actions on this side of the aisle that would foreclose the opportunity for those on the other side of the aisle to offer amendments. They have not been engaging in foot dragging. They have been engaging in an honest effort to bring their amendments forward and to have these issues considered, and I want to express my appreciation to the Senator from Kentucky. I appreciate the manner in which we have been able to conduct this debate and to make these decisions. I think that speaks well for the institution, that we can conduct a debate of this importance in this manner, and that we can make decisions of policy, and we can have all the options brought up and have an opportunity to be considered and voted on. I think that is healthy, and I want to express my appreciation for the fact that we have been able to proceed in that way. I say that with the utmost respect.

I yield the floor.

AMENDMENT NO. 254 TO AMENDMENT NO. 242

(Purpose: To require disclosure of communications paid with taxpayer funds)

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

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Kentucky [Mr. MCCONNELL] proposes an amendment numbered 254 to amendment No. 242.

Mr. MCCONNELL. 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 47, line 1, strike "NONELIGIBLE".

On page 47, line 2, insert "(a) NONELIGIBLE CANDIDATES.—" before "Subparagraph".

On page 47, between lines 12 and 13 insert:

(b) ELIGIBLE CANDIDATES.—Subparagraph (B) of section 318(a)(1) of FECA (2 U.S.C. 441d(a)(1)), as amended by subsection (a), is amended by adding at the end thereof the following:

"(v) If a broadcast is paid for by a voter communication voucher provided under section 504(a), such broadcast shall contain the following sentence: 'The preceding political advertisement was paid for with taxpayer funds.'."

AMENDMENT NO. 255 TO AMENDMENT NO. 254

(Purpose: To limit the Senate terms of eligible candidates)

Mr. BROWN. Mr. President, I rise to 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 Colorado [Mr. BROWN], proposes an amendment numbered 255 to amendment No. 254.

Mr. BROWN. 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 end of the amendment add the following:

SEC. 106. TERM LIMITS.

(a) REQUIREMENT OF ELIGIBILITY UNDER TITLE V.—(1) An eligible candidate under title V of FECA who accepts any benefit under section 504 of FECA shall accept election or appointment to no more than two full terms in the Senate after the first benefit is accepted.

(2) A candidate for the office of Senator who seeks to qualify as an eligible candidate under title V of FECA shall file with the Federal Election Commission, at the time that the candidates files a declaration under section 502(b) of FECA, a declaration that the candidate will abide by the term limitation of paragraph (1).

(b) ENFORCEMENT.—The time limit of section 507(f) of FECA shall not apply in the case of a proceeding for the return of benefits by a person who accepted a benefit under section 504 of FECA to which the person became disentitled by reason of noncompliance with subsection (a)(1).

Mr. MCCONNELL. Mr. President, S. 3, the bill before us, seeks to replicate the Presidential system of taxpayer financing and spending limits and have it apply to the Senate. Proponents would like it extended to the House as well, 535 races, thousands of candidates, more lawyers, more accountants, more auditors. The consensus among scholars who studied the Presidential system is that it is a mess. To impose it on Congress would be a disaster.

The most appalling aspect of S. 3 is that it would cost taxpayers hundreds of millions of dollars. Despite an already huge budget deficit that is squeezing taxpayers and worthy Federal programs, there is a concerted effort to add the cost of our political campaigns to the Nation's tax bill. The biggest taxpayer funding component in S. 3 is the communication voucher. This voucher system would function as a veritable food stamp program for politicians. The Government would issue the vouchers to politicians who, in turn, would use them as cash to pay for their advertisements. Broadcasters would submit them back to the Government for compensation. A food stamp program for politicians, Mr. President.

The amendment I offer today is simple. I call it the truth-in-taxpayer-funding-advertising amendment. It would simply require at the end of political advertisements run by candidates accepting the taxpayer funding, this provision, a declaration in the commercial, "The preceding political advertisement was paid for with taxpayer funds."

The precedent for this amendment already exists in S. 3. S. 3 requires that candidates who do not abide by the spending limits—in other words, those exercising their first amendment right of free speech—include a statement in their ads pointing out that they have "not agreed to abide by the spending limits." The point is obviously to shame candidates into accepting the spending limits.

My amendment would make certain that those candidates who were proud of using tax dollars to pay for their political advertisements would receive full credit for doing so. The amendment is clear. "The preceding political advertisement was paid for with taxpayer funds." I repeat, Mr. President, this would be the disclaimer: "The preceding political advertisement was paid for with taxpayer funds." This may even have the effect of reducing so-called negative ads that proponents of S. 3 have professed concern over. Candidates would be mindful of offending voters with ads that their taxes paid for.

This amendment should have bipartisan support. Those who support taxpayer financing of political campaigns will no doubt want voters to know what they are getting for their tax dollars. Likewise, those who oppose taxpayer financing will want voters to know what they are getting for their tax dollars.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who seeks recognition?

Mr. BROWN addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado [Mr. BROWN].

Mr. BROWN. Mr. President, under my amendment any candidate for the Senate who chooses to accept public financing agrees to serve no more than two consecutive terms.

Specifically:

First, if a candidate accepts public financing, he/she must agree to serve no more than two consecutive full Senate terms after the public financing benefits are first accepted.

Second, the candidate must file with the Federal Election Commission a declaration that he/she will abide by the term limitation requirement.

Third, the Federal Election Commission is authorized to require disgorgement of any public financing benefits unlawfully received by a person who serves a third consecutive term in violation of their term limitation declaration.

Mr. President, competition is the lifeblood of our democracy. It permeates every facet of our lives. Competition in ideas is protected by the first amendment. Competition in industry is demanded by our antitrust laws. Competition in sports is revered. Indeed, no higher honor can be bestowed upon an athlete than to be regarded as a "fierce competitor."

Yet in politics, the very engine of our democratic system, competition is handcuffed. Mr. President, we must do everything in our power to inject competition back into the political process. Participatory democracy should not be regarded merely as a glossary term for the political science book. It should be a fact of American life.

I associate myself with the remarks of my distinguished colleague from Kentucky when he observes that S. 3 poses a grave threat to the competition in ideas protected by the first amendment guarantee of free speech. In Buckley versus Valeo, the Supreme Court held that campaign spending is a form of speech protected by the first amendment. Yet S. 3's spending limit provisions would force a candidate to accept a limitation on expenditures and therefore on the quantity of political speech in which he would engage. As the Justice Department has observed in this regard:

A candidate either would accept limits on his power to convey his ideas to the voters, or would face an opponent whose campaign is being supercharged with huge grants of taxpayer dollars * * *.

In addition, this bill forces taxpayers to fund candidates they may well oppose. This is not only undemocratic, it is possibly unconstitutional as well. Just as a candidate's free speech rights are violated under Buckley by constraining his speech with spending limits, then surely so too are a taxpayer's free speech rights potentially violated by his inability to choose to whom his contributions, if any, should be directed.

Just as important as the quantity of one person's speech is the diversity of speech in the political marketplace. With term limits that diversity is threatened.

Term limits for U.S. Senators and Congressmen are supported by 70 percent of Americans. Indeed, term limits receive the support of the President.

Term limitation is a way to limit the power of government.

It will make elections more competitive.

Term limits are needed because incumbents nearly always win. In 1990, 96 percent of incumbents who sought reelection to the U.S. House of Representatives won; 15 incumbents lost out of 406 that sought reelection. In 1988, 98.3 percent of the incumbents who sought reelection to the U.S. House of Representatives won. Only 7 out of 409 lost. Six of the seven were under an ethical cloud. In 1986, reelection rate for Congressman was 98 percent. In 1984, it was 95 percent. The typical Member of Congress today serves more than twice as long as Congressmen did a century ago.

The New York Times notes that two-thirds of the Members of the U.S. House in 1990 weren't there in 1980. The turnover in Britain's House of Lords—whose members are appointed for life—and turnover in the United States House of Representatives was almost identical during the 1980's.

In short, Mr. President, turnover in Congress should not chiefly be the result of death, retirement, ambition, or indictment.

Term limit detractors appear to argue that we need Congressmen and Senators with years of experience in order to be effective legislators. However, the legislative body was designed to be a representative body. Its job is to make policy, and reflect the will of the people. Long years in government are not necessary to reflect the will of the people. Our Founding Fathers believed holding public office was a public service to be performed for a limited time, not a lifetime job. They were men of varied backgrounds—farmers, merchants, craftsmen, attorneys—and they brought that experience to bear on the laws they made. Today, lifetime politicians know a great deal about the intricacies of law making, but far less than they need to know about the lives their constituents lead.

The idea of term limits resonates with the voters because they believe we in Congress are ineffective, despite the seasoned experience of some of our Members. Unfortunately, there is ample evidence to substantiate their belief. The fundamental task of Congress is to produce a budget each year. Yet Congress hasn't balanced one in 30 years, and has completed action on a budget on time only once in the last 10. This year the deficit will exceed $350 billion and the national debt is approaching $3 trillion. This kind of experience is not needed.

Others argue that their political careers would be threatened by term limits. The experience of one of my predecessors stands in sharp contrast to this assertion. Colorado's U.S. Senator, Bill Armstrong, retired after two terms in the Senate, and he held public office continuously since 1962, when he was elected to the State House of Representatives. He also served in the Colorado Senate and the U.S. House of Representatives. At no point would the term limit ceilings in this amendment or the Colorado term limitation amendment have affected his distinguished career.

Article 1, section 5, clause 1 of the Constitution gives the States only the authority to set "the times, places and manner of holding elections for Senators and Representatives," although Congress may "at any time by law make or alter such regulations."

There is no mention in the Constitution, pro or con, on limiting the tenure of Congressmen and Senators. A brief historical review of the debate leading to enactment of the Constitution provides strong support for enactment of term limits.

Power corrupts. The whole structure of our Government is an exercise in the limitation of power. It is why we have a federal, rather than a national, system of government. That is why the Government is divided into three separate but equal branches. It is why we have a bicameral legislature.

In 1776, the danger of corrupting power was expressed by Thomas Jefferson when he proposed in the Continental Congress a resolution which said:

> To prevent every danger which might arise to American freedom by continuing too long in office the members of the Continental Congress, to preserve to that body the confidence of their friends, and to disarm the malignant imputation of their enemies: It is earnestly recommended to the several provinces, assemblies or conventions of the United Colonies, that in their future election of delegates to the Continental Congress, one half, at least, of the persons chosen be such as were not of the delegation preceding, and the residue be of such as shall not have served in that office longer than two years.

Although that resolution was defeated, Virginia later passed a resolution which stated:

> No person who shall have served two years in Congress, shall be capable of serving therein again, till he shall have been out of the same one whole year.

One of the concerns which initially inclined Thomas Jefferson to oppose the Constitution was its failure to include a term limit provision.

> [T]he second feature I dislike, and strongly dislike, is the abandonment, in every instance, of the principle of rotation in office," Jefferson wrote in a letter to James Madison. (*The Life and Selected Writings of Thomas Jefferson*, Adrienne Koch and William Peden, eds, Random House, N.Y., 1944.)

Term limits were not included in the Bill of Rights not because a majority of the Founding Fathers thought them a bad idea, but because they thought they weren't necessary.

A bill to limit terms of Congressmen and Senators was introduced during the First Congress in 1789, and similar bills have been introduced at sporadic intervals ever since.

Throughout much of the 19th century, there was de facto limitation of terms through the practice of rotation, under which incumbent Congressmen would be denied renomination after serving one or two terms. Abraham Lincoln, a strong supporter of the principle, served only one term in Congress as a result of this practice.

Term limitation will make elections more competitive. There are 435 congressional districts in the United States. There are competitive races in only about 100 of them. In 32 of the competitive districts, the incumbent has died, retired, is seeking higher office, or has an ethics problem.

Melancthon Smith's prophecy issued during New York's convention to ratify the Constitution has come true:

> If the office is to be perpetually confined to a few, other men of equal talents and virtue, but not possessed of so extensive an influence, may be discouraged from aspiring to it.

It is my hope that limited terms would change the way lawmakers view themselves and their careers. A legislator who views holding public office as a hiatus from private life to which he or she will soon return looks upon the job differently from that of a career politician. He or she is more likely to take firm stands on controversial issues and less likely to cater to special interests for votes or campaign contributions.

Americans believe that the most common self-interest of all elected officials is reelection. One result of this recognition is the sense of helplessness that many voters feel. This sense of helplessness is reflected in the 22 States in addition to Colorado—Alaska, Arizona, Arkansas, California, Florida, Idaho, Illinois, Maine, Massachusetts, Michigan, Missouri, Montana, Nebraska, Nevada, North Dakota, Ohio, Oklahoma, Oregon, South Dakota, Utah, Washington, and Wyoming—that have enacted some form of initiative and referendum to address the term limit issue. Incidentally, taken in the aggregate, these States will have 202 of the 435 Representatives in the 102d Congress.

Finally, the successful term limit campaigns in the States of Oklahoma, California, and Colorado provide illustrative descriptions of the term limit efforts that are gaining popularity across the Nation.

OKLAHOMA

Oklahoma was the first State to pass a version of term limits. The specific ballot item was State question 632. Lloyd Noble chaired Oklahomans for Legislative Reform which gathered over 200,000 signatures to place the question on the primary ballot.

Question 632 stipulated a 12-year limit on every State legislator's term. The question passed with 436,347 voting

for the measure and 212,318 voting against—a 68-percent win.

The campaign used the slogan, "End the Endless Term in Office."

CALIFORNIA

Proposition 140 was the proposal that won with 52 percent of the vote. The final vote—except for absentee votes—was 3,669,424 in favor and 3,380,223 against.

Proposition 140 included a two-term limit for State Senators, an 8-year limit for constitutional officers, and a three-term limit for assemblymen. A lifetime ban on seeking that same office was also included. In addition to the term restrictions, proposition 140 eliminates a special retirement fund and cuts funding for legislative staff and operations. Expected legislative cuts are estimated at one-third to one-half of the legislative budget. The proposal says that the aggregate expenditures and operating budget of the legislature can't exceed $950,000 per fiscal year or 80 percent of the amount expended the preceeding year.

To qualify for the ballot, proposition 140 gathered 933,433 signatures by June 1990.

Another proposal, proposition 131, lost in the election, receiving about 30 percent of the vote. It included public financing and ethics stipulations. This effort was sponsored by John Van Dekamp.

COLORADO

Colorado's proposal limited terms for Federal and State officers. Amendment 5 to the Colorado constitution included an 8-year limit for State legislators and statewide executive branch-elected officials. It also included a 12-year term limit on U.S. Senators and Congressmen elected from Colorado.

Amendment 5 had a large margin of victory with 71 percent of the voters favoring the proposal. The final count was 705,494, in favor and 288,237 against.

To qualify for the November ballot, Coloradans Back in Charge turned in a total of over 90,000 signatures from every county in the State.

In conclusion, we must inject competition back into the political process. That effort is frustrated by S. 3's key provisions—spending limits and public financing—because those restrictions are anticompetitive. Truly effective democracy—in which citizens and their representatives actively and meaningfully participate in the political process—can only be restored by the imposition of term limits. While I believe there is strong support for across-the-board term limits, my amendment seeks to impose term limits only on those Senate candidates who voluntarily accept the public financing benefits available under S. 3. This amendment is, in my view, a modest but important step forward in restoring the faith in a meaningful and responsible political process.

Mr. President, the Brown amendment seeks to amend the McConnell amendment. It does so by suggesting that someone accepting public financing for election to the U.S. Senate agree to a term limitation as a condition of accepting those funds.

It gives us an opportunity in this body to decide whether or not term limitation is a good idea. This would apply to only those Members who wish to take public funding for their election and it is suggested that there be a limit of two full terms, consecutively served. Thus, someone who seeks that funding would have to limit his term to those full 12 years. If there were a partial term in there that would not count toward the limitation. It would also mean that a Member who would be out of the body can come back and serve an additional two full terms without coming under the limitations of the amendment.

The limits of the amendment are very straightforward. It applies only to those who wish to take public financing. Those who would prefer not to limit their term to those full two terms consecutively served, could indeed not accept the public financing and be free from the limitation.

It is offered because I believe the citizens of our country simply want competition returned to their election forum. We are a nation of competitors, we believe in competition, perhaps more than any people in the recent history of the world. We believe in competition of ideas and it is embodied in our first amendment. We believe in competition in industry and business, and it is embodied in our antitrust laws that are a hallmark for the world. That gives America a more competitive atmosphere in terms of business than any nation in the world. We believe in competition in sports, and we revere it highly.

But one area where we have not had competition in the American sense is in politics. The simple fact is, incumbents have an enormous advantage. The fact is, candidates for both parties who consider running for office have far different views when they run for an office that is vacant, that is an open seat, than they do when it is filled by an incumbent.

Let me suggest to the men and women who serve in this body what the figures have been. Some will recall that in this last election only a single person defeated an incumbent. Only one new Member of this class fills the seat that came from beating any incumbent out of all the seats that were up last time.

In the House of Representatives, here are the numbers. They speak louder and more eloquently than any Member of this body could about the power of incumbency. In 1990, 96 percent of the incumbents were reelected; in 1989, 98.3 percent of the incumbents were reelected. Some will say that that is because the quality of candidates running for the House was so exemplary.

It is perhaps instructive to note that 6 of the 7 incumbents in the House that were defeated that year were under an ethics cloud. In fact, in that year you had almost as many Members of the House under indictment as you had defeated.

I do not think anyone can seriously look at the figures with regard to the reelection and not come to the conclusion that there is an enormous advantage for being an incumbent.

The founders of our Republic were concerned about it. One of the reasons that they did not act to the constitutional limit in, as has often been discussed, is that they simply never believed that the situation would develop as it has. They believed holding public office was a public service, one that was not a lifetime career, and that is really what we have to discuss here. Should serving in the U.S. Senate be a lifetime career, or should it be an opportunity that is open to competition, the competition of ideas, an opportunity that is extended to many in our society?

Mr. President, there are many who sincerely believe that it should be a lifetime career, that the best decisions are made by people who have long and extensive experience in this public body. But let me suggest that there are qualities involved in this responsibility that do not seemingly depend on how long you have served in the U.S. Senate.

Our first and foremost responsibility is that of serving the people who elect us; reflecting the public will in this body is the most important responsibility of all. I suggest that the quality of that service is not determined based on how long you have been here. It is based on how well you reflect the values, the thoughts, and the aspirations of the men and women who elect you.

I believe there is a far more reflective body if people have an opportunity not only to understand the people they represent, but be among them. We are in danger of this Nation developing a ruling class of people who believe their lifetime responsibility is running this Nation.

I think a far better solution is one envisioned by our Founding Fathers, one that suggests that the people who serve here ought to reflect the public will and the public understanding, and there is nothing more effective than earning your living in the public and the private sector toward understanding that. People who serve here and understand they will go back and live among those they represented and live under the laws they passed will be far more responsive to the public needs than if they do not.

Mr. President, none of us can look at the deficit we have in this Nation of al-

most $350 billion this year and not realize that something is terribly wrong with the kind of leadership path we have been on. There is no one, quick, easy solution for that, but I sincerely believe term limitation will make a difference in the quality of service and the attitude that men and women bring to service in this body.

So this amendment provides an opportunity for those who believe in term limitation, in 12 consecutive years being enough, to express it. I would prefer to have a constitutional amendment that is referred out to the States. The men and women in this Nation support this amendment; 70 percent in the polls nationwide are for term limits. This Nation has a limitation for terms for the President of the United States. This Nation, in the referendum States, is quickly adopting term limitations for State legislators, and some States have even suggested that they will apply a term limitation for their own national Representatives, both Congressmen and Congresswomen, as well as Senators, even though there is a question, I believe, as to whether or not they can do it constitutionally.

But I believe people who accept public money should limit their terms to those two full terms.

We have a chance, I think, in this amendment to set a record, to come forth and speak clearly as to whether or not we want this body to be more reflective of the will of the people, whether or not we want this body to be more competitive in terms of elections.

I remember the old sages who talk about the value of primaries and how it will help a particular Republican or particular Democrat be elected in the fall. And I always thought those who suggested the primaries were a great thing often thought that they were great for someone else, but when it came down to them they were not quite as excited about it.

Competition is tough, but it does one thing. It brings out the best in us. None of us knows our own limits and terms of abilities for performance until we have competition that brings out the most and the greatest and strongest attributes we possess.

What we suggest here is there needs to be more competition for the race to the U.S. Senate. When it is competitive it creates anxieties. It does. But it will make the body a more reflective body of the will of the people of America. I believe it will. I think competition for even more Members of the Senate is a good thing.

Mr. President, I would ask that we adopt this amendment, that we provide more competition for the U.S. Senate, and that we respond to the will of the American people, 70 percent of whom want term limitations.

I reserve the remainder of my time.

The PRESIDING OFFICER. The Chair recognizes the Senator from Oklahoma.

Mr. BOREN. Mr. President, I think my colleagues who are listening and staffs listening to this debate should understand exactly what is being done here.

The amendment of my friend and colleague from Colorado would not apply term limits to all Members of the Congress, as I understand it. It would apply term limitations only to those that operate under the system of campaign finance reform that is put in place by this legislation.

In other words, those Members who accept incentives to adopt a voluntary spending limit would, therefore, have to agree they would only serve two terms in the U.S. Senate. Those candidates who said no, we do not want to accept any spending limits, we want to be free to go out and raise the multimillions of dollars to run campaigns and go out and pass the hat to special interests, we want this current system which really cast a cloud over the whole institution, we want the money chase to continue, those Senators would be rewarded by not adopting a more ethical restrained approach, by being allowed to serve as long as they wanted to.

As I understand the amendment of the Senator from Colorado, it would only apply the term limitation to those Members who accepted the voluntary spending limits and, therefore, accepted the incentives that end up being provided by this bill like vouchers or lower television time costs or these sort of items. Is that correct?

Mr. BROWN. If the Senator will yield, he has accurately summarized the amendment. Indeed it applies only to those who take public money.

Mr. BOREN. Right.

So, Mr. President, with all due respect, I think the amendment, in essence, is penalizing clean governments and clean campaigns and instead, rewarding those Members of the Senate who say I do not want to raise unlimited amounts of money. I want to fight my campaigns on the issue; I want to fight my campaigns on qualifications; I do not want to try to buy an office. I think we ought to have a level playing field, so that the challengers and incumbents have an equal chance. After all, House Members, for example, are able to raise 16 times as much from special interests to run for election, almost 8 times as much in the general election.

Senate candidates are able, with the unfettered money chase, to raise three times as much as challengers. We would reward those Members of the Senate who reject good government, at least government from my point of view, who erect voluntary spending limits and say having a level playing field by saying yes, clean government does not pay, honest government does not pay, spending limits do not pay, we are going to reward those who you want to raise unlimited amounts of money and say they can serve here forever. As long as incumbents continue to outspend challengers in their campaigns, the incumbents will be able to crush them at the polls.

I think the second-degree amendment and the first-degree amendment both are really designed to penalize people who accept spending limits. That is the real issue here because we all know that we have inducements in this bill simply because the Supreme Court requires us to have voluntary spending limits and if we are going to have spending limits we have to have inducements for people to accept those spending limits.

There will be additional amendments offered on this side of the aisle to indicate that we intend to pay for any incentive not through general taxpayer financing. We have already indicated there is an option of voluntary checkoff and an option of stopping the PAC's subsidies which we now give to lobbying activities by some institutions who spend millions of dollars a year to get access to this body.

We can look at the mass mailings and newsletter costs of this institution which run over $25 million a year. That would be a way of paying for it and leveling the playing field and giving challengers a chance. There are all sorts of options that can be considered.

So really the issue is, do we penalize someone for accepting spending limits and accepting inducements to accept those spending limits? So we penalize people for agreeing not to engage in the chance to clean up the way they are going to conduct their own campaign and not have an unlimited right to go to the special interests to get that money. I believe it is true.

And it would be my own analysis of the underlying amendment of the Senator from Kentucky that only those candidates that accept the spending limits and therefore accept the incentives like lower mailing costs and other incentives that are provided would be required to have a statement on all of their ads saying they accept taxpayer money. I have already explained why it is not going to be general taxpayer money because we are not going to fund any incentives in that fashion. But that obviously is another attempt to discourage anyone, to make a negative penalty on people who do agree to accept the spending limits.

So my colleagues should understand that a vote for this amendment is a vote to penalize those candidates that agree to fight the election on issues other than who can raise the most money. It is a vote to penalize those that accept the incentives, the spending limits, to try to conduct their elections in a new fashion, or I might say

really in the old-fashioned way, the way elections should be to be conducted, in this country before money became such an important element in the process.

So I would be very strongly opposed to this amendment. I hope my colleagues will read this amendment and understand both the underlying amendment and the second-degree amendment before they vote on it. At the appropriate time, not wishing to cut off any time that my colleagues on the other side might wish to debate this amendment, I will be offering a tabling motion.

Mr. President, I yield the floor.

Mr. MCCONNELL addressed the Chair.

The PRESIDING OFFICER (Mr. DECONCINI). The Senator from Kentucky is recognized.

Mr. MCCONNELL. Mr. President, the second-degree amendment introduced by my friend from Colorado is what I like to call the "pay-'em-to-leave" amendment. Taxpayers would have confidence that any politician who did tap into the public till would at least be gone in a few years. They would have that confidence if the amendment of my friend from Colorado were adopted.

Those who are concerned about low participation rates on the Presidential checkoff could be guaranteed that taxpayers would look forward to every April 15, when they would have an opportunity to check off a dollar for the "pay-'em-to-leave" fund. It would probably dramatically increase the checkoffs. We probably would shoot up to a 99-percent checkoff rate.

If we are going to force the taxpayers to subsidize our reelection campaigns, as we just voted to do a few moments ago when the McConnell amendment was defeated, let us give the taxpayers a little hope, something to look forward to, because they would know that any politician who accepted the public funds would soon be gone from this body if the amendment of the Senator from Colorado was adopted.

Also, Mr. President, I think it is important to point out, if spending limits really do go into effect, then we will need term limitations. I personally do not think we need term limits now, but spending limits will virtually guarantee a permanent seat for every sitting incumbent, a virtual guarantee. That is what almost every expert in America thinks. No one would ever leave because spending limits would crush the competition.

If we have spending limits, then we need the Brown amendment. It would be the only hope the taxpayers would have.

So I think the "pay-'em-to-leave" amendment is a very important addition to this debate. If we are going to impose upon the taxpayers of this country public funding of our political races, and a limitation on private participation in politics called the spending limit, then at the very least we need to have some lever, some opportunity, to get those perpetual politicians out of office.

The Senator from Colorado, I think, summed it up when he said:

> If you take the public money, you ought to give up and go home after a while, give somebody else a chance. The taxpayers will have subsidized you for long enough.

So I think the Senator from Colorado has an excellent amendment. I enthusiastically support it. It gives the taxpayers and the volunteers some hope for change sometime in the future.

Mr. President, for the moment, I yield the floor.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Mr. President, this bill has been on the floor for several days and I have not spoken on the issue. This is probably as appropriate a time as any because this amendment really goes to the heart of why we are debating campaign finance reform.

It is my personal belief that the American people have lost more respect for our political system in the very recent past than at any time in the history of the country. And I think the loss of that respect, among other things, is caused by the fact that people realize that money is driving the system.

When a U.S. Senator has to raise $12,000 a week for every single week of his 6-year term in order to have enough money to run an average campaign for the Senate, there is something seriously amiss with the system.

The bill that is before the Senate by the Senator from Oklahoma and the leadership on this side, in my opinion, falls far short of what needs to be done. But it is light years ahead of the proposals on the other side.

I personally believe that this sort of surge of interest in limiting terms of politicians is a manifestation of the increasing contempt people have for the system and the people who are running it. And, Mr. President, I am very strongly opposed to that. If the people of the country and the people in my State want to vote to limit terms, I think they ought to have a right to do it. It is not going to affect me. I am not going to have a dog in that fight. The man who was pastor of my church used to say, "Don't run past more than you want to catch up to."

If we ever adopt a constitutional amendment in this country limiting terms—as is proposed by a lot of people—it will be a very short period before the American people will realize that they have made a very big mistake. This craze for two-term limits is a manifestation of their contempt for the system and those who are running it—and it is misdirected. Their venom, their hostility, and their contempt ought to be directed at the way we are financing campaigns in this country.

We are the only nation on Earth that finances campaigns in such a bizarre way. One of the best Senators, in my opinion, ever to serve in this body, certainly one of the finest Senators I ever served with, announced several years ago he was not going to seek reelection. This was troubling to me because good men and women are hard to find and when I see one leave while still relatively young because of his disenchantment and dismay, that just makes it even more troubling to me. I asked him, "Why are you leaving? We need Senators like you."

He said,

> I am leaving for three reasons. No. 1, I am tired of laughing at things that are not funny; No. 2, I am tired of answering hate mail; and No. 3, I am tired of going around with my tin cup out.

I do it. We all do it because that is the system we have to live with. Whether you like it or not, you have to live with it. And I want to say I am an unabashed proponent of public financing.

The majority leader made a very cogent point this morning that people who are preying on the American public's fears that somehow or other you are going to get in the taxpayers' pocketbook to finance a campaign have seen absolutely nothing wrong with taking over $200 million in public funds to finance Presidential races.

What kind of double standard is this we are using? I daresay the people who are raising the bogeyman about public financing today raised the same specter when the law was passed to publicly finance Presidential races. The truth of the matter is that the reason we cannot get anything meaningful done with campaign finance reform is that people like it just fine the way it is. And one of the reasons they like it just fine the way it is, is that it favors incumbents unabashedly; nobody would deny that.

If we pass the bill that is before the Senate, we are going to be giving incumbents a lot less advantage than they have had in the past. That will at least allay some of the concerns and some of the drive for this two-term limit we hear so much about. If we adopt some of these amendments on the other side—and thank goodness we have just defeated one by my good friend, the distinguished Senator from Kentucky—if we adopt amendments like that, we are just saying not only do I love it, I want more of the same.

The amendment of my good friend from Colorado, which would say if you accept any of these television vouchers or anything dealing with public money you must also agree to limit yourself to two terms puts things in reverse.

What we ought to say is if you are not willing to accept limits on the amount you are going to spend in your

campaign, if you are not willing to sign an agreement that you will live with the limit—then you may only serve a limited number of terms. This amendment punishes people; it punishes people who are trying to reform a system that is broken and desperately needs fixing.

As I pointed out a moment ago, I have heard so many arguments on this floor designed to scare the American people, saying those Democrats are trying to get in your pocketbook to finance their own campaigns, it is social welfare for incumbents. The American people at some point—and I think I have witnessed this movement over the past 10 years more than at any other time—the American people are going to demand public financing of campaigns. You are just skirting around the edges, even with the bill of the Senator from Oklahoma. Senators are still going to have their tin cups out. They are still going to have to demean themselves by going out and pleading with everybody they know, especially friends, for money.

I think I have about all I want to say. This amendment of the Senator from Colorado is a rather perverse idea. To say if you really want to fix the system and you are willing to live with campaign spending limits, we are going to penalize you—is perverse. If you believe you ought to be able to go out and raise all the millions of dollars you want in order to make sure that some challenger out there—like DALE BUMPERS in 1970, a country lawyer nobody ever heard of—will never have a chance, you should vote for this amendment. I confess freely I could not do today what I did in 1970. I think I spent $75,000 in a Democratic primary with eight people in the race and $50,000 of that was my brother's and sister's and mine.

Do you know what $75,000 will get you in a Democratic primary in Arkansas today? It gets you about 1 week's television prime time on evening news. And when the week was over, there would not be enough people in the State who knew who you were to amount to a hill of beans. It is out of control. Everybody knows it is. Yet there is this reluctance to do anything which would diminish the clout of the incumbents in this body, and I certainly urge my colleagues to vote against this amendment, which can only be described as perverse.

I yield the floor.

The PRESIDING OFFICER. The majority leader.

Mr. MITCHELL. Mr. President, this amendment would require any candidate for the U.S. Senate who receives what is described as a benefit to limit himself or herself to two terms in office.

The argument has been advanced by the Senator from Colorado and the Senator from Kentucky that if a candidate for the Senate is subsidized with public funds that candidate ought to limit himself or herself to two terms in office.

This amendment would have a lot more credibility if, to be consistent, the Senator from Colorado and the Senator from Kentucky would immediately pledge to limit themselves to two terms because their activities are now heavily subsidized by taxpayers. Every single dollar paid to their staffs is taxpayers' money. Every trip they make back to their States is paid for by taxpayers' money. Every letter they send out is paid for by taxpayers' money. Does anyone doubt that that is a benefit to incumbent Senators in election campaigns? Of course, it is. So if the Senator from Colorado and the Senator from Kentucky mean what they say, that a candidate for the U.S. Senate who receives a benefit from public funds ought to limit himself to two terms, then, to be consistent, they should stand up right here and now and pledge to limit themselves to two terms in the Senate because they receive enormous, millions of dollars of taxpayer benefits.

Indeed, I ask the Senators if in fairness they ought not to publish in the CONGRESSIONAL RECORD a list of all of the taxpayer subsidies they have received since they have been in the Congress and let voters then judge for themselves.

Is there an American voter, is there a person in this Senate, is there a person in this country who does not know that those subsidies, while necessary to the operations of a Senator in office, are a political benefit to the Senator? Of course, they are. We all know that. We all benefit from it.

Mr. COCHRAN. Will the distinguished Senator yield for a question on that point?

Mr. MITCHELL. Might I just finish my thought momentarily, and then I will be pleased to yield.

So I ask the Senators, if this amendment is to have credibility, if it is to have meaning, if we are to know the supporters really mean what they say, really believe in the principle they are advocating, then I invite those Senators to demonstrate that by standing up and saying, yes, I receive taxpayer subsidies; I receive public financing; it is of a benefit to me, and since I believe so strongly in the principle, I will, therefore, limit myself voluntarily to two terms in office. Then the Senate would have to think long and hard about this amendment. But unless and until they do, I think this amendment ought not to be taken seriously.

Mr. COCHRAN. Mr. President, will the distinguished leader yield for a question?

Mr. MITCHELL. Yes.

Mr. COCHRAN. On the point he makes about the issue of the value of incumbency, the benefits we all get from the franking privilege, having access to television coverage of the work we do, travel allowances back to our States to talk about the representation we are providing to our constituents, none of which, of course, a challenger would have available to him in preparation for a campaign for the Senate—as a matter of fact, it is my understanding that about $9 million is the average dollar value of all these benefits to an incumbent Senator during a 6-year term. So would the distinguished leader agree it would be appropriate then to establish a spending limit if the Democrats are anxious to have limits that would be higher for a challenger than for an incumbent? And if the distinguished leader would answer in the affirmative, I would invite him to cosponsor an amendment I am going to offer following the disposition of the pending amendment that would write that into this substitute which has been offered by the Democratic leadership.

Mr. MITCHELL. I thank the Senator for his comment, and I will consider his amendment. I am not familiar with his provision. But I will just say this. Raising the limit for challengers will be almost meaningless since the overwhelming majority of challengers in Senate elections in the past decade have spent much less than what the limit would be. So that effectively the limit is the single most meaningful way to equalize the contest between incumbent and challenger.

Most incumbents spend much more than the proposed limit. Most challengers spend much less. Imposing a limit, therefore, has the effect of reducing the amount the incumbent spends, narrowing the gap between incumbent and challenger. Simply raising the limit does nothing for the challenger since the overwhelming majority of them cannot raise enough money to get to the limit.

The way this bill addresses it, in what I believe to be an effective fashion, is to provide broadcast vouchers of up to 20 percent of the limit so every challenger knows that for up to 20 percent of the limit, he or she can get on television in his or her State, which is really the way to equalize it. Then, even though the incumbent will still, in most cases, outspend the challenger, the challenger will have that minimum threshold of television necessary to mount an effective campaign.

But I will review the Senator's amendment at the appropriate time.

Mr. COCHRAN. Mr. President, I thank the distinguished leader for his response and I invite him to cosponsor my amendment which will improve the chances of a challenger, particularly given the value of the 6-year incumbency in dollar terms.

Mr. MITCHELL. Might I inquire of the Senator from Mississippi if he

might be disposed to support the bill if his amendment is adopted?

Mr. COCHRAN. I will be giving it much more careful consideration than I otherwise would have.

Mr. McCONNELL. If the leader will yield for an observation.

Mr. MITCHELL. Yes, I yield.

Mr. McCONNELL. I believe I heard the leader correctly in saying the office accounts, as he put it, are necessary to the operation of the office of the Senator. I would argue that taxpayer financing of campaigns is not necessary to the operation of the office of Senator.

Clearly, there are some advantages of incumbency. But to put staffing of our offices, which, as he put it, are necessary to the operation of office of Senator, in the same category as providing public funds for political campaigns, to me, with all due respect, seems to make no sense.

Mr. MITCHELL. I respect the Senator's point. I will be pleased to hear from the Senator from Colorado. But I will just say to the American people, anybody who is waiting for a Senator to stand up and voluntarily limit himself or herself to two terms, even those who here propose an amendment advocating that in certain circumstances, ought not to hold their breath.

Mr. McCONNELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky is recognized.

Mr. McCONNELL. Mr. President, I think it is appropriate to know that the only other Federal race in the country publicly funded does have term limitations. So there is a precedent for the position of the Senator from Colorado. The President of the United States is limited to two terms. Those races are publicly funded.

I do not think this concept the Senator from Colorado has put forward is all that unheard of. We have a precedent already.

I must say, I do not like the Presidential system. We will have an opportunity later in this debate to vote to get rid of this Federal program. But there is certainly some precedent under the existing system of elections in this country for something similar to what the Senator from Colorado has suggested.

Mr. MITCHELL. Mr. President, if I might—and I want to permit the Senator from Colorado to respond—I would like to make a point on that. Lest there be no misunderstanding, the two are not related in American history. The term limitation was established long before public financing was established, and it was not the reverse. So there is no suggestion, and I know the Senator from Kentucky did not mean to suggest this, that in the Presidential race, when we adopted the public financing, we said then we will have term limits as a result. We had term limits for Presidents long before we got to public financing.

Mr. McCONNELL. The Senator from Kentucky was not suggesting the two are related. But the fact of the matter is, in the one race where there is a public subsidy, there is a term limit. They were not enacted together, but there certainly is some similarity.

Mr. BROWN addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. BROWN. Mr. President, I thought the distinguished majority leader made a very thoughtful point. His point, if I can summarize it, was basically if you believe so strongly in the term limitations, would you, indeed, be willing to follow the example you are suggesting for others. That is a fair point and I think a reasonable question to be addressed.

Let me ask the distinguished majority leader if indeed I would agree to that right now, here on this floor, would the distinguished majority leader be disposed to support this amendment?

Mr. MITCHELL. Absolutely not, because I am opposed to term limitations independent of this amendment. I said so publicly. I think it is a mistake, wholly independent of public financing. So if I were advocating term limitations for others, I would then say, in order to be consistent, I should advocate them for myself.

I do not dispute the validity of those who seek term limitations. That is a reasonable point of view, one which the Senator from Kentucky pointed out has some precedent in American history. But what I think is inconsistent is for someone to advocate term limits for others but refuse to apply them to himself or herself.

I believe my position is consistent. I am against term limits, period. If the Senator from Colorado is for them, under certain circumstances for others, then I think he should stand up and apply them to himself.

Mr. BROWN. Mr. President, the distinguished majority leader had raised my hopes dramatically when he indicated an interest in knowing my position on this, with the suggestion that he might take the amendment far more seriously. I certainly value the support of the majority leader and would like very much to have his support on this issue. Thus, I certainly wanted to respond to that invitation.

Let me suggest that should, indeed, this amendment pass, and we pass public financing, I would certainly abide by the two-term limitation, whether or not I took public financing. Indeed, if we passed it and put it into law to limit terms for those who took public financing, I would certainly want to abide by that. But it does raise an important point that I hope will not be lost on those who listen to this debate and those who consider their decision.

The simple fact is that there is an enormous advantage for incumbency. You do not have to look at the results of the House of Representatives races to see that. Everyone knows that. You do not have to look at the results of the Senate races last time, where only one incumbent was displaced out of all of those up for election. Everyone knows that.

I think the distinguished majority leader made a very valid point earlier in the debate when he pointed out there is enormous value, in terms of electability, to the funds that the Government provides these offices. The distinguished Senator from Mississippi had noted that that average is somewhere in the neighborhood of $9 million a year, I believe.

Mr. COCHRAN. For 6 years.

Mr. BROWN. Over a 6-year term, $9 million. I would certainly, at least in my own thinking about it, think that you cannot possibly use a $9 million figure to describe the political advantage. Certainly, a signficant portion of that goes to servicing the men and women of the State in a way that may not have any political advantage at all. But there is no question that there is an enormous public contribution, as the distinguished majority leader has pointed out.

I believe, with no question, that there is an enormous advantage to incumbency. Now, the focus of public financing quarantees an incumbent an additional safety factor. It says nobody is going to outspend you. Let us get the formula straight. You have an enormous inflow of public money that provides an advantage for an incumbent. Now we come along and say incumbency protection is not strong enough. We are going to pass this bill which says that any incumbent cannot be outspent, if you are talking about public funding.

Think what this means. It is incumbency protection to the nth degree. What this amendment does is a very simple, straightforward thing. It simply says if you are going to take public money, if you are going to force the taxpayers to pay for your election campaign, at least you will agree to limit yourself to two full consecutive terms.

That does not mean you cannot run for the Senate again. You can. But it does mean you cannot use the advantage of the Senate incumbency to run for the Senate at that time. Many have strong positions, as has been pointed out on this, and I respect that. But for the men and women who are listening to this debate, and those who are not decided, I hope they will consider these factors:

First, incumbency is an enormous advantage. I do not think that is disputed. In fact, of all the people pro and con on this amendment that have risen to speak, no one has disputed that fact.

Second, providing public financing in a format that makes it unlikely anybody can outspend you is a further advantage for incumbency.

Third, if we want competition or, as the distinguished Senator from Oklahoma had said earlier, "a level playing field," you will want competition for these Senate seats. We have built in enough advantages for incumbency. It is very difficult to ever beat anybody who is an incumbent.

If you want competition, if you want a level playing field, you are going to be for this amendment, I believe. If you do not, if you like incumbency, if you do not want competition, you are probably going to have some good service.

The distinguished Senator from Arkansas earlier had mentioned how difficult and painful—it is my term, not his—it is to go out and raise funds. I believe it. It is painful. It is difficult. Speaking personally, it is unpleasant.

But if you believe in what you have come here for—and I believe all the distinguished men and women who are here today believe in what they came here for—you do it. You do it, in the terms of the distinguished Senator from Arkansas, because you have to, because it is the system.

But let me suggest one reason why it is so unpleasant. It is competition. You have to convince someone that you are worth supporting over another candidate. Competition is not sold on the basis that it is enjoyment. It is not. Competition is not sold on the basis that it is pleasant for incumbents. It is not. Competition is tough. It is rigorous. It is demanding. It is tiring.

But what competition does do for this Nation is bring out the best in us. Competition does help people decide who will be the most vigorous, ardent advocate for them, and who will be the most effective.

This is a procompetition amendment. I believe competition brings out the best in this Nation, and I believe it will bring the best ideas to the Senate. That is what we are really talking about.

Two quick things. From our Founding Fathers, let me quote to you a letter from Thomas Jefferson. Thomas Jefferson was inclined initially to even oppose the constitutional draft that had come out. One of the reasons he gives is this: "The second feature I dislike," quoting from his letter to James Madison, "is the abandonment in every instance of the principle of rotation in office." Thomas Jefferson believed in rotation in office. He believed in new and fresh ideas coming into the legislative bodies of this Nation—again, because competition is so vital for the preservation of democracy.

Second, I might mention to the Senator from Oklahoma, who spoke earlier, I think it is worth looking at how the people and the voters in Oklahoma feel. Oklahoma was the first State in the Nation to pass a version of term limitation. That provision was put on the ballot by gathering over 200,000 signatures in the State of Oklahoma. Question 632 on the Oklahoma ballot stipulated a 12-year limit on every legislator's term. Incidentally, that is the same number of years we are talking about for the Senate.

The question passed in Oklahoma 436,347 in favor to 212,318 against—68 percent in favor.

That measure was on the California ballot. It was on the Colorado ballot, and passed. The polls indicate the American people by 70 percent favor term limitation.

I ask the men and women who will vote on this issue to consider one thing. The vibrance of our democracy, I believe, depends on the fresh ideas that flow to this Chamber, depends on the competition that evolves in choosing Members of this Chamber.

If we adopt a system of public financing that eliminates the potential, or reduces the potential of challengers outspending incumbents, or equalizing the money they have at Government advantage to spend on their campaigns, we will dramatically reduce competition for this Chamber.

I believe that reduction in competition will destroy the quality of representation here, not in terms of the quality of people—the people who serve our country from both parties in this Chamber are enormously qualified—but in terms of the quality of competition and ideas that are brought to this Chamber.

I believe the kind of procompetition idea that this amendment represents is one that will benefit this Nation.

Mr. President, I reserve the remainder of my time.

Mr. DECONCINI addressed the Chair.

The PRESIDING OFFICER (Mr. SIMON). The Senator from Arizona is recognized.

Mr. DECONCINI. Mr. President, this question has been and still is a constitutional amendment to limit terms on how long people should serve in this body and in the House of Representatives. I have introduced constitutional amendments to create term limits. I have learned since I have been here 14 years that the chance of passing such amendment is about zero. The best chance I have ever had was when 12 Members cosponsored the constitutional amendment. The best time with that was the last year of service of my distinguished colleague, Senator Goldwater, when he became a cosponsor of that amendment.

I was able to convince the then Senator from Indiana, the chairman of the Constitution Subcommittee, in 1978, to let me hold hearings on the subject matter of limiting terms. But he made it very clear to me that the bill was not going anyplace. And indeed, it did not, although we had a good debate in the hearing process.

The fact that there is a difference on term limitation is a healthy thing. I hope someday we can debate an amendment on that. But that is not what we are really talking about, in this Senator's judgment, with all due respect to what the Senator from Colorado is proposing.

What I think he is trying to do is muddy the water and make it as complicated as you can to confuse any campaign finance reform that would bring some sanity to this awful situation in which we all find ourselves. Whether it is Republicans or Democrats, whether they support this amendment or support this bill or not, all agree on one thing: That the system is really messed up and that we have to spend too much time raising money; that the perception is not good, and in fact we need to do something about it.

So we get down to this big pool where we stir things around for a long time trying to come up with something. I am like the Senator from Arkansas. This bill is not the bill I introduced for campaign reform. The bill I introduced does not have anything to do with limiting terms. It limits how much you can spend and how much you can take in, and it makes it voluntary because you cannot do anything else with the Buckley versus Valeo decision unless you have a constitutional amendment.

On that subject matter, I think the Senator from South Carolina [Mr. HOLLINGS] has the best approach. We cannot seem to pass that. That is the constitutional amendment authorizing the Congress of the United States to regulate Federal elections in any way it wants to. But short of that, we are here and now talking about whether we are going to pass something that would put some limits on spending, or are we not going to pass something that creates some limits?

We have these amendments continuously offered. The amendment pending here, by the Sentor from Colorado, in my opinion, and the underlying amendment even more so, are amendments that are trying to divert the attention of this body from what we are trying to pass here. If we want to bring some sanity to this effort of running for office every 2 years, every 6 years for each Senator, but a third of us running every 2 years, spending an average of $4 million now and some as many as $16 million or more, we have to create some limits.

I have never had trouble raising the money. I have worked hard. You can raise the money as an incumbent. I do not know any incumbents in this body today who cannot raise the money when they run. They have to work for it. As the Senator from Colorado says, that is competition. That is well and good, but you know how much time you put into raising money. Each of us

do. You do not just raise it the last 2 years of the cycle that you are up for reelection. You do it at least 3 or 4 years ahead of time to raise that kind of money.

So what are we going to do? Are we going to continue to favor the incumbent? That is the way the process is now. The proposal before us, S. 3, lets a challenger have an equal amount of money if he can raise it and it sets a limit at an amount which someone can raise. In my State I believe it is about $1.9 million. That is a far cry from the $4 million that I would have to raise in 1994. It is a far cry from what I raised and spent in 1976, a mere $600,000. I was the challenger. I was running against a 10-year Member from the House of Representatives, who raised about $1.8 million.

I spent it all. I raised $600,000, and about 20 percent of that belonged to myself and my family. We were lucky I guess. I was elected.

But this was not fair, in my opinion, from the challenger's point of view, as far as how much money could be raised. I worked hard. I was darned competitive. I am sure my opponent at the time was competitive in raising money, and raised it just like incumbents can raise it here.

So if we adopt the amendment of the Senator from Colorado today by limiting terms if you take public financing, as I understand that amendment, we are really mixing apples and oranges. We are not talking about a campaign reform law that is going to do something positive to improve this whole gosh-awful process that we find ourselves in. Then if we go to the underlying amendment of putting a disclaimer on the use of television, radio, what have you, that it is paid for by taxpayers' money, that is purely punitive. That is purely to set aside people here and give them as excuse, give them a reason for not supporting some campaign limits on what would be spent in any Senate campaign. That is what we are talking about here.

I have the greatest respect for the Senator from Colorado and the Senator from Kentucky for what they have offered here, but I think the time has come when the debate should end and we should get on with some public campaign reform that would include, in my case, a modest public financing provision and not penalize—not be punitive to someone who is going to participate on a voluntary basis.

What does it do? It levels the playing field to give an equal chance to a challenger, who does not have that office of incumbency and the $9 million equivalent that the Senator from Mississippi says we have by virtue of our duty and our job—we cannot help it. We cannot just say do not pay us, do not pay our travel, do not do anything for the last couple of years or the whole 6 years we have a job to do. That benefits us. No question about it. But challengers get a chance under this bill because they have a chance two ways. No. 1, there is a limit on how much an incumbent could spend. Believe me, that is going to curtail the activities of incumbents substantially. They may do more work on the Senate floor, and in committees, which would be very good, but they are going to have more time because they are not going to be raising that average $4 million, and in many States more, in each cycle to try to run for office.

They are going to have to pay attention to that limit, and they are going to have to compete, as the Senator from Colorado says, based on the limit that is also applicable to the challenger, and the challenger now has a chance. He does not know he has to raise today because, if he knows anything about the process, he knows that, if he is running against an incumbent, that incumbent is going to raise the money. If I run in 1994, and I have to have $4, $5, $6 million, I will raise it. It will be hard, but I will raise it just like I felt I had to have $3.2 million this last time. I raised it. My challenger could not raise it. I do not think that is a good system.

I think my challenger would have been much stronger against me in my last race had he had something like this in which he could have participated, raised the threshold, and then have had some modest public financing. That would not have been good for me because I won by 58 percent, and I am very pleased with that. Maybe I would have won by 52 or 54 percent; maybe I would have lost. That is competition, having a level playing field so one party, mainly the incumbent, does not have a huge amount of money where a challenger really does not have a chance.

Mr. BROWN. Will the Senator yield?

Mr. DECONCINI. Yes.

Mr. BROWN. The distinguished Senator from Arizona just made an excellent point about how valuable it would be for the process to have a level playing field. Let me ask him his thoughts as to how he would compensate for the advantage of the incumbents, the $9 million over the 6-year term that would apply. How, in this system, would he adjust for the advantage the incumbent has with all of that public money going into his or her office?

Mr. DECONCINI. Some of that we have already attempted to do by limiting the franking privilege, the mailings. It is 6 months now; it was 90 days when I ran in the general election. I believe we changed that. That is a proper thing to do, to limit some of that. I think it also is proper to create other restraints.

On the other hand, from the fact that you are a Senator, and you are running for office, you have a couple of jobs at that time, one as a candidate to get reelected but also to represent the people. You cannot take that away from an incumbent. He or she gets certain benefits from that job, purely doing the job of a Senator—not politicking to get reelected, but just doing the job by coming here and voting, by doing your correspondence, by doing your research, and by doing your committee hearings. I do not think you can dismiss that. When I say what we are trying to do on this side with this underlying S. 3 is to provide that challenger with some understanding that that guy who is the incumbent can only spend this much money. With all the other good things he has, he cannot go out and spend an unlimited amount. In my judgment, that is a better situation than what the Senator is suggesting.

With all due respect to the Senator, I understand where he comes from on term limitation. I compliment him, and look forward to working with him on that situation. I think we ought to divorce these two issues, and not include term limits in this debate.

The PRESIDING OFFICER. The Senator from Kentucky is recognized.

Mr. MCCONNELL. Mr. President, the Senator from Arizona was talking about the disclaimer amendment of the Senator from Kentucky. I respectfully remind him that in the underlying bill the following disclaimer appears: For anyone who does not want to take public money and limit speech, he has to put in his television and radio ad that they have not agreed to abide by the spending limits—as if it was some kind of criminal act to speak as much as you want to in the United States of America. That is in S. 3.

It seems to the Senator from Kentucky not inappropriate, if we are going to have a disclaimer, to tell the truth. The Senator from Kentucky says that the preceding political advertisement was paid for with taxpayer funds. That is the truth. That is what disclosure is about. It is to disclose how the ad was paid for.

Today in our disclaimers it says: Paid for by the so-and-so committee, Sam Brown, treasurer. That is who paid for it.

It seems not inappropriate, then, in terms of truth and disclaimers, to say that the preceding political advertisement was paid for with taxpayer funds.

I understand that there may be a motion to table. I was hoping that we could have an up-or-down vote on not only the amendment of the Senator from Colorado, the second-degree amendment, but mine as well. It may be denied us. I was hoping we might have a chance to vote on both of these measures on the merits. It seems to me that they are very important, an inextricable intertwining of this whole suggestion about how to conduct elections in this country. We are required today to put almost the exact same disclaimer on franked mail. Today the

disclaimer says: This mailing prepared and mailed at taxpayer expense.

If we are proud of public funding—and there are some on the other side, and I commend them for it, who said they think it is a good idea to have the taxpayers pay for our campaigns—let us own up to it. There will be an amendment later today to fully fund congressional races. That is, in my view, an honest approach. If that is what you really want to do, why not face the music, lay it out there for the voters to see, and discuss it openly.

My amendment simply says that if you are going to take taxpayer money, you ought to be willing to tell the voters that you did it; that they are paying with their tax dollars for your commercial. It seems to me that that is what disclosure is about.

The disclosure underneath in S. 3, in the basic bill, is an outrage. It is unconstitutional, by the way, and I do not use that term lightly. Last week in the Washington Post I submitted an op ed piece on the constitutionality of this whole bill. One of the features that is clearly unconstitutional—not in a gray area in my view—is this disclaimer in the underlying amendment which seeks to imply that you have done something wrong if you have rejected public funding and gone out to see how much support you could get from individuals in limited and fully disclosed amounts. That is not doing anything wrong. You have a right to do that, the Supreme Court says, under the first amendment. You have a right to do that. You have done nothing wrong.

So I think we ought to have a truthful disclaimer, not one that is unconstitutional and one that also seeks to imply that if one accepts private donations rather than public funds and agreeing to limit speech, that he is somehow a criminal or something.

Mr. DURENBERGER. Mr. President, I rise today to briefly explain my reasons for voting to table the amendment offered by my distinguished colleague from Colorado, Senator BROWN.

I support the idea of term limitation. In the past, I have cosponsored a constitutional amendment to limit the terms of Members of Congress to 12 years in the Senate and 12 years in the House of Representatives. However, I cannot support the measure that is before us because of its inconsistent application of term limitation.

The Brown amendment would require candidates who voluntarily abide by the spending limits to agree to spend only two terms in the Senate, while candidates who refuse to comply with the limits would be able to run for as many terms of office as they like. Candidates who believe in improving the campaign process by limiting their spending would leave the Senate after two terms. But millionaire incumbents who finance their own campaigns would stay in the Senate indefinitely.

I cannot support a measure that would make candidates who reject spending limits the most powerful Members of the U.S. Senate. I do hope that we will have an opportunity later to address the issue of term limitation in an appropriate form—a constitutional amendment that applies to all candidates equally.

Mr. WALLOP. Mr. President, I will take only a moment of the Senate's time today to express my support for the amendment offered by my friend from Colorado, Mr. BROWN.

This amendment is described as a term limitation amendment, but it is really both more and yet significantly less than that. The issue of term limitation can be debated politically and philosophically, and the debate would no doubt be prolonged, and perhaps even at times profound.

This debate, on the other hand, is really about taxpayer funding of Senate campaigns.

We all understand the advantages incumbency provides in a campaign. To add taxpayer funding of campaigns to the natural advantages of incumbency is, to use a familiar sports analogy, piling on by incumbents. The advantage of incumbency plus taxpayer funding of campaigns would make it ever harder for challengers to have any chance of success.

Moreover, the argument can be made, and this Senator would argue, that if candidates for the Senate are prepared to take money from Americans to finance their campaigns, they should agree not to continue campaigning at the taxpayers' expense for campaigns without end—at the very least they owe an agreement to limit the number of campaigns they will run with their hands in Americans' pockets.

We have in the course of considering this bill debated taxpayer funding of campaigns in a number of ways. The Senate has in effect voted to exchange our fundamental constitutional rights for access to taxpayers' pockets to finance our campaigns. The perfect example of that is the Senate's vote to require that Presidential candidates who accept Federal campaign funding participate in four campaign debates; in effect exchanging the Constitution's guarantee of free speech for taxpayer subsidized compelled speech.

This Senator could argue the issue of term limitation as a political or philosophical debating point. But that is not what we are about today. We are voting on how much control we think we can get away with exercising over the political process by the dangling carrot of taxpayers' dollars.

We owe Americans at least the simple knowledge the their subsidies will be generously shared with a variety of candidates and campaigns—the agreement that when we fund our political careers at their expense, we will at least do so only for a few terms.

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

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

UNANIMOUS-CONSENT AGREEMENT

Mr. MITCHELL. Mr. President, I ask unanimous consent that at 12:30 p.m. Senator BOREN be recognized to make a motion to table the Brown second-degree amendment, that following the disposition of that amendment Senator BOREN be recognized to make a motion to table the underlying McConnell amendment, and that upon the disposition of that amendment Senator BOREN be recognized to make a motion to table the Cochran amendment.

I further ask unanimous consent that no amendments be in order to the Cochran amendment or to the underlying McConnell amendment, and I ask unanimous consent that the McConnell and Brown amendments be laid aside and that Senator COCHRAN be recognized to offer his amendment with no amendments to be in order thereto and with the time between now and 12:30 to be equally divided in the usual form between Senators COCHRAN and BOREN and that it now be in order to request the yeas and nays on all three measures.

The PRESIDING OFFICER. Is there objection to the series of requests by the majority leader?

Without objection, it is so ordered.

Mr. BOREN. Mr. President, I request the yeas and nays on the three amendments.

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 Mississippi is recognized.

AMENDMENT NO. 256

(Purpose: To ensure competitiveness in Senate elections between incumbent Senators and challengers by establishing general election spending limits for challengers at 150 percent of the limit for incumbent Senators)

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

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Mississippi [Mr. COCHRAN] proposes an amendment numbered 256.

At the appropriate place add the following:

"Notwithstanding any other provision of this Act, the general election spending limits which apply to candidates seeking election to the Senate shall be increased by 50 percent for any candidate for any Senate seat, if the candidate is not a sitting Senator

and if the candidate is opposed in that election by a sitting Senator.

Mr. COCHRAN. Mr. President, the spending limits in this bill are unfair. Very simply, because the proposed spending ceilings are identical for all candidates, incumbents and challengers, that is unfair to challengers. It is advantageous to incumbents and if enacted would represent another barrier to competitive elections for the Senate. Under these limits it is almost certain that no challenger will be able to spend more than an incumbent.

By proposing equal limits for challengers and incumbents the Democrats seem to be suggesting that all candidates start a campaign on an equal footing. They are telling potential challengers that in this debate the spending limits will actually help them. They are saying it right here in front of these taxpayer-funded television cameras and under the bright lights of national cable television. No challenger has access to these resources.

They are saying it in press releases and op-ed pieces written by staffers paid by the Federal Government, faxed to the media with Government machines and on the Government's telephone bill. In franked mail, in newsletters, in radio actualities the Democrats are saying spending limits will make elections more fair. And just to make sure the voters know their incumbent Senator is working to help them he will fly home at Government expense and travel around his State at Government expense and tell them so.

Mr. President, all of us, Republicans and Democrats, benefit from the advantages of incumbency. Every one of us starts every race with advantages that would cost the challenger hundreds of thousands to millions of dollars to duplicate. This fiscal year the Members of the U.S. Senate will collectively spend an estimated $437 million of taxpayer funds to carry out their official duties. We cannot know how much of that money is politically helpful to us but we do know how much benefit our opponents get, none, zero.

The Democrats point to the fundraising advantage that incumbent Senators enjoy but the large advantage is incumbency itself. Incumbents start their campaigns with a huge advantage.

How can we set spending limits which are the same for ourselves and for our challengers and say that is fair? In fact, the question we should be asking is how much more than the incumbent should the challenger be allowed to spend under this bill? Two times as much, three times as much? It is not surprising that the Democrats who advocate spending limits have failed to raise this question but it is a question they should be called on to answer.

Mr. President, if you compare the Senate office expense for incumbent Senators and the average campaign expenditure, it is very illustrative of the problem I am trying to discuss. Over the course of a 6-year term, incumbent Senators already receive a subsidy from the taxpayer that is nearly 3½ times larger, than the average Senate campaign expenditure in 1990. If you add the average clerk hire, office expense allowance, and franking privilege funds for a Senator over a 6-year term, that amount comes to $9.90 million.

If you want to know the average cost per year it is $1,515,000. If you look at the average expenditures by candidates in a Senate election in the 1990 races it was $12,611,000.

Now the bill proposes to limit spending by incuments and challengers to incumbents and the advocates, those who are sponsoring the Democrat leadership bill, say the limits will make elections more fair by keeping incumbents from outspending the challengers by as much as they do now.

But if you look at the real facts, Mr. President, the average expenditures from the 1990 election cycle suggests that incumbent spending will not be threatened by these limits, and so the argument made a little bit ago by the distinguished majority leader that these spending limits are somehow going to balance everything more fairly between incumbents and challengers is just off the mark because the average limit proposed in S. 3 is $3,674,000. The average 1990 incumbent spending experience was $3,544,000. Is it not interesting that the average limit just happens to be slightly above what the average incumbent is now spending on his reelection?

The fact of the matter, Mr. President, is that spending limits as proposed by the Democrats will guarantee a Democrat-controlled Senate in perpetuity. That is why the Republicans are so opposed to that part of this bill. It is not because we are in favor of runaway spending, it is not because we do not want to see more competition and parity in the election cycles.

And so, to make that perfectly clear, and to put people on record on that issue I am offering this amendment, Mr. President, the purpose of which is to insure competitiveness in Senate elections between incumbent Senators and challengers. It will establish a general elections spending limit for challengers at 150 percent of the limit for incumbent Senators. So it is acknowledging, as everybody seems to be doing today, the incumbents have a greater advantage in the election cycles than challengers.

At least this gives a chance to those proponents of the bill to say they mean what they are saying and they will vote to enlarge and increase the spending limits for challengers and thereby give them a better chance, at least a fairer chance of being able to compete for a seat in the U.S. Senate when they are facing an incumbent Senator.

The PRESIDING OFFICER (Mr. GORE). Who yields time?

Mr. COCHRAN. Mr. President, I yield such time as he may consume to the distinguished Senator from Kentucky.

Mr. MCCONNELL. Mr. President, I rise in support of the amendment of the Senator from Mississippi. Once again he is right on the mark.

Look at the few lucky challengers who have beaten a Senate incumbent in the last five election cycles. There have been 17 of them in the last 10 years.

Of those 17 successful challengers, only 2 outspent the incumbent. Most of them spent millions of dollars less than the incumbent.

But 11 of those 17 challengers spent more than what the spending limit would have been in their State, if S. 3 had already passed; 11 out of 17 successful challengers.

One of those challengers has since been defeated—by another challenger who spent more than the S. 3 limit for his State.

That means there are now 10 Members of this body who might not have made it here if S. 3 had been law when they were running.

Every challenger needs to spend a threshold amount to establish name identification, point out weaknesses in the incumbent's record, and promote his own ideas.

Challengers do not need to spend more than the incumbent, although it would be helpful, but they do need to spend that threshold amount.

If a challenger cannot raise that much—or is prohibited from spending that much by a bill like S. 3—he or she becomes noncompetitive, and the incumbent can sail right through election day.

What is that threshold amount? No one knows. In fact, no one can ever know because it differs from candidate to candidate.

Some challengers are sitting Governors. Others are unknown professors. Some have the advantage of party registration behind them; others do not. Some face popular incumbents; others are running against incumbents with publicized ethical problems.

No two challengers are alike. That is why it is absurd to pretend that spending limits will ever be designed in a way that truly benefits challengers—especially when a group of incumbents is designing them.

So the Senator from Mississippi, by allowing the challenger to have 150 percent of the spending limit of the incumbent, at least moves in the direction of trying to cure this inequity which would be perpetrated by the passing of S. 3.

There is not an expert I have been able to discover anywhere in America—and I have spent a number of years

looking for them—who believes that spending limits do anything but help incumbents. We have been sitting here for days listening to the argument on the other side that spending limits help challengers. Nobody thinks that outside of this body. None of the professors think that. None of the experts think that. Nobody thinks that other than those on the other side of the aisle that have been saying it. It is like saying an apple is an orange long enough makes an apple an orange. It is just not true.

So the amendment of the Senator from Mississippi deals with a real problem, which is that a challenger needs to have the opportunity at least—some may not be able to reach that far—but needs to have the opportunity to do more than the incumbent if you are going to have a system of spending limits.

So I commend the Senator from Mississippi for his amendment and enthusiastically support it.

The PRESIDING OFFICER. Who yields time?

Mr. COCHRAN. Mr. President, I yield such time as he may consume to the distinguished Senator from Colorado.

The PRESIDING OFFICER. The Senator from Colorado is recognized for up to 2 minutes and 20 seconds.

Mr. BROWN. Mr. President, I rise in support of the amendment by the Senator from Mississippi. It seems to me the distinguished Senator has brought a focal point to our debate before us. The simple question is, can you have a fair race if one runner starts off 50 yards ahead in a 100-yard dash? There is not anybody in sports anywhere that would think you can.

That is what this bill proposes. They are proposing a $9 million head start for the average incumbent. Then they say, "By the way, we are going to limit the amount you can spend for the campaign." No one would suggest an arm wrestling match where one of the contestants has his arms broken. Yet that is what this bill talks about. They talk about limiting the amount that can be spent on a campaign while the incumbent has an enormous advantage in funds that have already come about.

This amendment speaks clearly to the point. It is interesting that no one who has risen in this debate today or yesterday has suggested in reality that all the money spent by an incumbent is not an advantage. I am sure everyone in this Chamber would admit that some incumbents can make mistakes sometimes and having money does not overcome those mistakes. But no one suggested that having the $9 million, or whatever that State might have for it to sepend, is not an enormous advantage.

If you believe in fairness, if you believe in competition, if you believe in a level playing field, which is the term that has been used here today, I believe the Members of this body will support the amendment by the distinguished Senator from Mississippi. All he suggests is that you ought to have a modicum of fairness.

I might point out that the Senator's amendment does not totally offset the advantage of incumbency. It merely makes a race possible. It merely says the advantage of the incumbent is not going to start 50 yards ahead in a 100-yard race but maybe only 20 yards ahead in a 100-yard race. Surely, anybody who is a competitor is not afraid of that competition.

I hope the amendment of the Senator from Mississippi will pass. I think it will mean a far more competitive U.S. Senate if it does.

Mr. COCHRAN. Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Mississippi has 7 seconds remaining.

Mr. COCHRAN. Well, in that 7 seconds I will ask, where are the Democrats? They are not in the Chamber. They broke and ran when they saw this amendment being offered, Mr. President.

I presume the rest of the time could be spent in a quorum call while they try to decide what to do in response to the amendment.

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. BOREN. 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. BOREN. Mr. President, I yield to myself 3 minutes.

I want to just speak briefly about the amendment of the Senator from Mississippi, who is my good friend and colleague in many legislative endeavors. We worked together on the Agriculture Committee and at common purpose most of the time. So I regret to say on this occasion we cannot be in full agreement.

I certainly am in agreement with his thought that we should level the playing field between incumbents and challengers. That is one of the reasons I feel so strongly we need to put spending limits in place.

The current system of running for office is an incumbents' protection plan, there is no doubt about that, when you have unlimited ability to raise money, when there are no spending limits. Everyone here knows it is not a matter of hypothesis; it is not a matter of theory; we know the facts.

In the last election cycle, I have said again and again and again, incumbents were able to raise eight times as much money as challengers in the House and almost three times as much money as challengers in the Senate.

So, if we ever want to level the playing field, we should do it by putting spending limits in place. That is the best way to do it. We should also do it by making sure we do not have an unlimited advantage in terms of mass mailing and newsletters. That is the reason we have accepted the provision of this bill offered by my colleague from Oklahoma, Senator NICKLES, which I was proud to cosponsor, limiting mass mailings and other incumbent advantages during the election cycle.

But I have to say, with all due respect, putting in a provision that the spending limits be changed so challengers are given 50 percent more than incumbents, I think really is a little bit mischievous, perhaps. I think it is more aimed at trying to get people to vote against the bill. After all, we are incumbents.

I think there is an understanding here that people are voting to change a system—hopefully to change a system under which Members have been elected in the past. But I think really this is about trying to get Members to vote against spending limits by helping the bill along.

We used to have a description of that when I was a member of the State legislature. We used to call it loving a bill to death. With all due respect to my good friend from Mississippi, I believe he is attempting to love this bill to death to encourage Members to vote against spending limits by saying the challengers would get half again as much as incumbents to run for election.

If we have a fair spending limit, if we do not have runaway spending, that will level the playing field between incumbents and challengers; a spending limit high enough for challengers to get known and have an opportunity to present their case, but not so high they are disadvantaged in terms of being able to compete with incumbents in the raising of money.

PAC's, for example, are giving to incumbents, people who are here, at a rate of $16 for every $1 they give to challengers. We all understand why. They want access to people who are sitting here on the key committees that affect their interests. That is why the American people have become so disillusioned looking at the political process. That is the reason they are wondering if it is not money that decides elections rather than votes; if it is not special interests in Washington and other States, instead of people in the districts back home and in the home States.

That is why we must have a change. I think we will have a stronger chance, Mr. President, to pass our bill without the Cochran amendment. I think it is really designed to try to take votes away from final passage for a major piece of reform which will level the

playing field, which will give challengers a chance.

So I will say, instead of voting for the Cochran amendment, if you really want to level the playing field, if you really want to break down the incumbents' protection plan that is now in place, with the unlimited, runaway chase for money, then vote for S. 3 as it is, with the voluntary spending limits in place, Limiting this ability to raise money, to pour millions of dollars into a race, will do more than anything else to give challengers a chance.

I will move at the appropriate time to table the Cochran amendment. I urge my colleagues to vote for my tabling motion.

Mr. DURENBERGER. Mr. President, I rise in opposition to the amendment offered by my distinguished colleague, Senator COCHRAN. This is an amendment that can only be construed as a handicapper's amendment. While S. 3 establishes State by State spending limits, this amendment makes a determination that a challenger in a Senate race is so disadvantaged against an incumbent that the challenger should be able to spend 50 percent more than the incumbent.

How has it been determined that a 50-percent financial advantage is sufficient to overcome the perceived disadvantages faced by challengers? Why not allow the challenger to spend $2 for every $1 spent by the incumbent. Or why not set the cap at a percentage level that relates to the amount of money that was allocated to the incumbent during his 6-year term for communicating with his constituents by using the franking privilege?

Mr. President, merely because a person is an incumbent does not necessarily provide an advantage against a well-financed and articulate challenger. Over their 6-year terms, incumbents have to stand up and take positions on controversial issues that become litmus tests for certain groups. Unlike challengers who can promise the sky to every group they speak with, incumbents have a record that they must defend; and that is always a record where the tough and controversial votes are dredged up and used against the incumbent in 30-second spots.

How many times have my colleagues been confronted with the 30-second spot that begins with these distorting words: "He voted to cut ——." All of us can fill in the blanks that follow. And we all know that incumbents then have to spend additional money to counter such ads. As a challenger, it is easy to pick a couple of votes and distort a record. For an incumbent it takes far more money to set a record straight and offset the impact of the distorting 30-second spot.

Mr. President, I just do not think this is an appropriate way to approach campaign spending limits and I therefore will vote to table this amendment.

The PRESIDING OFFICER. All time has expired. Under the previous order, the Senator from Oklahoma is recognized for the purpose of making a motion.

Mr. BOREN. Mr. President, at this time, I move to table the amendment of the Senator from Colorado.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Arkansas [Mr. PRYOR] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. HELMS] is absent due to a death in the family.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 68, nays 30, as follows:

[Rollcall Vote No. 69 Leg.]

YEAS—68

Adams	Exon	Metzenbaum
Akaka	Ford	Mikulski
Baucus	Fowler	Mitchell
Bentsen	Glenn	Moynihan
Biden	Gore	Nunn
Bingaman	Graham	Packwood
Boren	Harkin	Pell
Bradley	Hatfield	Reid
Breaux	Heflin	Riegle
Bryan	Hollings	Robb
Bumpers	Inouye	Rockefeller
Burdick	Jeffords	Roth
Byrd	Johnston	Rudman
Chafee	Kassebaum	Sanford
Cohen	Kennedy	Sarbanes
Conrad	Kerrey	Sasser
Cranston	Kerry	Shelby
Danforth	Kohl	Simon
Daschle	Lautenberg	Specter
DeConcini	Leahy	Wellstone
Dixon	Levin	Wirth
Dodd	Lieberman	Wofford
Durenberger	Lugar	

NAYS—30

Bond	Gorton	Nickles
Brown	Gramm	Pressler
Burns	Grassley	Seymour
Coats	Hatch	Simpson
Cochran	Kasten	Smith
Craig	Lott	Stevens
D'Amato	Mack	Symms
Dole	McCain	Thurmond
Domenici	McConnell	Wallop
Garn	Murkowski	Warner

NOT VOTING—2

Helms	Pryor

So the motion to lay on the table amendment No. 255 was agreed to.

The PRESIDING OFFICER. Under the previous order the Senator from Oklahoma is recognized.

Mr. BOREN. Mr. President, I ask unanimous consent that I be recognized at this time to make tabling motions on both the underlying McConnell amendment and on the amendment of the Senator from Mississippi [Mr. COCHRAN]; and that the yeas and nays be ordered on both of those tabling motions; and, that they occur back to back and be limited in time to 10 minutes each.

The PRESIDING OFFICER. Is there objection? Without objection, the Senator can move to table both amendments in the same motion. The votes will be back to back, and each limited to 10 minutes in duration.

Mr. BOREN. Mr. President, I now make the motion to table both the——

Mr. CHAFEE. Mr. President, you mean one tabling motion would apply to both provisions? They would be separate tabling motions.

The PRESIDING OFFICER. The Chair will advise the yeas and nays have been ordered by previous order on both votes. The Senator from Oklahoma is asking unanimous consent to make one motion to table both of the amendments with two votes to follow, each limited to 10 minutes in duration.

Is there objection?

Mr. BOREN. Mr. President, I make that motion.

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

AMENDMENT NO. 254

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Oklahoma to lay on the table the amendment of the Senator from Kentucky.

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. FORD. I announce that the Senator from Arkansas [Mr. PRYOR] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. HELMS] is absent due to a death in the family.

The PRESIDING OFFICER (Mr. ADAMS). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 54, nays 44, as follows:

[Rollcall Vote No. 70 Leg.]

YEAS—54

Adams	Exon	Metzenbaum
Akaka	Ford	Mikulski
Baucus	Fowler	Mitchell
Bentsen	Glenn	Moynihan
Biden	Gore	Nunn
Bingaman	Graham	Pell
Boren	Harkin	Reid
Bradley	Heflin	Riegle
Bryan	Inouye	Robb
Bumpers	Johnston	Rockefeller
Burdick	Kennedy	Sanford
Byrd	Kerrey	Sarbanes
Conrad	Kerry	Sasser
Cranston	Kohl	Shelby
Daschle	Lautenberg	Simon
DeConcini	Leahy	Wellstone
Dixon	Levin	Wirth
Dodd	Lieberman	Wofford

NAYS—44

Bond	D'Amato	Hatch
Breaux	Danforth	Hatfield
Brown	Dole	Hollings
Burns	Domenici	Jeffords
Chafee	Durenberger	Kassebaum
Coats	Garn	Kasten
Cochran	Gorton	Lott
Cohen	Gramm	Lugar
Craig	Grassley	Mack

McCain	Roth	Stevens
McConnell	Rudman	Symms
Murkowski	Seymour	Thurmond
Nickles	Simpson	Wallop
Packwood	Smith	Warner
Pressler	Specter	

NOT VOTING—2

Helms	Pryor

So, the motion to lay on the table the amendment (No. 254) was agreed to.

Mr. BOREN. 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.

AMENDMENT NO. 256

The PRESIDING OFFICER. The question now occurs on agreeing to the motion of the Senator from Oklahoma to lay on the table amendment No. 256 offered by the Senator from Mississippi [Mr. COCHRAN].

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 Arkansas [Mr. PRYOR] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. HELMS] is absent due to a death in the family.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 60, nays 38, as follows:

[Rollcall Vote No. 71 Leg.]

YEAS—60

Adams	Durenberger	Lieberman
Akaka	Exon	Lugar
Baucus	Ford	Metzenbaum
Bentsen	Fowler	Mikulski
Biden	Glenn	Mitchell
Bingaman	Gore	Moynihan
Boren	Graham	Nickles
Bradley	Harkin	Nunn
Breaux	Hatfield	Pell
Bryan	Heflin	Reid
Bumpers	Hollings	Riegle
Burdick	Inouye	Robb
Byrd	Johnston	Rockefeller
Conrad	Kennedy	Sanford
Cranston	Kerrey	Sarbanes
Danforth	Kerry	Sasser
Daschle	Kohl	Shelby
DeConcini	Lautenberg	Simon
Dixon	Leahy	Wellstone
Dodd	Levin	Wofford

NAYS—38

Bond	Gramm	Roth
Brown	Grassley	Rudman
Burns	Hatch	Seymour
Chafee	Jeffords	Simpson
Coats	Kassebaum	Smith
Cochran	Kasten	Specter
Cohen	Lott	Stevens
Craig	Mack	Symms
D'Amato	McCain	Thurmond
Dole	McConnell	Wallop
Domenici	Murkowski	Warner
Garn	Packwood	Wirth
Gorton	Pressler	

NOT VOTING—2

Helms	Pryor

So the motion to lay on the table the amendment (No. 256) was agreed to.

Mr. FORD. Mr. President, I move to reconsider the vote by which the motion was agreed to.

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

The motion to lay on the table was agreed to.

ORDER OF PROCEDURE

Mr. FORD. Mr. President, I am getting ready to propose a unanimous-consent agreement, and it will be unanimous consent that we go into morning business for the purpose of the distinguished Senator from Oregon introducing a piece of legislation, and have 4 minutes; the distinguished Senator from New Mexico will introduce a piece of legislation and he would like to have 2 minutes; and at the end of those two statements, we will go back into regular business and the distinguished Senator from Arizona [Mr. MCCAIN] then will be recognized for the introduction of an amendment with a time agreement of 20 minutes equally divided, and no second-degree amendments as it relates to the amendment of the Senator from Arizona.

I now propose the unanimous-consent agreement, Mr. President.

The PRESIDING OFFICER. Is there objection? Hearing no objection, it is so ordered.

Let the Chair confirm with the Senator from Kentucky, was that 4 minutes to the Senator from Oregon?

Mr. FORD. And 2 minutes to the Senator from New Mexico, and then we go out of morning business, back to regular business, and the Senator from Arizona will have the opportunity to introduce an amendment with 20 minutes equally divided and no amendments in the second degree.

The PRESIDING OFFICER. The Senator from Oregon is recognized for 4 minutes as though in morning business.

Mr. PACKWOOD. I thank the Chair and I thank my good friend from Kentucky for allowing me to introduce this bill.

(The remarks of Mr. PACKWOOD pertaining to the introduction of S. 1125 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. PACKWOOD. I thank the Chair and yield back my time.

The PRESIDING OFFICER. The time has been yielded back. The Senator from New Mexico is recognized.

Mr. BINGAMAN. I thank the Chair.

(The remarks of Mr. BINGAMAN pertaining to the introduction of S. 1126 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER. The time of the Senator has expired. Under the unanimous-consent agreement, the Senator from Arizona [Mr. MCCAIN] is recognized for 10 minutes.

AMENDMENT NO. 257 TO AMENDMENT NO. 242

(Purpose: To require that surplus campaign funds be paid into the Treasury of the United States to aid in reducing the deficit and to ensure a "level playing field" for all senatorial candidates).

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] proposes an amendment numbered 257 to amendment No. 242.

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:

Insert at the end of section 218 of the Boren amendment the following new section:

SEC. 219. USE OF CAMPAIGN FUNDS.

(a) IN GENERAL.—Section 313 of the Federal Election Campaign Act of 1971 (2 U.S.C. 439a) is amended to read as follows: "Use of Campaign Funds".

"(a) The surplus campaign funds of the candidate and the candidate's authorized committees shall be paid into the Treasury of the United States and applied to the account to reduce the public debt described in section 3113(d) of title 31, United States Code.

"(b)(1) It shall be unlawful for a candidate or an authorized committee of a candidate or for any person acting as an agent of either to use contributions or payments received under Title V or to dispose of surplus campaign funds in any manner except as specified by subsection (a).

"(2) It shall be unlawful for any person to knowingly accept or receive contributions, payments received under title V, or surplus campaign funds in any manner other than those specified in subsection (a).

"(c) The disposition of surplus campaign funds shall be reported on the post election semiannual report that is filed purusant to section 304 on or before July 31 of the year following the election for which the funds were raised.

"(d)(1) For purposes of this section, the term 'surplus campaign funds' means the balance remaining after a general election between—

"(A) all contributions made to the candidate and the candidate's authorized committees; and

"(B) the expenditures made by such candidate or authorized committees for the purpose of influencing the election of the candidate.

"(2) The calculation of the amount of surplus campaign funds under paragraph (1) shall be made after any unexpended funds required to be repaid to the Secretary of the Treasury pursuant to section 507 (e) and (f) have been repaid."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to surplus campaign funds existing after December 31, 1993.

(c) On page 65, on line 10, strike all after the word "member" through line 12, and insert in lieu thereof: "of the candidate's family."

(d) No part of this amendment shall be construed to effect the "Legal and Accounting Compliance Fund" of this Act.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. McCAIN. Mr. President, I yield myself such time as I may consume.

Mr. President, the amendment is basically a very simple one. It mandates at the end of a campaign, that all unexpended funds should go to the Treasury in order to reduce the deficit. It is very specific and very simple, and it will prohibit any rollover, as it is known, of campaign funds from one election to another.

In the interest of time, I will not go through the extended debate we had last year on, this same amendment. The final vote was 49 to 49. If we are really talking about giving a challenger a level playing field, which is supposedly what the object of this campaign finance reform bill is, we cannot allow a situation to exist where incumbents are able to roll over—in other words, carry from one election cycle to another—literally millions, and I emphasize millions, of dollars.

Fact: In 1988 House Members rolled over $63.4 million. Let me repeat: The rollover to the next election, the amount carried forward, was $63.4 million; 214 winning incumbents in the House rolled over more than $100,000 each. On December 31, 1988, House incumbents had $63.4 million on hand. Challengers had $800,000.

There is no way a challenger in a legislative district, or even in a small State, is going to take on an incumbent who has millions of dollars already amassed in his or her campaign war chest, carried over from the previous election. I note with some interest and amusement there is already a provision in this bill to give the incumbents $350,000 from what I call a slush fund. I have forgotten what the legalese is which is used in the bill.

But I also note with some interest that same $350,000 is not available to the challenger, only to the incumbent. So already we are giving the incumbent a nice little cushion.

If we are going to give a level playing field to the challenger, let us at least have both start off at the same point at the beginning of each election cycle. It is well known that challengers are frightened by the large war chests of incumbents. Maybe those incumbents have a much greater facility to raise money. We have certainly seen that time after time. But at least, let us make everyone start at the same point.

We had a very interesting and extended debate with my friend from Kentucky last year when we brought this up, and perhaps we will again next year, depending on the degree of fatigue that sets in on the issue, which is directly related to where we are in the progress of the bill.

But I urge my colleagues, in the interest of fairness to those we are trying to help gain a level playing field in seeking public office to agree to this amendment.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time? The Senator from Kentucky.

Mr. FORD. The Senator from Arizona attempts to make a good point. But the legislation that is now before us only allows accounting and legal expenses out of any remaining funds. That is simple. And if you have some money left, you can only spend so much the next time. I do not care how much money you have in the fund.

So as I interpret what we are trying to do here, it is to change something that has been, and not what we intend for it to be. I think the Senator from Arizona should look at a spending limit, and that spending limit will be included, whatever we have in the campaign fund.

I think his intentions are good. But as the bill is written, his amendment would be very damaging. And as we see, there is a great deal, as he understands well, of legal expense or accounting expense. That is all that is allowed under this particular legislation.

At the end of the time, in all probability, we will move to table this amendment. And I will wait for the floor manager to come back, to see if he has any additional thoughts. Senator BOREN should be here shortly.

Mr. President, how much time does the Senator from Arizona have left, and how much time do I have left?

The PRESIDING OFFICER. The Senator from Arizona has 6 minutes and 31 seconds. The Senator from Kentucky has 8 minutes and 11 seconds.

Mr. FORD. Mr. President, without objection, then, unless my colleague has some statement he wants to make, I was going to put us into a quorum call without it being charged to either side. Would my colleague like to take any time?

I yield the floor, Mr. President.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. McCAIN. Mr. President, I have just a brief response to the statement of my friend from Kentucky. Yes, indeed, there are spending limits. But there is not a spending floor. We have seen in this election cycle, for example, several of our colleagues who have run unopposed. They would still be receiving those moneys. They would still be able to raise funds within certain spending limits.

I think if they did not spend those, and I cannot imagine why they would, but if they did not spend them, those moneys they raised should have to be turned back to the Treasury.

I have no further comments. I reserve the remainder my time, however.

Mr. FORD. Will the Senator yield for a question?

Mr. McCAIN. I will be glad to.

Mr. FORD. Is the Senator preventing an incumbent or a candidate from returning the money to those who might have given it to him, made the contribution to his campaign?

Mr. McCAIN. I am not preventing him from doing that, I might say to my friend from Kentucky, nor would I ever prevent him from doing that. But I know my friend from Kentucky knows, particularly in the other body, there are incumbents who have amassed literally millions—not thousands, but millions of dollars—on both sides, from both parties, which is incredibly demotivating. Obviously, that is the object of this legislation.

Mr. FORD. So if I would be fortunate enough not to have opposition, and, say, of the contributions I have spent 20 percent, the amendment of the Senator would not prevent me from giving that 80 percent back—if someone gave me $100,000, and I would return $80,000? The Senator is saying the $80,000 would go to the Treasury.

I think I might be limited in being able to return that to an individual who made a contribution to me. But the Senator tells me it does not prevent that?

Mr. McCAIN. It does not.

Mr. FORD. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that it not be charged to either side.

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

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WIRTH. 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. WIRTH. Mr. President, I ask unanimous consent to address the Senate for 7 minutes as if in morning business.

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

NEW ENVIRONMENTAL COMMITMENTS BY THE ADMINISTRATION

Mr. WIRTH. Mr. President, 2 weeks ago, I addressed the Senate to express my concerns about the administration's action plan for negotiating a North American Free-Trade Agreement.

As I said then, throughout my career I have been an advocate for more open trade with our neighbors in Canada and Mexico. The economic order of the world has changed and will continue to change as new partnerships emerge in the Pacific and Europe. In the face of these changes, the United States must encourage and contribute to the vital markets and opportunities that lie to the north and the south.

Similarly, our understanding of the environment and the challenges we face in protecting it are changing as well. We now know that the environment does not respect the boundaries that define States, nations, even continents. A new definition of national, regional, and global security is being written as the community of nations addresses the grave threats that beset the planet. Ozone depletion, acid rain, global warming, and the related issue of population growth alter the traditional notion of nations as safe havens. Pollution in the sky, the oceans and throughout our water systems are unmindful of traditional defense strategies. The burning of fossil fuels in the Soviet Union creates local air pollution problems—but acid rain falls on Poland and global warming affects us all. These are new realities that must be central to any construction of a new world order.

Therefore, along with a number of my colleagues, I wrote Ambassador Carla Hills to suggest a strong action plan for addressing environmental concerns as part of a free-trade agreement with Mexico.

When the administration's action plan was released, the EPA Administrator, Bill Reilly, urged me to consider favorably the environmental provisions. After careful review, I wrote Mr. Reilly to express my continued reservations about the administration's environmental action plan and to seek further clarification about how that plan would be interpreted and implemented.

As always, Mr. Reilly did a very good job in responding to my letter. His reply was both prompt and substantive.

My first concern related to the administration's plans for an environmental review. I believe that the administration's environmental assessment should be conducted in the spirit of the National Environmental Policy Act [NEPA]. Mr. Reilly has assured me that an environmental review will consider the environmental effects of the agreement and less environmentally harmful ways of dealing with them. I have also been assured that the public will be able to participate in the process of developing a review.

Second, considering the need for an ongoing environmental review, it seems to me that the administration needs to go further than including a nongovernmental representative on the Advisory Committee on Trade Policy and Negotiations and several other advisory committees. We must integrate environmental, energy, and economic policymaking. Therefore, I believe it makes sense for the negotiators to establish a cross-sectoral working group on the environment—as is done for other issues that transcend a variety of issue areas. Unfortunately, the administration is unwilling to make this commitment. However, I am confident that Mr. Reilly will do his best to ensure that environmental issues are discussed and represented in the substantive working groups.

Third, the administration's original plan for enhancing enforcement capabilities was lacking in specific commitments. Mr. Reilly writes that "a central factor in the enforcement of environmental standards will be the availability of resources. I believe that we may be able to work with the Mexicans to identify and develop new sources of funding for critically needed investments in environmental protection in Mexico." This commitment by the administration may be its most significant to date.

The most stringent environmental goals in the world are meaningless unless they are backed up by enforcement capabilities. For the first time, the administration has announced its intention to work with the Mexicans to develop new funding sources for enforcement efforts. I expect the administration to be vigilant in fulfilling this commitment.

Finally, and perhaps most importantly, the original plan failed to sufficiently address concerns related to the harmonization of environmental standards. The initial plan made no firm commitment for the maintenance of State and local health, safety and environmental laws and regulations. In his letter, Mr. Reilly makes this commitment explicit.

Unfortunately, Mr. Reilly has not reassured me fully on the issue of making sound science the basis for maintaining environmental, health and safety regulations. Mr. Reilly writes that:

> The reference in this instance was meant simply to indicate our desire not to let environmental standards become hidden trade barriers.

I remain uncertain about what institution or mechanism exists for resolving these questions. Who will decide whether or not a regulation is based on sound science. This is an issue I intend to pursue further.

In summary, I believe the administration and Mr. Reilly have been very responsive to the concerns I and my colleagues expressed as well as those presented by a number of environmental organizations.

I recognize that the environmental community is split on the issue of fast-track authority. Some organizations are not convinced that the administration will vigorously integrate environmental concerns into the trade agreement. Others in the environmental community, while wary, are convinced that a properly structured free-trade agreement will contribute toward, in the long run, greater environmental protection in North America.

Ultimately, Mr. President, after working with the administration, seeking clarification and examining closely the environmental aspects of an agreement, as well as the economic prospects of more robust trade, I intend to support the extension of fast-track authority. I believe the administration has come a long way toward addressing the environmental concerns I expressed with many of my colleagues and a number of nongovernmental organizations.

The administration's willingness to include environmental considerations in its action plan is a positive step toward a free-trade agreement with Mexico. However, much more work remains to be done. The proof of this administration's commitment to these issues will be clear in the weeks and months ahead, as negotiations proceed. And support for fast-track authority is in no way support for a final agreement.

This administration has a history of strong environmental rhetoric and weak environmental action to overcome. Therefore, we are going to have to be inordinantly vigilant in following the negotiations and consulting with the administration on these issues. If the final agreement does not address environmental issues in a comprehensive fashion, I would find it difficult to support. The administration has fallen short on environmental pledges too many times—on global warming, on wetlands, on population, and on a variety of other issues.

Free trade can be clean trade. To oppose fast-track authority is to condemn any agreement with the Mexicans. Increasingly, we are learning that poverty and the failure of less developed nations to achieve their economic goals is one of the greatest threats of all to the environment. Increased trade does have significant environmental implications, and I will be following closely the development of the free-trade agreement and its effects on the environment. In the final analysis, however, no trade agreement would be the worst environmental alternative at this time. Therefore, it is time for environmentalists to get behind fast track and commit themselves to ensuring that the negotiation of a free-trade agreement proceeds. At the same time, let us all make the commitment to ensure that the final agreement contributes to, rather than impinges upon, the quality of the United States, Mexican, North American, or global environment. That is a pledge that I make in throwing my support behind fast-track authority.

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

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

SENATE ELECTION ETHICS ACT

The Senate continued with the consideration of the bill.

Mr. FORD. Mr. President, I ask unanimous consent that the quorum call not be charged to either side on the pending amendment.

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

Mr. FORD. 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. BOREN. 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. BOREN. Mr. President, are we operating under a time limitation?

The PRESIDING OFFICER. We are. The Senator from Oklahoma controls 7 minutes 55 seconds and the Senator from Arizona controls 4 minutes 40 seconds.

Mr. BOREN. I yield 3 minutes to myself.

Mr. President, I will not prolong the debate. I know my colleagues have had a very useful discussion of this amendment. I have the greatest respect for the Senator from Arizona. He and I have worked together for a long, long time on campaign reform proposals and he has shared with me many, many useful suggestions in the past.

I certainly agree generally with the aim of the amendment of the Senator from Arizona. He is attempting to prevent the building up of very large campaign war chests and having these war chests rolled over from one campaign to the next. I do not quarrel with that aim at all.

But I must in honesty differ with the exact way in which this amendment is drawn. I simply cannot support it in its current form because I think it goes too far.

By absolutely requiring the turnback of all campaign funds that are remaining in a candidate's treasury at the end of an election cycle, except for those funds which are used strictly for compliance for the paying of accountants, for example, or attorneys or others to fill out the necessary campaign disclosure forms, I am afraid that what we would do is actually encourage people to start fundraising at a very early date rather than discouraging the fundraising.

I am afraid that we almost make it impossible for candidates not to engage in around the calendar fundraising, because there are incidental expenses that come up. For example, let us suppose that I was not able to carry over anything except to pay for lawyers and accountants.

There are incidental expenses that come up. Thank you letters have to be written from time to time that require postage that simply cannot be mailed under the frank. There are travel expenses for those of us who live in far-flung places, who have to travel by air back and forth between our home States, and the Nation's Capital, which cannot always be paid out of official accounts. For example, travel expenses for our spouses, who are very often asked to accompany us to official events. In the case of my wife and myself, she certainly is my partner in public service, and very often she is asked to go back and forth between Washington and Oklahoma with me to appear at events together. Obviously, her travel cannot be paid out of official expense.

Many of us are not people of independent wealth in the Senate. I think we want to be able to have the possibility of having these kinds of expenses where they are related to our appearances, and the fact that we are Members of the Senate, to enable our family members to be able to work with us.

There are many other things here that are very important in terms of being able to maintain that kind of partnership and that kind of family identity with what it is we are doing. There are many incidental expenses that can occur, and most of them are relatively small. But excluding them totally, we cause a candidate or a Member of Congress to resort to fundraising as soon as the books are closed on one election cycle and to immediately start again so that we can have the minimum funds required for what I regard as legitimate expenditures.

I do not quarrel with the aim of the Senator from Arizona. I undertand his aim. I think it is a very good aim. Let me say that I think we really take care of it, however, by setting spending limits. By having spending limits, we make sure that huge warchests, if they are carried out, cannot be spent in the next election, if they exceed the spending limits in this bill. Challengers would have a better opportunity, too. So we level the playing field.

Mr. President, in short, while I have great respect for the Senator from Arizona—and I certainly understand and applaud the goal he has with this amendment—I believe that we are resorting here to overkill, and we could have unintended consequences and, in fact, encourage more around-the-calendar fundraising, rather than less, as a result of this amendment.

So I will, at the appropriate time, move to table the amendment, and will feel obliged to oppose it for that reason.

I want to commend my colleague from Arizona for his steadfast interest in this subject and for, as always, causing us to think, as we should, about important issues related to this subject. So it is with reluctance that I find myself in a position of opposing his amendment.

AMENDMENT NO. 257, AS MODIFIED

Mr. McCAIN. Mr. President, my friend from Kentucky pointed out a portion of my amendment that was not intended, and I ask unanimous consent to modify my amendment at this time.

The PRESIDING OFFICER. Without objection, the Senator should send his modification to the desk.

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

The PRESIDING OFFICER. The amendment of the Senator from Arizona will be so modified.

The amendment (No. 257), as modified, is as follows:

Insert at the end of section 218 of the Boren amendment the following new section:

SEC. 219. USE OF CAMPAIGN FUNDS.

(a) IN GENERAL.—Section 313 of the Federal Election Campaign Act of 1971 (2 U.S.C. 439a) is amended to read as follows: "Use of Campaign Funds"

"(a) The surplus campaign funds of the candidate and the candidate's authorized committees shall be paid into the Treasury of the United States and applied to the account to reduce the public debt described in section 3113(d) of title 31, United States Code.

"(b)(1) It shall be unlawful for a candidate or an authorized committee of a candidate or for any person acting as an agent of either to use contributions or payments received under Title V or to dispose of surplus campaign funds in any manner except as specified by subsection (a).

"(2) It shall be unlawful for any person to knowingly accept or receive contributions, payments received under title V, or surplus campaign funds in any manner other than those specified in subsection (a).

"(c) The disposition of surplus campaign funds shall be reported on the post election semiannual report that is filed pursuant to section 304 on or before July 31 of the year following the election for which the funds were raised.

"(d)(1) for purposes of this section, the term 'surplus campaign funds' means the balance remaining after a general election between—

"(A) all contributions made to the candidate and the candidate's authorized committees; and

"(B) the expenditures made by such candidate or authorized committees for the purpose of influencing the election of the candidate.

"(2) The calculation of the amount of surplus campaign funds under paragraph (1) shall be made after any unexpended funds required to be repaid to the Secretary of the Treasury pursuant to section 507(e) and (f) have been repaid."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to surplus campaign funds existing after December 31, 1993.

(c) No part of this amendment shall be construed to effect the "Legal and Accounting Compliance Fund" of this Act.

Mr. FORD. Will the distinguished Senator from Arizona explain what he has modified?

The PRESIDING OFFICER. The Senator from Arizona is recognized.

Mr. McCAIN. Mr. President, I say to my friend that I am eliminating the three lines of the amendment that made reference to returning contribu-

tions to the candidate's family. I thank my friend from Kentucky for bringing it to my attention, because it was not the intent of the amendment to prohibit a return of those contributions to either family members of nonfamily contributors.

Mr. President, I understand that my friend from Oklahoma will be making a motion to table. I will not delay the progress of this legislation further, except to point out the obvious, that if we are going to provide the incumbents with certain moneys for legal fees, filing fees, lawyers, and accountants, I think that the challengers should receive the same thing. If they are going to run for office, they should also have some money to take care of those same expenses they would encounter the moment they decide that they would like to seek public office.

I also want to remind my friend of what he knows well, that these funds would not have to be returned right away. They would have to be returned by the next filing date, which would be July, which would give the victorious candidate plenty of time to pay for filing fees, or whatever else is necessary.

I just cannot accept that a challenger is not going to have the same expenses that an incumbent is in filing, hiring accountants, or legal assistance.

Finally, the argument that spending limits will apply the next time, it would be nice to start out with $1 million up against a ceiling of $2 million, and then I would only have to raise $1 million instead of the $2 million I would have to start out with if I were prohibited from rolling over any additional campaign funds.

With that, Mr. President, with the agreement of the Senator from Oklahoma, I would be glad, if he is ready to offer a motion to table, and if there is no further debate, to ask for the yeas and nays.

The PRESIDING OFFICER. Does the Senator yield back his time?

Mr. McCAIN. If the Senator from Oklahoma is finished.

Mr. BOREN. Mr. President, I move to table the McCain amendment, and ask for the yeas and nays.

The PRESIDING OFFICER. Does the Senator from Arizona yield back his time?

Mr. McCAIN. Yes.

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 on agreeing to the motion to table the McCain amendment.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Arkansas [Mr. PRYOR] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. HELMS] is absent due to a death in the family.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 57, nays 41, as follows:

[Rollcall Vote No. 72 Leg.]

YEAS—57

Adams	Dodd	Lugar
Akaka	Ford	Metzenbaum
Baucus	Garn	Mikulski
Bentsen	Glenn	Mitchell
Bingaman	Gore	Moynihan
Boren	Graham	Nunn
Bradley	Gramm	Reid
Breaux	Harkin	Riegle
Bryan	Heflin	Robb
Bumpers	Hollings	Rockefeller
Burdick	Inouye	Roth
Byrd	Jeffords	Sanford
Coats	Johnston	Sarbanes
Conrad	Kennedy	Sasser
Cranston	Kerrey	Shelby
Danforth	Kerry	Simon
Daschle	Leahy	Stevens
DeConcini	Levin	Wirth
Dixon	Lieberman	Wofford

NAYS—41

Biden	Gorton	Packwood
Bond	Grassley	Pell
Brown	Hatch	Pressler
Burns	Hatfield	Rudman
Chafee	Kassebaum	Seymour
Cochran	Kasten	Simpson
Cohen	Kohl	Smith
Craig	Lautenberg	Specter
D'Amato	Lott	Symms
Dole	Mack	Thurmond
Domenici	McCain	Wallop
Durenberger	McConnell	Warner
Exon	Murkowski	Wellstone
Fowler	Nickles	

NOT VOTING—2

Helms	Pryor

So the motion to lay on the table the amendment (No. 257), as modified, was agreed to.

Mr. BOREN. Mr. President, I move to reconsider the vote by which the motion was agreed to.

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

The motion to lay on the table was agreed to.

Mr. BOREN. Mr. President, I simply went to inquire of my colleague from Kentucky, so the Senators may know the schedule, it is my understanding he will now offer an amendment that will take approximately in the neighborhood of an hour to complete, and then it will be our intention to have the amendment of the Senator from Massachusetts, Senator KERRY, with several other cosponsors, considered in sequence after that.

I ask my colleague if that is an agreeable way to proceed?

Mr. McCONNELL. I say to my friend from Oklahoma, there is a pretty good chance it will take less than an hour, so, if we can just proceed here, there is a pretty good chance we can make some progress.

Mr. BOREN. I yield the floor.

AMENDMENT NO. 258 TO AMENDMENT NO. 242

(Purpose: To repeal the public financing of and spending limits on Presidential election campaigns and the preferential mailing rate for political parties)

Mr. McCONNELL. 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 Kentucky [Mr. McCONNELL] proposes an amendment numbered 258 to amendment No. 242.

Mr. McCONNELL. 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 101, between lines 4 and 5, insert the following:

SEC. 405. PRESIDENTIAL ELECTIONS.

(a) REPEAL OF PUBLIC FINANCING AND SPENDING LIMITS.—Section 6096 and chapters 95 and 96 of the Internal Revenue Code of 1986 and repealed.

(b) REPEAL OF PRESIDENTIAL LIMITS.—Section 315(b) and (g) of FECA (2 U.S.C. 441a (b) and (g)) are repealed.

(c) CONFORMING AMENDMENTS.—(1) Each of the following provisions of FECA is amended by striking "or chapter 95 or chapter 96 of the Internal Revenue Code of 1954": section 301(8)(B)(ix)(II) (2 U.S.C. 431(8)(B)(ix)(II)), section 301(9)(B)(vii)(II) (2 U.S.C. 431(9)(B)(vii)(II)), section 302(i) (2 U.S.C. 432(i)), section 309(a)(2) (2 U.S.C. 437g(a)(2)), section 309(a)(4)(B)(ii) (2 U.S.C. 437g(a)(4)(B)(ii)), and section 309(a)(6)(B) (2 U.S.C. 437g(a)(6)(B)).

(2) Section 301(9)(B)(vi) of FECA (2 U.S.C. 431(9)(B)(vi)) is amended by striking ", except that this clause" and all that follows through "section 304(b)".

(3) Section 304(b)(2) of FECA (2 U.S.C. 434(b)(2)) is amended by—

(A) adding "and" at the end of subparagraph (H);

(B) striking "and" at the end of subparagaph (J); and

(C) striking subparagaph (K).

(4) Section 304(b)(4)(I) of FECA (2 U.S.C. 434(b)(4)(I)) is amended by striking "disbursements not subject to the limitation of section 315(b)" and inserting "any disbursements".

(5) Each of the following provisions of FECA is amended by striking "and chapter 95 and chapter 96 of the Internal Revenue Code of 1954": section 306(b)(1) (2 U.S.C. 437c(b)(1)), section 307(a)(5) (2 U.S.C. 437d(a)(6)), and section 307(a)(8) (2 U.S.C. 437d(a)(8)).

(6) Section 306(c) of FECA (2 U.S.C. 437c(c)) is amended by striking "or with chapter 95 or chapter 96 of the Internal Revenue Code of 1954".

(7) Section 308(a)(1) of FECA (2 U.S.C. 437f(a)(1)) is amended by striking ", chapter 95 or chapter 96 of the Internal Revenue Code of 1954,".

(8) Section 308(b) of FECA (2 U.S.C. 437f(b)) is amended by striking "or in chapter 95 or chapter 96 of the Internal Revenue Code of 1954".

(9) Each of the following provisions of FECA is amended by striking "or by chapter 95 or chapter 96 of the Internal Revenue Code of 1954": section 308(c)(2) (2 U.S.C. 437f(c)(2)) and section 311(e) (2 U.S.C. 438(e)).

(10) Each of the following provisions of FECA is amended by striking "or of chapter 95 or chapter 96 of the Internal Revenue Code of 1954": section 309(a)(1) (2 U.S.C. 437g(a)(1)), section 309(a)(4)(A)(i) (2 U.S.C. 437g(a)(4)(A)(i)), section 309(a)(5)(A) (2 U.S.C. 437g(a)(5)(A)), section 309(a)(5)(B) (2 U.S.C. 437g(a)(5)(B)), section 309(a)(6)(A) (2 U.S.C. 437g(a)(6)(A)), section 309(a)(6)(C) (2 U.S.C. 437g(a)(6)(C)), section 309(d)(2) (2 U.S.C. 437g(d)(2)), and section 309(d)(3) (2 U.S.C. 437g(d)(3)).

(11) Section 309(a)(5)(C) of FECA (2 U.S.C. 437g(a)(5)(C)) is amended by striking "or a knowing and willful violation of chapter 95 or chapter 96 of the Internal Revenue Code of 1954,".

(12) Section 311(b) of FECA (2 U.S.C. 438(b)) is amended by striking the second sentence thereof.

(13) Section 314 of FECA (2 U.S.C. 439c) is amended by striking ", and under chapters 95 and 96 of the Internal Revenue Code of 1954,".

(14) Section 315(a)(5) of FECA (2 U.S.C. 441a(a)(5)) is amended—

(A) by striking "offices; (ii) the limitations" and inserting "offices; and (ii) the limitations"; and

(B) by striking "; and (iii) the candidate has not elected to receive any funds under chapter 95 or chapter 96 of the Internal Revenue Code of 1954".

(15) Section 315(c) of FECA (2 U.S.C. 441a(c)) is amended by striking "subsection (b) and".

SEC. 406. PREFERENTIAL MAILING RATE FOR POLITICAL PARTIES.

Section 3626(e) of title 39, United States Code, is repealed.

Mr. McCONNELL. Mr. President, some on the other side have repeatedly complained that this side's strong opposition to taxpayer financing of congressional campaigns is somehow inconsistent, simply because some Members of our party have accepted public financing to run for President and because party committees receive mail subsidies. Frankly, I think that argument is a stretch, but if the other side wants to be consistent, I would like to give everybody an opportunity on this next vote to be consistent.

Since a number of Members on the other side have expressed opposition to taxpayer financing, and in all likelihood there will be an amendment on that issue later in this debate, I am offering the amendment to weed out all other vestiges of taxpayer financing of campaigns in this country. The amendment which we will be considering shortly does the following things:

No. 1, this amendment strips away all taxpayer financing from the Presidential election system;

No. 2, since the removal of taxpayer financing would nullify the spending limits in the Presidential system, my amendment also removes those provisons; and,

No. 3, Mr. President, to address the concern raised by the majority leader and other Members on the other side, my amendment takes away the lucratived mail subsidy enjoyed by the political parties—including, by the way, the Communist Party, because right now this mail subsidy is available to any political party in the United States.

So I say to those Members on this side of the aisle and on the other side who oppose taxpayer financing and plan to vote for any amendments that might be offered on that subject later, that the consistent thing to do is to support this amendment, which will strip away all vestiges of taxpayer financing of campaigns in this country. This amendment will get rid of the Presidential system, which has been a disgrace now for 14 years.

The checkoff costs all Americans, not just the 20-percent minority who check "yes," because the checkoff diverts money from other programs in the Federal budget. So this slightly less than 20 percent of Americans who check the box, in effect, are making a decision for the other 80 percent by diverting funds away from programs those 80 percent, by not checking the checkoff, would have preferred to see funded.

Also, the checkoff does not really replace special interest money in Presidential campaigns. It merely augments it. Presidential politics is rife with special interest soft money. Half of the actual spending in the 1988 election was off the box.

Let me explain, Mr. President, how it works. Candidates running for President who accept the public funds get the public funds. In addition to that, there are mountains of soft money, both through political parties and nonparty soft money—for example, labor unions—spent in the Presidential race particularly. Because those private donations are no longer acceptable directly into the campaign, those seeking to express themselves and to participate in the Presidential system look for other ways to do it. When they look for the other ways to do it, they find there are not any rules, on the whole, so they can participate with large amounts and avoid disclosure.

So the Presidential system not only has squandered $500 million over the last 14 years, it has done absolutely nothing to curb the growth in spending. In fact, Presidential spending went up to 50 percent from 1984 to 1988.

Some suggested last night that is just because there were more candidates in 1988 than there were in 1984. That accounted for a small portion of the increase in spending, but most of it, Mr. President, was a result of nonparty soft money and, yes, party soft money which is exploding in the Presidential system because of the spending limits in public finance imposed directly on the campaigns.

Ironically, in Senate races where there are no spending limits, in each of the last two Senate elections spending actually declined. So here we have the situation in which in a race where there are spending limits and public finance, spending goes up 50 percent, and in races where there is not a single tax dollar used and no spending limits, spending actually declines.

In addition, the Presidential system is a regulatory disaster. One out of four dollars spent in the system goes to lawyers and accountants. Why? To figure out a way to get around the limits. If you are running for President, the first thing you do is call in your lawyer and try to figure out how to get around the limits, because they are nonsense and everybody who has run for President knows they are nonsense. As a matter of fact, there has only been one major candidate to run for President not cited for major violation, because it is virtually impossible to comply.

In addition, the Presidential system funds fringe candidates. When you make public money available to political candidates, you cannot constitutionally just make it available only to Republicans and Democrats, only to those parties that we approve of. Public funds have to be made available to anyone. So fringe candidates like Lenora Fulani have gotten $1 million; Lyndon LaRouche has gotten $1 million. He, by the way, is currently serving a 15-year sentence for fraud. It did not keep him from getting any public money. He has received almost $1 million.

Former Presidential candidate Walter Mondale called the system of Presidential spending limits and public finance, a joke. Mr. President, I could not say it any better than he did.

The taxpayers are not amused by this joke, however, because less than one in five is checking "yes" on April 15.

Common Cause may call taxpayer financing clean money, but taxpayers call it their money. And they do not want it paying for week-long junkets the political parties call nominating conventions.

If the American public had any idea that the two nominating conventions, which basically are parties—fun parties, no political parties, fun parties; there is not anything that happens at those conventions except the coronation. The primaries have already determined who the nominee is going to be. So what are the conventions? They are big 4- or 5-day parties, social events.

Who pays for them, Mr. President? The taxpayers of the United States pay for these big social parties every 4 years that go on 4 or 5 days, one for the Democrats and one for the Republicans. If the American people had any idea that their checkoff money was going to fund these social parties, I would venture almost no one would check off. It is declining already, but I venture virtually no one would check off.

The Presidential system has cost taxpayers one-half billion dollars since its inception 14 years ago. The system envisioned by S. 3, the bill before us, the Democratic taxpayer-financing bill, would cost taxpayers one-half billion

dollars in only 6 years if applied to House and Senate elections.

So, Mr. President, let me summarize what this current amendment at the desk is about. This will absolutely guarantee that there are no more public dollars used in political campaigns in this country. No. 1, it abolishes the Presidential system of public funding; No. 2, it eliminates the existing mail subsidy for political parties. So for anybody in this Chamber who finds taxpayer subsidies for political campaigns inadvisable, support for this amendment will clear the decks.

It will clear the decks and cleanse the system of taxpayers' subsidies by removing the two existing subsidies and, of course, Mr. President, we would not want to create any additional subsidies by the passage of S. 3.

So, Mr. President, that summarizes the amendment currently before us, and I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. McCONNELL. 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. BOREN. 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. BOREN. Mr. President, I rise in opposition to the amendment that has been offered by the Senator from Kentucky. I certainly do not disagree with him that there are some problems with the current system of the way we finance Presidential campaigns. But I think that the answer to those problems is not to throw out the entire system. The answer is to deal with the problems that have been created.

There were problems that showed up in the election of 1988. Tens of millions of dollars in illegal contributions as large as $100,000 were given to candidates and laundered, in essence, through the State political parties. This was done by both of our political parties. In this case, we can say that it is certainly nonpartisan or bipartisan in the sense that both of the parties resorted to it.

The answer to that problem is not to throw out the entire Presidential system which has worked very, very well over the last several years. The answer is to solve the problem by closing this soft money loophole. That is exactly what S. 3 does. It would make it impossible in the future to raise these large donations, like $100,000, from an individual to be laundered through State party organizations to be spent in an effort to influence the outcome of Federal elections.

So that is the answer to the problem. Instead of throwing the baby out with the bath water, instead of throwing out the whole system because we have a soft money loophole problem, solve the problem, close the loophole and that is exactly what happens.

I hope that Members and their staffs, and those Members who are not on the floor at the present time who are listening to this debate, will understand exactly what is being proposed. It is being proposed that we throw out a system that has worked very, very well, overall. In fact, Republican candidates have been just as anxious to take advantage of this system since it has been in place, since the reform of the Watergate era, as has been Democratic candidates.

Since 1976, $241 million has been received from this program by Republican candidates. In their last tax return, President and Mrs. Bush themselves checked off the voluntary checkoff which was a statement, in essence, of their approval of the way this system operates. We do not want to absolutely go back to the kind of system that we had prior to the Watergate era. We have learned a lot. We do not want to turn back the clock. We do not want to undo the reforms.

Mr. President, I want to quote from a statement made by Senator Paul Laxalt, the former Republican Senator from Nevada, who was chair of the Reagan Presidential campaigns in 1976, 1980, and 1984, a person who would hardly qualify as a radical liberal on matters of policy of this kind. But, he had the experience of running a Presidential campaign. He ran three national Presidential campaigns for President Reagan. This is what he said:

> There is far too much emphasis on money and far too much time spent collecting it. It's the most corrupting thing I see on the congressional scene. The problem is so bad that we ought to start thinking about Federal financing of House and Senate campaigns. It was an anathema to me, but my experience with the Reagan Presidential campaigns showed that it worked and it was a breath of fresh air.

Here we have the testimony of the campaign manager for President Reagan in three campaigns saying let us try to think about a way to bring the congressional system more in line with the Presidential system, and yet here we have an amendment being offered by the Senator from Kentucky that would do just the opposite. He would take the sorry system that we have for financing congressional campaigns right now, financed by millions and millions of dollars of special-interest money pouring into the coffers of candidates and return the Presidential system to the same kind of dependence upon special-interest money that is now affecting, in such a destructive way, the way we run congressional campaigns. It is hard for me to believe, Mr. President, that anyone could believe that what we are now doing with congressional campaigns is healthy.

We talked about the unfair advantage this it gives to incumbents: An 8-to-1 advantage in raising money in the House; the 16-to-1 advantage in terms of raising money from political action committees and special interests: $16 to incumbents for every $1 they give to challengers. Why? Because incumbents are here. They want access to those people with political power to affect policies that affect their pocketbooks.

No wonder the American people become cynical and disillusioned. No wonder they sit back and say is this the government of the people, or is this the government of the special interest, for the special interest, and by the special interest? As long as money has that kind of corrupting influence, we are going to have disillusionment of the American people. That is why 85 percent of the American people say they want spending limits on the amount that can be spent.

The Watergate scandal and the ensuing public outcry was the impetus for landmark legislation to dramatically change and clean up the way Presidential campaigns were financed. Twenty years ago Presidential campaigns were financed by the wealthiest, most influential and secretive individuals in our society. The centerpiece of reform legislation to deal with that problem was a system of campaign spending limits with incentives with public campaign resources.

The reform recognized that in a nation of 200 million people, the cost of reaching voters with a campaign message had outrun what a private fundraising system could accountably and honestly raise.

I point out equally important, the Federal income tax Presidential campaign fund $1 voluntary checkoff ensures that challengers to a sitting President who cannot call on a vast array of Government programs and offices to bolster their campaigns, a whole array of people to whom favors have been given because of the power of Government and the power of a sitting President to grant appointments and to do favors for individuals, would have an equal chance to bring their causes and their candidacies to the people. It is a real testament that even though this system is not widely advertised that 32 million Americans have made it clear that they believe in our system by checking "yes."

Let me say that over 30 million Americans who participate in this system contrast with about 4 or 5 million who participate as private contributors to the system and, most of those private contributors, the vast majority of them in terms of the dollars raised, are people who are giving $200 or more, $95 million to congressional campaigns last time coming from large contributors.

So, Mr. President, we must think long and hard before we throw out a

system that at least is preferable, as imperfect as it is, to the system that we now have. For example, the influence of special interest and political action committees. Even in 1988 when we had problems with the system, problems that needed to be reformed and are reformed, loopholes that needed to be closed and are closed in S. 3, in 1988 even with the problems of political action committees, special-interest contributions to Presidential candidates was only 2 percent of the total, while special-interest PAC contributions to congressional candidates have jumped from almost $12.5 million in 1974 to over $150 million in 1990.

Mr. President, we know what has happened. The people at the grassroots are being given less and less say in their own Government and in the election process. Over half the Members of Congress—and I wonder if the American people realize it, and if they did realize it, they would be shocked; if they did realize it, I am convinced we would have crowds standing out around the Capitol demanding action on our part, if they realized that over half the Members of Congress elected last time got less than half of their campaign contributions from the people from their own States and their own districts.

They received more than half of their campaign contributions from the special interests, lobbying groups located here in Washington, DC, representing special interests, millions and millions of dollars into the campaign funds instead of from the people back home at the grassroots.

Is that good for America? Is it good for America that we have to spend so much time raising money that we cannot tend to the people's business? Is it good for America that millions of dollars have to be raised from people that the candidates barely know, people who may later have brushes with the law or tainted reputations themselves? Is that good for this country?

Absolutely not. The American people know it. They have sense enough to realize what is happening to the political process. That is why they are becoming so alienated from it. The Members of this Senate, if they are honest with themselves, also know it.

I can tell you, Mr. President, that I attended a meeting once in which I heard political strategy being discussed and was told how we could play one interest group against another to raise campaign funds, as people were doing in both political parties.

For example, you ought to have a poll showing you are going to be reelected, and then you can go to the banking PAC and say, you better get onboard; we will be reelected and we will remember who gave early. And after that you could go to the insurance PAC, because they had a competing interest, and you could say, the bankers are onboard. They are people with competing interests. The insurance people ought to be onboard. And when you got them you could go to the securities PAC. You could say to them, the banking PAC is onboard; the insurance PAC is onboard; they have competing interests with you in the securities PAC. We have a winner here. He is in power now. He is going to stay in power. Your competing interests are getting onboard; you better get onboard.

And on and on like the spiral in the arms race, with no one back home at the grassroots being involved in the process, in a campaign to raise more and more money with the opportunity for special interests to have more and more influence, and particularly for incumbents—and this would be true of incumbent Presidents as well if we had the system in the Presidential process—to raise a lot more money than people struggling to come in from the outside, choking off real competition in American politics.

Mr. President, that is not good for America, and everyone knows it. What they are asking us is how long are you going to let it go on? How long are you going to allow our democracy to be tainted in this way before you do something about it?

The amendment that is being offered right now will take us absolutely in the wrong direction. It will substitute a relatively clean process for financing Presidential campaigns—and I say relatively clean because we have loopholes we need to close, loopholes which we do close in S. 3. And the Senator from Kentucky and I agree on this. We have talked about it before. These $100,000 contributions through the State parties are wrong. They ought to be stopped. He said they ought to be stopped, and I have said it. We put it in our bill. But with this amendment—and I am somewhat astounded by this amendment—he would go the reverse direction. Instead of solving that problem and closing that loophole, he would open everything up so that unlimited amounts of money pour back into the Presidential system and we could have all the problems in the Presidential system that we now have in the way we finance congressional campaigns. So not only would we not be doing something that would help to reform congressional campaigns, we would be spreading the cancer that now afflicts us in congressional campaigns into the Presidential process as well.

So, Mr. President, I simply urge my colleagues to think long and hard before they take this leap back into the dark, think long and hard before they turn the clock back to what I suppose might be called by some the good old days of Watergate and the other kinds of corrupt ways we used to finance campaigns in the Presidential sense.

Let us not do this. Let us, instead, join together in a positive way to close the loophole dealing with soft money in the Presidential system. Let us clean it up. Let us close the loophole. Let us take constructive action. But let us not go backward. Let us not slip back into the old corrupt way that Presidential campaigns used to be financed in the past.

So, Mr. President, at the appropriate time I will make a motion to table the amendment of the Senator from Kentucky. I hope that my colleagues join with me in tabling that amendment.

We heard some talk awhile ago about consistency. Let me say we have heard time and time again from the other side of the aisle we ought to be doing things to build the political parties. S. 3 has been accused at times of not doing enough to build the political parties. And yet now we are also hearing an effort made to increase the mailing costs for political parties and political party-building activity. So I think there is some question about consistency. From time to time we get into rhetoric, and probably both sides have been guilty of inconsistencies in the course of debate in terms of setting up strawman situations to knock down.

But let me say this. We are custodians of the system, and to make rhetorical points or to score points in a debate, let us be very responsible in terms of the way we act. Let us not throw out an entire Presidential system that needs some fixing and return ourselves to the Watergate days and to the problems we had before.

Let us not open the Presidential system to the same kind of special interest influence and the runaway spending that we now see inflicting the congressional process. Instead, let us reform the Presidential system and let us conform the congressional system in a way that has been done in other countries of the world and other places by putting a limit on spending so that candidates can stop being full-time fundraisers and start being full-time legislators dealing with the Nation's problems, and so that all the people will feel they have equal access to their Government and we can concentrate on the right kind of political participation, that is, not raising money, the competition not based upon who can raise the most money but a competition based upon who has the best ideas for governing this country.

Mr. President, I urge my colleagues to join me in supporting a motion to table the pending amendment when it is offered on this side of the aisle.

Mr. MCCONNELL. Mr. President, I listened with interest to my friend from Oklahoma describe the Presidential system. I am not sure I could hardly recognize the system he described. Virtually every expert in America considers the Presidential system a disgrace and a disaster. Walter

Mondale said it was a joke. I do not think it is progress, Mr. President, to extend that joke to 535 additional races.

Mr. President, my amendment is simple. It allows those in the Senate who would like to strip taxpayer funding out of the political process to do so, not only by eliminating the Presidential system but also by eliminating the direct mail subsidy for political parties which is available now under current law.

Mr. President, I expect there are a great number of this body who have never voted to eliminate a program outside of the Defense Department. According to what I am told, we have 1,183 Federal assistance programs operated through 52 different Federal agencies. We will give out $678 billion in entitlements in this fiscal year. There are at least 20 major entitlement programs.

How many times, Mr. President, have each of us appeared before the Rotary Club and been asked the question, have you ever voted to eliminate any programs? I suspect, outside the Defense Department, most Senators would be hard pressed to answer that question.

So I am giving Senators an opportunity, I say to my colleagues, an opportunity the next time they are at the Rotary Club to say, I voted to eliminate one thoroughly discredited Federal program. Not only a thoroughly discredited program but an entitlement program. You will be able to stand up with pride and say in the years that I have been in the Senate at least I have tried to eliminate one Federal program, the one upon which all reputable scholars agree is a complete and total disaster. Why, It was created to limit spending and it has not done that. It was hoped that it would take big money out of the system, and it has not done that.

And my friend from Oklahoma says let me make some adjustments to it; let us cure it. It is incurable. You cannot cure it consistent with the Constitution. It is incurable consistent with the first amendment. Spending limits and public finance are like an incurable disease because they come up against the Constitution of the United States. So you cannot fix it. It is not fixable.

There is only one thing you can do, and that is cut it out, end it, put it out of its misery, and quit squandering tax dollars on a system that is widely discredited.

I do not see any need to prolong the debate.

Let me repeat what this amendment does. The amendment upon which we will be voting momentarily gives everyone in this body an opportunity to eliminate just once maybe in their career a Federal program, one that everyone who has studied it thinks is a disaster. And it will allow, in addition to terminating the Federal Presidential election system, putting the political process entirely on private funding by eliminating the mail subsidy for the two political parties. Not only the two major political parties, but, of course, any fringe party gets that discount as well, including the Communist Party.

So, Mr. President, that is the amendment. It strips all public funding for politics out of the existing system. I hope that the Senate will take this opportunity to eliminate entirely this thoroughly discredited program.

I say to my friend from Oklahoma, I am prepared to vote.

Mr. BOREN. I thank my colleague from Kentucky. I think we have laid out our honest differences of opinion about the pending amendment.

I move at this time to table the McConnell amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Oklahoma to lay on the table the amendment of the Senator from Kentucky.

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 Arkansas [Mr. PRYOR] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. HELMS] is absent due to a death in the family.

The PRESIDING OFFICER (Mr. BUMPERS). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 60, nays 38, as follows:

[Rollcall Vote No. 73 Leg.]

YEAS—60

Adams	Dodd	Lieberman
Akaka	Exon	Metzenbaum
Baucus	Ford	Mikulski
Bentsen	Fowler	Mitchell
Biden	Glenn	Moynihan
Bingaman	Gore	Nunn
Boren	Graham	Pell
Bradley	Harkin	Reid
Breaux	Heflin	Riegle
Bryan	Hollings	Robb
Bumpers	Inouye	Rockefeller
Burdick	Johnston	Sanford
Byrd	Kasten	Sarbanes
Chafee	Kennedy	Sasser
Cohen	Kerrey	Shelby
Conrad	Kerry	Simon
Cranston	Kohl	Specter
Daschle	Lautenberg	Wellstone
DeConcini	Leahy	Wirth
Dixon	Levin	Wofford

NAYS—38

Bond	Dole	Hatfield
Brown	Domenici	Jeffords
Burns	Durenberger	Kassebaum
Coats	Garn	Lott
Cochran	Gorton	Lugar
Craig	Gramm	Mack
D'Amato	Grassley	McCain
Danforth	Hatch	McConnell
Murkowski	Rudman	Symms
Nickles	Seymour	Thurmond
Packwood	Simpson	Wallop
Pressler	Smith	Warner
Roth	Stevens	

NOT VOTING—2

Helms	Pryor

So the motion to lay the amendment (No. 258) on the table was agreed to.

Mr. BOREN. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

Mr. BOREN. Mr. President, again, just for the information of our colleagues, it is our intention now to move to the consideration of an amendment to be offered by the Senator from Massachusetts [Mr. KERRY] and some of his colleagues.

We have one more amendment that I know of on this side of the aisle that will be offered sometime after that. We would be happy to rotate again with those on the other side of the aisle after the Kerry amendment to have amendments considered on the other side of the aisle.

I see the distinguished Republican leader on the floor. I might inquire if he has any idea of how many amendments may be offered there. We are hopeful, with the budget resolution still to be acted upon before we go out for this week, and also the fast-track resolution to be acted upon, that we might be able, with some good fortune, to push ahead here and perhaps complete action on this legislation tonight, if at all possible.

I wonder if there is any idea how many amendments we have, or if these are amendments that would take very long. We have been moving along well, so far, on the amendments we have had up to this point.

Mr. DOLE. Mr. President, if the Senator will yield, I have not checked with the Senator from Kentucky, but I think if you exclude the two on that side, and then subtract the two that may be taken, there would be about seven amendments that might require rollcall votes.

I do not know how many might be discussed, or whether each one of those amendments may be offered. There may be additional amendments. I have not checked with the Senator from Kentucky in the last few minutes, or others who may have amendments.

And also it is my understanding the majority leader and I are going to have a little colloquy later, maybe after this next vote. I think everybody knows the issue on this particular amendment. Maybe we could get a little time agreement on this one that will decide whether we are in at midnight or 4 a.m. in the morning—on how quickly we dispose of it—or whether we are in on Friday.

The PRESIDING OFFICER. The Senator from Oklahoma has the floor.

Mr. BOREN. Mr. President, I thank my colleague, the distinguished Republican leader, for this report. And I think what we can best do is press ahead at this point, and hopefully while we have discussion of this amendment going on, perhaps we can get some understanding between the two leaders, the distinguished Republican leader and the distinguished majority leader.

My colleague from Massachusetts has indicated to me that he wants to expedite the debate on this matter, but he is a little uncertain as to how many people want to speak, of his cosponsors and others, at this point. So I understand he is a little reluctant to set an exact time, unless he has changed his mind. We intend to be expeditious.

May I inquire of my colleague from Massachusetts: Is there any possibility he may be willing to set some outside time limitation, like an hour and a half, or something like that, with the possibility of yielding back time earlier if debate were completed before that amount of time were to be taken?

Mr. KERRY. Mr. President, let me just say that there is nothing I would like to do more, obviously, than move the process along. I know colleagues want to do that, and I always try to do that. My only restraint in committing to an absolute time agreement is that a number of Senators have come to me and said they are at committee hearings or in other business and they want to come to speak and they want to make sure I hold it open long enough for them to be able to get here to do so. If we could have a back end that is open enough so I could accommodate them as I said I would, I do not think we will have a problem. But I know in an hour and a half I cannot because Senator DECONCINI said he cannot be here for at least an hour and Senator ADAMS wants to speak, and Senator BIDEN wants to come back to speak. So we have a number of folks who want to speak.

Mr. MITCHELL. Will the Senator yield to permit the distinguished Republican leader and me to obtain an agreement with respect to an unrelated matter?

Mr. KERRY. Yes; I yield to the majority leader.

UNANIMOUS-CONSENT AGREEMENT—BUDGET RESOLUTION CONFERENCE REPORT

Mr. MITCHELL. Mr. President, I have consulted with the distinguished Republican leader, the chairman and ranking member of the Budget Committee, and other members, and I now ask unanimous consent that the time for consideration of the budget resolution conference report be reduced to 2 hours when that matter is considered by the Senate.

The PRESIDING OFFICER. Is there objection?

Mr. DOLE. No objection.

The PRESIDING OFFICER. The Chair hearing none, the unanimous-consent agreement is agreed to.

Mr. MITCHELL. I thank my colleagues.

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, I might say, for the information of the Members of the Senate, that following consultation with the distinguished Republican leader, it is my hope that we will be able to get to the budget conference report this evening. I do not know when we will get it from the House, when it will be available for action, but I hope that we can do so sometime this evening and that we can further move toward gaining agreement with respect to the disposition of the only other major remaining measure beyond this bill, which is the fast-track legislation. The Republican leader and I are working on that with the interested chairmen and others.

Mr. DOLE. If the Senator will yield, I think we will be prepared to limit the debate on the fast track to 5 hours on this side, rather than 20 hours, if that could be accomplished. We have one question on that, but I think generally we would be in a position to do that.

I have indicated, particularly on this side, that I think we may have seven or maybe more amendments on this side. I do not think any will take a great deal of time. There may be seven votes required on campaign finance. So, hopefully, if the amendment the Senator from Massachusetts intends to offer is going to take 3 or 4 hours, and that is how it appears, we probably will not vote on that until around 8 o'clock would be my guess.

Mr. KERRY. I hope we do not take anywhere near 3 or 4 hours. I think we are looking at something in the range of 2½ hours at a maximum.

Mr. DOLE. That is pretty close to 3 hours; make that 7 o'clock.

Mr. KERRY. I said maximum only to guard against those other people I have. I am sure we will yield time back. I think it would be much more in the vicinity of 1½ to 2 hours.

Mr. MITCHELL. Mr. President, I encourage the Senator in that regard. We are trying to complete action on this bill. We have really made good progress. Amendments have been offered. There has been no delay. Everyone has had the opportunity for debate and discussion, and many of the issues have been debated on many occasions.

Mr. KERRY. I am informed by the Senator from Kentucky that he thinks they are not going to have as many speakers. All I am trying to do is accommodate those Senators I said I would. I would be happy if we could have 1½ hours on this side, whatever time they want on that side, a half-hour, and we could have a vote.

Mr. MITCHELL. Mr. President, if the Senators are in agreement, I intend to propound a request that would limit the time for debate on the Kerry amendment to 2 hours, with 90 minutes under the control of Senator KERRY.

Mr. KERRY. I am sure we could yield some of that back.

Mr. MITCHELL. And 30 minutes under the control of Senator MCCONNELL, and we will make an effort to reduce that.

The PRESIDING OFFICER. Does the majority leader make that request?

Mr. MITCHELL. Mr. President, I now ask unanimous consent that the time for debate on the Kerry amendment be limited to 2 hours, 90 minutes to be controlled by Senator KERRY, 30 minutes to be controlled by Senator MCCONNELL, with no amendments to the amendment to be in order.

The PRESIDING OFFICER. Is there objection? The Chair hearing none, it is so ordered.

SENATE ELECTION ETHICS ACT

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. Who seeks recognition?

AMENDMENT NO. 259 TO AMENDMENT NO. 242

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

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Massachusetts, [Mr. KERRY] for himself, Mr. BIDEN, Mr. BRADLEY, Mr. SIMON, Mr. CRANSTON, Mr. WELLSTONE, Mr. ADAMS, Mr. DECONCINI, Mr. LEAHY, Mr. KENNEDY, and Mr. WIRTH, proposes an amendment numbered 259 to amendment No. 242.

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

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

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. KERRY. Mr. President, this amendment is very straightforward. I would like to explain it as directly and clearly as I can so that there is no misinterpretation about it because there has been some misinterpretation as colleagues have both argued it previously on the floor as well as in some conversation that we have had.

This is an amendment for voluntary public funding. I emphasize voluntary public funding. For whatever staffs are listening or colleagues are listening, I emphasize there is in this amendment no automatic drawdown on the Federal Treasury, and, mindful of the resolution that we passed earlier in which we

said that there would be no adding to the deficit and that we would not draw from the Federal Treasury as a matter of the sense of the Senate, those are guidelines within which we are debating this concept of public funding. It is voluntary.

We are not able, as the Chair well knows, to set out the specific funding mechanism here because that has to originate in the House of Representatives, but we can talk about what we are contemplating. And what we contemplate in proposing a system of financing of campaigns through a voluntary donation system, what we contemplate is either a system modeled on the Presidential campaign system that we have just moments ago ratified in a vote of 60 to 38, we anticipate precisely the same kind of funding system being applied to Senate campaigns as we see in the Presidential race.

On the other hand, Mr. President, should the committees of jurisdiction decide they do not like that, we have already suggested other ways on the floor that this could be funded without ever drawing automatically from the Federal Treasury, specifically by taking away the tax deduction available to those who lobby the U.S. Congress in an effort to get legislation. That in and of itself would raise some $500 million, which is almost five times the amount of money necessary to fund campaigns through a public process.

Mr. President, this amendment is sent to the desk on behalf of myself, Senator BIDEN, Senator BRADLEY, Senator SIMON, Senator CRANSTON, Senator WELLSTONE, Senator ADAMS, Senator DECONCINI, Senator LEAHY, Senator KENNEDY, and Senator WIRTH, and it is exactly the same amendment as the underlying bill proposed by Senators BOREN and MITCHELL. It is the same bill in its entirety with two exceptions.

Exception No. 1 is that for the general election campaign, not primaries, but general election campaign only, candidates would be eligible to receive a 70-percent funding through the voluntary checkoff system, a 20-percent value of the total limit that they are operating under from the voucher system for broadcasting, and the final 10 percent would be made up of small contributions up to the level of $250.

The second exception is that, unlike the bill proposed by Senators BOREN and MITCHELL, this bill encourages in-State fundraising and encourages people to get small contributions. There is an unlimited exemption for any contribution of $100 or less that comes from in-State.

Let me make sure that is clear. Every Senator would operate under the exact same limits that have been set forth in Mitchell-Boren. We would have limits. The limits would apply to the total campaign, general and primary, and you would be eligible for the funding in the general election by virtue of having accepted to live by the limits in the primary. That means you would have an incentive for limitations and then you would have an equalization, so that after both parties have had their primaries, the two candidates for each party present themselves—or for another party, should they qualify—and you would have funding available to them paid for largely by the voluntary tax checkoff system.

The first issue raised consistently by those who oppose this is that the current tax system does not have enough money. That is correct. It does not have enough money because we have not advertised or encouraged people to contribute to it since 1974 when it was first put into place. If you ask any American his or her attitude about the whole system of financing in this country, there is such a disillusionment and such a depth of cynicism about the degree to which Congress seems to be beholden to money, people say I am not going to give my money to that process, it does not make a difference, it is not going to change anything, and besides, they do not need it. They already have the fat cat giving them all the money in the world.

Moreover, no tax preparer in this country has been encouraged to turn to his or her client and say we recommend that you check off $1; check off $1 and that will pay for the liberation of the U.S. Congress from the raising of money.

Thirty-three million Americans have voluntarily chosen to put $1 of their tax money into the effort to have a political system that is free from money and influence. And that is really what this vote is all about. This vote is a test of whether we really want reform. This vote is a test of courage and of our real commitment to the concept of democracy.

We do not have real democracy at this point, Mr. President, we have "dollarocracy," because it is dependent on people's capacity to raise money.

In countless circumstances, citizens who might have something to add to the dialog or who are qualified by virtue of their background to run, cannot run because they do not have the money, they do not have access to the money, and they are not going to get it. This means that a U.S. Senator in the general election is going to have an opponent. My God, we are going to have an opponent. And if we want to talk about anti-incumbent votes versus incumbent votes, this is one of them. This is a chance for people to say I believe in a political system that affords access to people and where I am willing to run on the basis of my ideas, on the basis of what I stand for, on the basis of the work I have done for my State, the legislation I have passed, the fights I fought and who I am as a person; not what I have as a bank account and what significant interests I can go out and accrue in order to support my capacity to be in public life.

The evidence is just so clear it is almost stupefying, Mr. President. For 20 years, now, we have had public opinion data that documents, year after year after year, the degree to which the American people are losing faith in the system and the degree to which they believe a system of public financing would make a difference. Poll after poll documents that.

I have a series of charts that I would like to share with some colleagues. This is a chart that shows the expenditure distribution by type of candidate over the last years, starting in 1980. The blue line is a line that shows the money that goes to incumbents and the yellow line is challenger. In every single case, 1980, 1982, 1984, 1986, 1988, and 1990, the blue is almost 2 to 1 over the challenger, indicating who has the money in these races.

In the "open race," which is the orange, in every single year with the exception of one, the orange line which signifies the money that challengers get in an open seat is significantly—in some cases 10 times less, in other cases 3 times less, and almost always 2 to 1—in favor of incumbency gathering the money over those who want to go to the U.S. Senate for the first time, even in an open seat situation.

I want to make it very clear, I am not inherently against the existence of PAC's. I think people have a right to band together and I think people have a right to contribute through whatever those associations are. The question is, do we want candidacies to be 60 and 70 percent, in some cases, funded by just those interests? Or do we want to have a system that has a little more balance to it? It strikes me what people are reacting to, as much as anything, is not that Senators and Congressmen are reacting to the money they get directly in a vote but the perception that they are. We have a responsibility to deal with that perception. Again I ask my colleagues to look, from 1978 and 1980, all the way up through 1990. In every single case the incumbent, which is the white part of the graph, got enormous amounts, in millions of dollars, from PAC contributions. In every case the challenger or the open seat was absolutely dwarfed in comparison by the money that flowed to the incumbent as a consequence.

What our bill seeks to do is to try to equalize that process.

The growing fundraising burden is something we have all talked about. I was just sitting here a moment ago making a list from my own memory. I could not remember all of them but here is where I raised money in 1990, the Senator from Massachusetts.

I went to California a number of times. I went to New York, Connecticut, Rhode Island, New Jersey, Ohio, Illinois, Georgia, Louisiana, Florida,

Texas, Washington, Colorado, Nevada, Alabama, Missouri, New Hampshire, North Carolina—and I am sure there are some I have left out. What is a U.S. Senator from Massachusetts doing having to go to all those States? How many weekends did that take away from my being in Massachusetts? How many weekends and how many days did that take away from my ability to meet with the best minds in this country on health care, on education, on ocean policy, on environment, on the issues we ought to be voting on here? Instead I was chasing dollars, living some nights in a motel.

I remember one night I was in Columbus, OH. It is a nice place and I have some great friends there, Mr. President. But on the night I was in Columbus, OH, in the same hotel there is TOM HARKIN at the same time I am, having a fundraiser. Half the people bounce back and forth, and downstairs was a room all ready for the Senator from New Jersey, Senator BRADLEY—who is in back of me here—the next morning.

That is crazy. What are we doing to ourselves? It is crazy, and it is not just crazy, but it lends to the perception that people have that the system is not working, that the people with the money are the ones who make the difference.

We are here considering the question of reform. What does that mean in the context of fundraising? If the fundraising problem is that we are having to raise too much money and there is a way for us to get elected without raising so much money, we should be opting for it. The way to opt for it is to set limits in the way we spend money on campaigns and both to live within the limits and then to move to the other issues of reform.

What are they? Well, if the perception of the American people is that all the dairy PAC's or the sugar PAC's or whatever PAC can somehow influence the process more than the average citizen, that is a perception that we ought to be sensitive to. Perception is a large part of politics. It seems to me if 88 or 90 percent of the American people think money has too much influence in politics, we ought to do something to try to reduce that perception so people will trust government a little bit, so we might be able to govern a little more effectively. Then, when we say we need to do X, Y, and Z, people will say these guys are conscientious and there is a reason, perhaps, for us to believe what they are saying to us.

The best way to reduce the perception of the significant negative impact of money on the process is to reduce the degree to which we have to have any contact with money that comes from any source that might at some time be questionable.

How do you do that? You do that, Mr. President, by allowing the citizens of this country in $3 and $6 chunks to check off on their tax return "I want this money to go to a clean electoral system. I want a guarantee that my Congressman and my Senator are not linked to this money. I want a system that is beyond reproach." The way you get a system that is beyond reproach is to have a public funding system that is purely voluntary; that maximizes the opportunity of each American to choose that that tiny, tiny bit of money is going to go to help clean up the system.

What does it mean? Mr. President, I respectfully suggest, without impugning anyone in the system—and I mean that—there is an inherent something in the friendships that you have to seek to get elected, in the whole nature of support systems that are linked to money. There is an inherent process by which people try to please the people that they have to please in order that they are pleased enough that they send us here.

I will warrant that I cannot quantify that in total, absolute billions of dollars. I cannot tell you it is $50 billion or $25 billion, but I can look, Mr. President, as people have done over the course of history, at enough sort of personal interest votes that are cast in the Senate, whether it is in the Tax Code, or whether it is in policy regarding agriculture, or subsidies or whatever. No one can tell us that there is not a minimum of at least $1 billion and, most likely, if you look at some of the studies, many billions of dollars that taxpayers have paid as a consequence of those relationships. The S&L scandal is one that is most recently pointed to in that context. Besides the S&L scandal, you can look at issues ranging from subsidies to other things.

I am not saying to my colleagues and I am not saying to anybody that there is a direct link, but it is perceptible to the public that there is. I am confident that far in excess of $60 million, which is all we are talking about on a yearly basis—$60 million—far more than $120 million every 2 years has been thrown away of taxpayers' money because of the existence of some of those relationships that flow out of the electoral system in this country.

So it is far more expensive to maintain the system we have today, and if people are really concerned about the American taxpayer, if people want to reduce the cost to the American taxpayer, then reduce the amount of individual sway over the process by virtue of our need to go to them and get money.

Mr. President, it is my belief the approach that most frees us of that contact to money, the approach that most liberates the Congress, the approach that most reforms the system, the approach that most sends the message that we are serious about reform, the approach that most separates us from money, and the approach that most restores us to the role of legislator, instead of perpetual fundraiser is the approach that Senator BRADLEY, Senator BIDEN, and I, and others have put before the Senate at this time. It is very straightforward.

What if we do not raise enough money through the tax checkoff system? We are not suggesting that there would be an automatic drawdown on the Federal Treasury. We are saying that the FTC would notify each candidate in the year preceding how much money they anticipate on the basis of the tax returns given in that preceding year and based on that, they will know how much money they will have to distribute. Each candidate in each State who has chosen to live by the limits will then have the right to go out in their State and collect whatever additional money the difference is between that available in the fund and that which is given.

I happen to believe that for the first time, if Americans believe they were making the difference in the connection between politicians and money, we would have a significant increase in participation. Moreover, I am convinced if we were to have an advertising campaign that alerted America to the connection between this tax checkoff and the effort to have politics that was cleaner, we would, in fact, wind up with many, many more Americans than the 33 million who currently participate who would take part in that system. I am confident that that would be the case.

Mr. President, there are others of my colleagues who want to speak on this, but I would like to point out before I close just a couple of other issues, if I may. The Senate just voted by a vote of 60 to 38 to hold on to this very system that we are proposing, to hold on to it for Presidential races.

In fact, Republicans who oppose this system for the Senate have never raised hue and cry about the existence of this system in those Presidential races. The Senator from Kansas [Mr. DOLE] used it when he ran for President, used $8 million of taxpayers' money. Senator Howard Baker used it. President Reagan used it; I think upwards of $60 million. President Ford used it.

In fact, until 1986, we were spending on an annual basis over $500 million through a tax credit that we gave to small contributors, the $50, $100 tax credit, and we were losing each year to the Federal Treasury $500 million, and never was there a Republican voice raised in complaint about the fact that we had a tax credit and Federal dollars were being spent to support the election process.

That is not the issue. The issue is whether Members of the U.S. Senate really want to take seriously the warn-

ing signals that we have been sent in the last few years: The warning signals of the savings and loan crisis, the warning signals sent to us through the Keating affair. We all know what agony it has been for colleagues who have been in the Senate, who were the targets, as well colleagues who sat in judgment. All of them had to somehow try to separate the line between receiving a contribution and something we do here in the U.S. Senate.

(Ms. MIKULSKI assumed the chair.)

Mr. KERRY. Madam President, there is not one of us here that is not subject to that kind of scrutiny and question, not one of us. Every time we vote, somebody can raise the question: "Well, did you vote for that, Senator, because 20 people in the industry contributed $20,000 to your campaign and they all came from the same business?" And all of a sudden everybody squirms, and all of a sudden everyone in the public feels a little squirmy about the system and a little suspect of a country that is the example to the rest of the world for public finance.

Let me share a couple of figures on public finance with respect to the rest of the world, Madam President.

There are currently a significant number of cities and of States in the United States that have public funding. There are other countries that emulate our democracy that have public funding: Argentina, Australia, Austria, Brazil, Canada, Costa Rica, Denmark, Finland, France, Israel, Italy, Japan, Mexico, Netherlands, Norway, Spain, Sweden, Turkey, Venezuela, West Germany, all of them have a public funding system for the election of some public officials.

Moreover, in Florida, Hawaii, Idaho, Iowa, Kentucky, Massachusetts, Michigan, Minnesota, Montana, New Jersey, North Carolina, Rhode Island; in cities, Sacramento, Seattle, Tucson; in Utah, and in Wisconsin, they have public funding mechanisms.

The real issue here, Madam President, is how much we are committed to strengthening our own democracy. How much do we want to take it away from the "dollarocracy" that it is becoming and restore it so that people can run for office, high public office, based on their qualifications, not on their bank accounts.

Madam President, I am going to hold off because other colleagues are waiting. I will come back later with further comments. I will yield to the Senator from New Jersey 15 minutes.

Mr. BRADLEY. Madam President, throughout the debate on campaign reform the Republican Party has portrayed itself as the party that has been unalterably opposed to public finance. But I think it is important that we begin debate on the amendment offered by Senators KERRY, BIDEN, myself, and others to set the record straight.

The Republican Party, in particular the Republican Party in the Senate, has been the greatest beneficiary of public finance because each of the campaign committees are allowed to solicit contributions through mail at subsidized rates. The Republican Senate Campaign Committee has raised much more than the Democratic Senate Campaign Committee generally, and certainly infinitely more through direct mail.

The Republican Party in the Senate has already benefited dramatically more than the Democratic Party from public finance. So we come to this debate with neither side's hands being particularly untouched by the issue of public finance.

In addition to that, there are many well-known Republicans who have benefited from public finance. Ronald Reagan, for example, received $90.5 million in public dollars for his 1976, 1980, and 1984 Presidential campaigns. President Bush received $60.2 million for his 1980 and his 1988 campaigns. Our own Senate minority leader, Senator DOLE, received $8.1 million for his 1980 and his 1988 campaigns.

So Republican Senators have already received the benefit of public financing through subsidized mail, and Republican Presidential candidates have received since 1976 almost $250 million in public funds.

But it does not stop there. Each of the parties' conventions is financed by taxpayers. The Republican Party has accepted $32.2 million in public money for its conventions since 1976—$32.2 million. So we begin this debate today by at least saying that the Republican Party does not come to the debate without having accepted enormous sums of taxpayer dollars to finance their conventions, to finance their Presidential candidates, and their Senate campaigns.

Madam President, as I have participated in this reform effort over the past 6 years, I have heard of more different kinds of money than I ever knew existed—soft money, sewer money, party money, PAC money, individual money, bundled money, independent expenditures. It begins to remind me a little bit of the Tax Code which became so complicated that by the time most people had mastered it, they had lost the will to reform it.

Reforming the way we finance political campaigns is not just a matter of working through the maze of terms and putting a $1,000 limit in one area, $10,000 on another, no limit on a third, and eliminating a fourth. Those who want to influence and manipulate such a system will find a way to do so. Then we are going to find ourselves back here 6 or 8 years from now asking how we can restore public confidence in this body.

Campaign finance is not really as complicated as the experts want to make it. Soft money, PAC money, bundled money, all the rest are more alike than they are different. It is all money that represents private interests. It is difficult to legislate one avenue of private money as bad and call another good.

Individual contributions, for example, can come from long-time friends, from someone who admires your record and substantive expertise, from someone who shares a particular philosophy of government or from someone who thinks a contribution is just a good idea. We are not going to be able to write distinctions into laws that will give the public confidence that our support comes from people who are not looking for some private advantage out of Government.

When voters demand that we clean up the system, they are not saying get rid of PAC's, limit bundled contributions, regulate independent expenditures. The message I hear is much simpler, and that message is guarantee that politicians are working for all of us, for the public interest, and not for the private interests of a few who have money to give to campaigns.

Madam President, I believe the first step in answering that demand, to restore integrity to the system, is, indeed, to limit the amount of money that politicians can raise and spend from private interests. The limits must be tough and they have to cover all avenues by which money gets into the system—all avenues: Individuals, PAC's, party committees, and the rest. While we insist on limiting private campaign money, we, however, do not want to limit campaigns. Elected officials must have a way to communicate with voters, and voters must have a way to make informed choices between candidates for office. None of this can be done for free.

To limit the campaign money that represents private interests without limiting campaigning and communication means balancing the system with money that represents the public interest, the taxpayers' interest. Put simply, without public money we may be able to limit private money but we will still depend on private money. Our campaigns may be smaller and voters may know less about us, but they will have no reason to be assured that we are working for a broad public interest rather than the narrow interest of those who gave to our campaigns. That is really why my colleagues, Senator KERRY and Senator BIDEN, and I support public funding, because it would make voters and taxpayers and their families full participants in the political system.

The public would be able to feel that its interest was being served. The public would know politicians are not getting money from those who seek special favors from Government. Public financing might make elections more

competitive, it might make campaigns more positive and substantive, and it certainly would help politicians spend their time talking and listening to voters instead of raising money.

The value of public financing is not measured as much by the result it produces as by the questions and doubts that it eliminates. The public finance system that we are putting forward in this bill is modeled on the system by which we fund Presidential elections and by the last vote ratified by the Senate overwhelmingly. It is inspired by the success of that system. It is a system that works so well that we hardly notice it. But when we do think about it, we have no reason to doubt that the elections since 1974 have been fair elections and fair reflections of the voters' informed choices.

We know that the candidates have spent the months preceding the general election communicating their views to the voters rather than chasing after money. I believe a campaign finance system that eliminates any doubt about in whose interest the President is acting contributes to the basic confidence the American people have had in the Presidency even in the most trying times, and the same would apply to a system of public finance for congressional elections.

Public financing of House and Senate campaigns would serve two vital public purposes: One, enabling candidates for office to communicate with voters; and second, restoring confidence in Government and the choices we make in this body. Whether those purposes are worth paying for would be a more troubling question if the cost were not so low, compared to the $200 million that we used to spend in an average election cycle on a 50-percent tax deduction for campaign donations—in other words, $200 million of taxpayers' money voluntarily chosen.

Under this system we are closer than we have ever been to meaningful and comprehensive campaign finance reform. The Democratic leadership has proposed a bill that will effectively limit money from private interests, and that will hold campaign spending to a level necessary for honest debate.

We will end this reform process with a better system than we started with. But to complete a reform we will not have to revisit in a few years to restore public confidence in the Senate, we should take the last step to balance private campaign money with funds that represent the interests of all American people and no one else.

If we are really serious about campaign reform, then we simply must have public financing of elections. We can tell ourselves that there are improvements over the present system, but only public financing will remove the potential for abuse inherent in private financing of campaigns.

For 6 years Democrats in this body have been trying to find meaningful campaign reform. Our position really has not changed much. We have always been for spending limits. We have been for spending limits from the very beginning as a matter of record since 1974 when the Federal Election Campaign Act was passed.

I mention this because there is a consistency in the Democratic approach that has been lacking on the Republican side.

In 1985, their interests seemed to be the status quo because they believed that favored incumbents and they had more incumbents. During the next Congress, the 100th Congress, they were staunch defenders of PAC's because they believed PAC's would help Republicans more than Democrats. During the 101st Congress, in an abrupt about face, they proposed the elimination of PAC's and talked about raising the individual contribution limit because obviously they have more, and wealthier, contributors. Now they want to limit out-of-State donations.

The cynic might conclude the Republican idea of campaign reform is a system in which only Republican donors are allowed to contribute to Republican candidates. That is what a cynic would say, not necessarily I, but a cynic looking at this record, this zigzag approach to campaign reform that the other side has followed since 1985.

On our side we have been very clear. We believe spending limits are important and now we believe and we say in this amendment in very clear terms that public financing is absolutely essential.

The Republicans say they do not really want it even though, as I have already demonstrated, their Presidential candidates have taken over $250 million. Their party has financed its conventions with over $30 millions. Republican Senators have benefited from subsidized campaign mail by the Republican Senate Campaign Committee. Even though that is all there, they say the public does not want it.

I must say I believe there are a lot of things the public would not want if it came out in the full light of day. And in the full light of day there are many things that occur in this body that a candidate without resources cannot focus on.

A candidate with resources, for example, could expose the tax deductibility for advertising expenses for tobacco, that lure young people into a system of consumption of nicotine that shortens their lives. But a challenger that has no access to capital cannot do that.

Madam President, what I am saying is public financing of elections is the only way to ensure complete and thorough campaign reform; public financing of elections that is voluntary.

Let me ask the rhetorical question. Would you rather have your Senators and Congressmen finance their campaigns with 32 to 40 million individual Americans checking voluntarily a couple of dollars off of their tax return, or would you rather have them financing their campaigns through a much smaller number of much bigger contributors? I think the option is clear, and the choice is clear on this amendment.

I yield 5 minutes to the distinguished Senator from Washington.

Mr. ADAMS. I thank the Senator.

The PRESIDING OFFICER. The Senator from Washington may proceed for 5 minutes.

Mr. ADAMS. I thank the Senator very much.

Madam President, I rise today to express my support for the Kerry-Bradley-Biden amendment to S. 3, the Senate Elections Ethics Act of 1991. I am proud to join them as a cosponsor of this amendment because I believe payments made directly to the campaigns of candidates of major parties who qualify for the ballot with the remaining 10 percent provided by small individual contributions, is a good way to approach this matter.

I believe S. 3 is an important first step toward improving the electoral process because it would establish voluntary spending limits, and provides vouchers for broadcast communications.

However, the Kerry-Biden-Bradley amendment is a much better proposal, and it is one I support now and I will support in the future because it adds a system of voluntary public financing and funding, a checkoff system, patterned after the system that has been used by the Presidential candidates. The Presidential system was established because of the corruption of the 1973 period.

Republicans have supported public financing of Presidential campaigns. I do not see why they should not support the same system for their own elections in the Senate. Furthermore, if we can send $9 million down to Nicaragua to help them finance their elections, why cannot we spend that kind of money to see that we have good elections here?

I do not understand this idea in the United States that we can spend all kinds of money abroad to do all kinds of things, and then not do the same thing at home. Part of our domestic agenda should be good and clean elections. The way you get good elections is to take the private financing out of it, and have the public finance it voluntarily by checking off on their income tax returns.

I hope we pass the Kerry-Bradley-Biden amendment.

Let us adopt this amendment because it would eliminate the impact of large contributions.

We have to have a system to require voluntary compliance because the Supreme Court of the United States has said we cannot arbitrarily limit spending in campaigns. Candidates have to accept spending limits. That is the reason we go through all of these gyrations trying to figure out a way to assist candidates other than the incumbent, or to assist both the incumbent and the other, to accept a spending limit.

If you want to get tough about it, we can say to one side, "If you do not accept that voluntary limit, you are under a series of onerous-type laws of what you can do in terms of size of campaign contributions, and the other guy can do anything he wants." But we have not done that. Instead, we have said that a candidate can have public financing if he or she voluntarily accepts a limit.

I have not checked this with my other colleagues, so I am speaking for myself, but if there is some worry—and I think it is a red herring—that a challenger needs more money than the incumbents because the incumbent has been there, let us set a higher limit for that person; give them some more money. Let us put a limit on it.

Our real underlying problem is that elections are bought today. They can be bought by rich challengers or rich incumbents. What we are trying to do with this bill is avoid the purchase of elections by anybody and, particularly, as has been mentioned by some of my colleagues, by having to rely on contributions where you have either spent an inordinate amount of time trying to raise them, or they have some potential for taint.

I say "potential for taint" because a lot of people do not know what is going to happen tomorrow with a particular contributor. People in this body have had to send back contributions, because 2 or 3 years later somebody gets into trouble, and then they are accused of: Why did you take that money? The answer is that you did not know.

The savings and loan industry is a very good example. People took contributions from savings and loans. In some States like mine, they are small businesses. Generally, we knew most of the people. I did in my State. All of a sudden the industry fell into trouble.

I hope that we can pass this amendment, because the growing reality is that if we do not, only persons with large personal wealth or access to large sums of money are going to be considered as serious candidates for office. I call it purchasing a ticket to get into the game.

If you do not have enough money to be on television and reach people's living rooms, you are not able to present your case, and you are not able to make your issue.

I have seen from experience 4 years ago, and I see as I start to run for a second term, that unless the amendment were to be in law—and I will not have a chance ever to benefit from it, because it will come too late—but going through that calling, asking, and begging for money, is simply something that takes an enormous amount of time.

And I thought that, as a candidate, when I went in for my first run for the Senate after 35 years in public life, being a U.S. attorney, a Congressman, a Cabinet officer, 12 years experience in the Congress, 3 years in the Cabinet, I would have no problem being taken as a serious candidate. But I was not. I was 36 points behind when I started, because I did not have any money. So everything went into that.

I just conclude by saying that I think that the failing of our system is that we have to have a way of making a level enough playing field in the public media market. And I do not mind being outspent; I have always been outspent 2 to 1. But at least candidates need enough money to get your message out. If you cannot get your message out, you can't campaign.

The Kerry-Bradley-Biden amendment does that. I hope it is going to pass. I support it, and I hope that the reform that comes with it will be one that the American people will see and have a chance to enjoy in the very near future. If they can have it in Nicaragua, we ought to be able to have it here.

Mr. President, I express my support for the Kerry-Bradley-Biden amendment to S. 3, the Senate Elections Ethics Act of 1991, and am proud to join them as a cosponsor of this amendment.

The amendment offered by Senators KERRY, BRADLEY, and BIDEN takes a dramatic step toward reforming the electoral process and restoring public faith and confidence in our political system. If there ever was a time that public confidence needed to be restored, that time is now, as popular disenchantment with politics grows and as the number of voters going to the polls declines.

Let me briefly outline the main provisions of the Kerry-Bradley-Biden amendment. It sets spending limits and establishes a system of voluntary public funding for general Senate elections, while exempting from spending caps contributions of $100 or less from voters within the candidate's State. Of the funds required for Senate campaigns, the amendment provides that 20 percent would come in the form of vouchers to be used in broadcast advertising. Seventy percent would come from voluntary public payments made directly to the campaigns of candidates from major parties who have qualified for the ballot, with the remaining 10 percent provided by individual small contributions.

Mr. President, I support S. 3, the bill offered by Senator MITCHELL and BOREN, and believe it takes an important first step toward reforming our electoral process. S. 3 would establish voluntary spending limits and provides vouchers for broadcast communication for those candidates who accept those limits.

The Kerry-Bradley-Biden amendment is an even better proposal. By adding to the broadcast vouchers a system of voluntary public funding, our amendment would essentially eliminate the impact of large contributions from general Senate election campaigns.

Mr. President, the implementation of a system of voluntary public funding, so we can have under the Supreme Court tests, spending limits in Senate elections is the direct, honest, simple way to effect true campaign finance reform and to bring under control spending on Senate campaigns. Spending limits are the only way to have real reform so nobody buys the election and public funding is the best way to offset the millionaire candidate. If there is an incentive needed to ensure that challengers need more than I would support a higher limit for challengers. This is really a red herring because most challengers are well-financed former or wealthy or selected party people.

The Kerry-Biden-Bradley amendment addresses what I feel are the two most critical failings of our current process of electing public officials: The inordinate amount of time candidates, challengers and incumbents alike, spend raising money to finance their campaigns and the growing reality that only those persons with personal wealth or access to large sums of money are considered serious candidates for public office.

As we all know, the cost of running for public office and the amount of time candidates, challengers, and incumbents alike, must spend raising money have gotten way out of hand.

I do not approach this issue from an objective or theoretical perspective. I wish I could but I can not. The memories of what I had to do to get here are as fresh today as they were the day I won election in 1986, and unless this bill and this amendment becomes law, I see my experiences with fundraising 4 years ago being repeated as I start a run for a second term.

Let me be frank, Mr. President. I do not think any of my colleagues, especially myself, should go through what I went through in my first campaign.

From the first day of my campaign to the last, perhaps the most serious problem I faced was raising enough money to be considered a credible candidate. After 35 years in public life—a U.S. attorney, a Congressman for 12 years, and a Cabinet Secretary for 3 years—I did not believe I would have a problem being taken as a serious candidate.

Instead, I found that I spent at least half of my time making phone calls

asking for contributions or meetings with potential donors or attending fundraising receptions in and out of my State.

I did not like doing it, but I did because I had to pay for the ads to present my message to the voters in my State.

I made those calls and often the response was that I had not raised enough money to win.

I now enter my reelection cycle and I am told that I will need to raise $4 million, over twice what I raised in 1986.

The second failing in our current election system is the growing reality that only wealthy individuals or individuals with direct access to large sums of money are considered serious candidates for public office. This reality is having a chilling impact on the considerations of many fine men and women around the country who at some point in their lives think about running for public office.

They know, as we do, that they are likely to be outspent by better than 2 to 1 and their prospects of winning an election with this disadvantage are minimal at best.

How do we measure our loss in terms of fresh ideas and outlook when potential candidates decide they can not possibly raise the money to get their message to the voters and win election to public office.

The Kerry-Biden-Bradley amendment addresses both of these issues simply and directly.

The combination of spending limits and a system of voluntary public funding will rein in the time consuming rush by candidates to raise more and more campaign funds and provide the level playing field necessary for challengers to get their message to the voters.

This amendment would end the need for candidates to raise large sums of money for television advertising.

It will offer hope to potential challenger candidates that their message will be heard and not drowned out by an opponents overwhelming financial advantage.

As my esteemed colleague from Massachusetts stated when he introduced this amendment:

> For real reform, we need to endorse the basic principle of a democracy—that a race should not be determined by how much money a candidate can raise and spend, but by the quality of his or her message and candidacy.

It is time for reform that ensures that our election system is open to everyone and not just those individuals with access to great sums of money.

The Members of this esteemed body, which has housed the likes of Webster, Clay, and Vandenberg, should not be known as the best Senators that money can buy. The American people deserve better.

The Kerry-Bradley-Biden amendment will effect such essential reform and I urge my colleagues to support it.

Mr. BRADLEY. I yield 10 minutes to the distinguished Senator from Delaware.

Mr. BIDEN. Madam President, as I said to my colleague from New Jersey privately a moment ago, it has been 18 years now that I have risen to my feet on the floor of the Senate—to be more precise, 17 years—to push for public financing. The first major piece of legislation that I coauthored was with the Senator from Iowa, Senator Dick Clark, in a call for public financing of congressional elections.

Madam President, over the years, as the Senator from New Jersey has indicated, I have watched this debate on how we finance elections, and they move back and forth like a ping-pong ball on the Republican side, not being sure what they liked and did not like, what helped them and what did not help them.

I can remember back as far as 1974, I believe, when I was pushing for public financing, and I had a public financing bill that gave the challenger, if he or she did not already hold a districtwide or statewide office; that is, if they were not already known as well as the incumbent—a Governor, for example, would not take advantage of what I am about to say because he or she would have held statewide office. I had a provision calling for there to be, I believe it was, 15 percent more money available to a challenger than to an incumbent.

I remember walking into this Cloakroom, and the giant of the Senator, who preceded my friend from the State of Washington, who we always referred to affectionately as "Maggie," Senator Magnuson, saying, "What is the matter with you?" He said, "I have worked for 30 years to get in a position where I can raise more money than my opponent, and you want, in one fell swoop, to give my opponent, whomever it may be, money, more money than what I am going to have. What is the matter with you, boy?"

Well, it has not only been, in the past, Republicans who could not make up their minds about what is fair and what is not fair—I still think they are having trouble with that—but back in the old days, some of my Democratic colleagues. I tried to frame this agrument in every conceivable way that I could over the years, and I find that the opponents of this concept constantly raise a number of what we lawyers call red herrings, that do not have a darned thing to do with the notion of public financing.

For example, they talk about PAC's and special-interest money. Well, how is the difference between 10 wealthy corporate executives getting together and deciding to give $10,000, or $2,000 apiece, in a primary or general election, any different or less corrosive than the Friends of the Earth, or the Sierra Club, getting together and presenting somebody with two $5,000 checks for a campaign?

So we have spent a lot of time avoiding, in my view, the central issue, and it is this: You either have the people sitting up there in this gallery give a little tiny bit, a few dollars a year, to all those who wish to seek public office in the House and the Senate—we call that public financing—or you have special-interest groups financing.

That is your only alternative; there is no other. You let the fat cats decide who gets to run for office, or you let the American people decide. You can call it public financing; you can call it the public trough; you can call it private financing, you can call it individuals contributing, but it is simple. It is simple and it is stark. Either all of America decides who gets to run for public office or a few people, a tiny percentage of Americans decide who gets to run for public office. I mean it is that basic. I do not care what face you put on it. I do not care how you characterize it. I do not care whether you think it is good, bad, or indifferent. They are the only two choices. Simple. I choose, if given the alternative, to be indebted to 240 million Americans as opposed to maybe—I have never counted it, but I suspect if you added up every single solitary American in the last cycle who contributed to all the candidates in both political parties, you may hit a million people.

So the question is, do we want the People's House, as the House of Representatives is referred to, or the other body, as they refer to us in the Senate, do you want us beholden to 240 million Americans or a million Americans? I mean, what is all this stuff about? How much is the cost? My lord, the Republican Party spent more money subsidizing flood insurance for wealthy businessmen by a factor of 10 than we are going to spend on this awful thing called public financing.

I always kind of thought the notion public connotated something good, not bad, but if you notice how they say it, I say to my friend from New Jersey, public like this is something awful—public. My lord, public is people, the American people. And if you take a survey and ask the American people whether they want to spend anything on anything that has anything to do with the Government, they will tell you, no, not anything. So, my lord, we get off in this long drawn-out moralistic argument, and I say to my wealthy friends here in the Senate—I do have wealthy friends here in the Senate—the other option is there are those who are able to say, well, I took no money from anyone to run for public office; I took it out of my own checking account. That is what they say, right? Sometimes colleagues stand before the pub-

lic and say, "I want you to know I can't be bought. My father already bought me for $12 million, my grandfather bought me for $4 million, or my great grandfather bought me for three-quarters of a million dollars. So I am an honest man. I do not want public money. I do not want private money. I have my own money."

Praise God that I would have had that opportunity. I promise you I would have been as noble as any of my wealthy friends in here and said I will take nothing from anybody except that which I never earned.

So what is happening? I do not mean this in any derogatory way. I do not blame them. If I had money, I would avoid the demagoguery of those who say, "And did you not take a contribution from somebody who in 1947 knew somebody who in 1963 invested in a savings and loan that went belly up in 1986 and therefore aren't you crooked?"

Sure, if I had the money I would avoid it all. But what do we have now? You sit around—and I say this very bluntly. I do not have any trouble raising money. I had trouble the first time, a 28-year-old announced for the U.S. Senate. Under the Constitution you have to be 30 years old to be a Senator. I was elected when I was 29 years old, 3 weeks before I was constitutionally eligible even to take office. I want to tell you back in those days it was hard to get people to contribute to me. Now I am the chairman of the Judiciary Committee. I have been here 18 years. I have just been reelected for my fourth term. I was foolish enough to have run for President once so I know people beyond my State. So I do not have any trouble raising money. It is tedious, but I do not have any trouble. I can have one of the wealthy scions of the du Pont family run against me and I will raise as much money as he.

I ask for 2 more minutes if I may.

Mr. BRADLEY. I yield the Senator 3 additional minutes, as long as the Senator would like within reason.

The PRESIDING OFFICER. The Chair advises the controller of the time that there are 31 minutes and 27 seconds remaining.

Mr. BIDEN. I will try not to take up the Senator on his generous offer, especially since the manager of the bill came back. When Senator BRADLEY said I can have as much time as I want, the Senator from Massachusetts turned white at that moment. I will not take all the time by any stretch of the imagination.

Let me conclude by saying this: I really think that we should stop kidding the American people and answer two basic questions: Do we want to both in fact and in appearance free any candidate in any political party from the appearance of being beholden to anyone? Is that a laudable, is that a notable, is that worthwhile, is that an important objective? If it is not, so be it. If you can conclude that is not important, that is not part of the reason that we are on this floor today, debating financing of any kind, why are we here? Because the American people are angry. They do not like the way we finance our elections.

They are as naive as I was when I ran in 1972. After I got the nomination, I went to the chairman of the Democratic Party and said, "Do you write me a check?" And he looked at me and he said, "You are 29, aren't you?" I am serious. I thought, yes, you just went and got a check; the parties do this, do they not? I did not realize I actually had to go out and knock on the door the way I hear you do. I would ask you because I know you make a lot of money. You walk up and say, "Can you contribute money for me to run for office?" I did not know you did it that way. When I found out you did it that way, I said I do not like this part of the job. I did not think this is so hot.

And guess what? Fifteen years later, as a consequence of scandal, and alleged scandal, the American people find out how it is done and they say, "I do not kind of like the way this is being done." And soon as the opponent found out this is the way it is done and some on our side found out the American people did not like it, they said what Republicans call it, a wedge issue, we got a wedge issue. Let us go out and make the case that anybody who accepts any money from anybody in a certain area is in fact bad. The question is, is the appearance important? If it is, I know of no other way to cleanse the process than to say these are the folks that I owe my allegiance to, not a group of a few people.

The PRESIDING OFFICER. The Senator has now used 4 minutes of his allocated time.

Mr. BIDEN. One more minute and I will stop. I ask unanimous consent for 1 more minute.

Mr. KERRY. I yield the Senator from Delaware another minute.

Mr. BIDEN. The second point I wish to make is that limiting spending is a laudable, notable, important objective that the American people want. Now, lest you want to leave the appearance the way it is, or not limit election spending, then vote the Republican way. But if you want to do those two things, listen to this. There was an English writer and cleric, I believe, in the 17th century who said, "Moderate reform is like moderate justice or moderate chastity." There ain't no such thing. Either reform the system or be quiet. Reform the system, make it not only in fact but in appearance credible, limit the spending, or let us stop all this charade.

I expect this will not be the last time I will speak to this issue on the floor, but it is my sincere hope and desire I never have to rise again on the floor of this body to make a case for public financing.

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

Mr. KERRY. Madam President, I thank the Senator from Delaware, the powerful and distinguished chairman of the Judiciary Committee, as he calls himself, but as so many people more readily call him. He has been here, as he said, for 18 years. He has seen a lot more of this process than I have. But I appreciate his words of wisdom on this.

And, I want to thank the distinguished Senator from New Jersey who, likewise, has been here longer than I have and understands the implication of this.

I want to underscore what the distinguished Senator from Delaware said. He said the American people are upset by this process.

There are over 400 organizations across this country that want this legislation, that supported it openly and publicly, ranging from the American Association of Retired Persons, American Public Health Association, American Public Power Association, Children's Rights Group, Church Women United, Citizen Action, Consumer Federation of America, the Florida Municipal Electric Association, the Georgia Consumer Center, Georgia League of Women Voters.

I might add I do not know where the distinguished Senator from Kentucky has gone, but also the Kentucky American Jewish Committee, Kentucky Association of School Administrators, Kentucky Citizen Action, Kentucky Coalition for the Homeless, Kentucky Combined Committee on Aging, Kentucky Common Cause, Kentucky Community Farm Alliance, and the Kentucky Conference of NAACP Branches.

Madam President, I just went half way, I am only half way into K, abbreviating it, but there are groups all across this country that are crying out for this kind of reform.

Madam President I yield 10 minutes to the Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 10 minutes.

Mr. WELLSTONE. Thank you, Madam President. I thank the Senator from Massachusetts.

And I too wish to thank the Senator from Delaware for his remarks.

I rise in support of S. 128, the Kerry-Bradley-Biden bill.

I consider it a great honor, Madam President, to be able to speak on this Senate floor. I have an opportunity to speak to people in this country. And what I want to say to people in this country that follow this debate is that I just do not understand the case against public financing. I really do not understand it.

Opponents argue it has something to do with taxpayers' money, though it is voluntary. They argue that it is all

about entitlements. They call it food stamps for politicians. And then they argue that really not putting the lid on this mad chase for money, letting people just pour all these big bucks into campaigns, that really is participation, equating big dollars with participation.

It is a peculiar definition of participation to argue that those people who have the money, that are well connected and can put the money into these huge buck campaigns, get to participate more because they have more influence. That is a system of democracy for the few, but it is not a system of democracy for the many.

I believe that if you were to say to the people of our country—and that is what we are doing from the floor today; we give you a choice, and people deserve to have that choice—if we were to frame the issue—and that is what leadership is all about, framing issues, not telling people what they should decide but being honest and framing an issue for people—listen, would you be willing for $5 or $10, depending on how you cost it out, would you be willing for x amount of dollars to be able to reclaim control over your own Government, reclaim some control over these elections, reclaim control over democracy?

There is no question in my mind that the people in this country would give public financing overwhelming support. And the reason they would give it overwhelming support is because they are willing to face up to some unpleasant truths that the opponents of public financing are unwilling to face up to. The opponents of public financing turn their gaze away from unpleasant truths that are staring us right in the face.

Unpleasant truth: Money determines who gets to run. The Senator from Delaware said, as chair of the powerful Judiciary Committee, he has no problem raising money. He was honest about that.

I will tell you as somebody who challenged an incumbent, running for the first time, it was degrading. It was like begging. And over and over again people would say to me, do you have millions of dollars? That was their test of whether you were a viable candidate. That is outrageous in a democracy.

Money determines who the gatekeepers are. Who do you go to see early on? The people who are well connected. I will tell you, Madam President, I got to the point where I hated the language: the players, the well-connected, have you talked to them? These are the people who give the early money which really matters and they have way too much influence. And the vast majority of the people in our country do not. That is not real democracy. Money gives the advantages to the incumbents.

The system is wired for incumbents. I do not know why in the world, except for the fact there are many incumbents here, why anybody would not want to have a level playing field to give challengers a chance. Money determines whether or not you are going to be able to be a good legislator. That is an unpleasant truth.

There are so many—not enough women, I do not need to tell you this, Madam President—but there are so many fine Senators here. Now, in this last 2-year cycle, people who I have come to know and really respect, they are exhausted already, trying to be good legislators, representing people and also having to be on the phone raising money, traveling all around the country. It is absolutely outrageous, out of control.

Unpleasant truth: All too many Senators and Representatives are accountable to not real constituencies, not the vast majority of people—that is democracy—but to cash constituencies. That is an unpleasant truth.

Unpleasant truth: Money all too often almost always determines final outcome. That is right. Communication technology has become the major weapon of electoral conflict. It is capital intensive, it is hugely expensive and the people who have that money get on TV with those simple jingo ads, and they bombard people with it. And people know what they are and people sort of know what they stand for, although it does not focus on issues like it should. And those who do not have the money, they do not have a chance.

Madam President, in his book "Sleepwalking Through History," and I mentioned this last night in my speech on the floor, Haynes Johnson gives the following vignette.

> In Midland, Texas, entrepreneurs in the Nation's oil production capital gathered at the Holiday Inn to celebrate Reagan's inaugural. On a buffet table * * * they placed a cutout of the Capitol dome in Washington. On it was one word, "ours."

The people of America, I was going to say do not believe—that is not the right word. I am not talking about deception. The people—these are strong words from the floor of the U.S. Senate—the people in our country know that our Capitol, this Capitol, this Senate and this House does not belong to them. The people know that this Government does not belong to them. The people know that this mix of money has gotten to the point where it is no longer true that each person counts as one and no more than one. They know that some people are more equal than others. The people know they have been cut out of the political loop.

We need public financing. It is the most important issue I think that we could ever debate and discuss. It is the most important legislation we could ever pass. It goes to the very root of whether or not we are going to have good politics. We need public financing so that average citizens can say to themselves, the Capitol of the United States of America belongs to all of us. That is why we need public financing.

I yield the rest of my time back to the Senator from Massachusetts.

Mr. KERRY. I thank the distinguished Senator from Minnesota for his comments and for his commitment to this issue which are important and, I think, heartfelt. Moreover, I might add when the Senator from Minnesota says that the people in the country know, the fact is, Madam President, that the data really bears that out.

There has been polling data since the early 1970's. As we all recall, with the Watergate crisis people really began to focus on the question of campaign financing because of slush funds, et cetera.

Since 1973 through 1990, this was the question.

> It has been suggested that the Federal Government provide a fixed amount of money for the election campaigns of candidates for Congress and that all private contributions be prohibited. Do you think this is a good idea or a poor idea?

From 1973 until 1990, the American people have never been less than 60 percent in affirmative answer to that question. Today the American people, 88 percent, say there is too much money influence in politics and they would like to have some kind of public funding involvement.

When I hear my colleagues on the other side of the aisle say, by God, the public does not want tax dollars going to this, that is what they say if you ask the public, "Do you want your tax dollars going to politicians?" I will say "no" to that. Nobody is going to say they want their tax dollars going to politicians. But when you ask the question, do you want it going to them in a way that would allow them to get elected without having the major influence of money, then you begin to get Americans overwhelmingly voting in favor of it and saying, yes, that is really what this issue is all about.

Madam President, how much time remains?

The PRESIDING OFFICER. There is 15 minutes and 5 seconds.

Mr. BRADLEY. Will the Senator yield?

Mr. KERRY. I yield to the Senator from New Jersey.

The PRESIDING OFFICER (Mr. WELLSTONE). The Senator from New Jersey is recognized.

Mr. BRADLEY. Mr. President, at the moment we do not have the other side represented on the floor but I do think it is important to have them here at some point. If they are prepared to speak now I am prepared to yield the floor.

But I must say in anticipation of the floor leader on the Republican side taking the floor and addressing the Senate, in the last 24 hours I have been approached by several Republican Senators who heard the debate last night

and said they would be prepared not to have their party accept public money for conventions. Several of them also said they would like to make sure that Senate campaign committees did not get any kind of special treatment in mail. A number of them said we agree with you on the sewer money. We agree with you on trying to prevent the $100,000 contributions from slushing into State parties.

If that is so then I hope the distinguished floor manager for the Republican side would stand up now and tell us that he will write a letter to the chairman of the Republican Party, urging the Republican Party not to accept public money for its convention. And that he would be prepared to forgo any of the special mail treatment accorded to the Republican Senate Campaign Committee. And that he would be prepared to stand on the floor today and say that he would ban all of the big money coming into the parties, whether it be by corporations, or whether it be by individuals, or whether it be by labor unions. And I eagerly anticipate his remarks.

Mr. KERRY. Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Kentucky is recognized.

Mr. McCONNELL. Mr. President, the reason the current system does not have any money left in it is that people do not know enough about it. We need to advertise it. People are cynical about Congress being beholden to special interests. So I guess the argument on the other side is why should that affect the Presidential checkoff?

This amendment, it seems to this Senator, is being presented largely to provide some cover for those on the other side who would like to argue that they are somehow not in favor of public funding even though they are. I do not suspect the amendment of the Senator from Massachusetts is going to get a whole lot of votes. It may not even get a whole lot of votes on the Democratic side, because essentially what it tries to do is argue—and I am somewhat incredulous at hearing this argument—that the public is in favor of public funding.

I suppose the answer you get to those kinds of surveys depends largely on how you ask the question. I think it is pretty clear in surveys as recent as December of this year, one taken by Peter Hart and Bob Teeter together—that is an interesting combination—for NBC News and the Wall Street Journal. It was very simply put, "Would you favor or oppose public financing of congressional elections?"

I repeat, "Would you favor or oppose public financing of congressional elections?" That was in December 1990.

In favor of public financing of congressional elections: 38 percent; against: 55 percent.

I suppose we can all believe what we want to believe on the subject of whether the American people are in favor of spending tax dollars for political campaigns. I think the answer is pretty clear. I noted that not a single Republican Member is persuaded that the American people are in favor of taxpayer funding of Presidential elections. On the key amendment this morning to eliminate spending limits in public financing there was not a single Republican who voted against that particular amendment. So I suppose those on the other side who are in favor of the Kerry amendment could continue——

Mr. BRADLEY. Will the Senator yield?

Mr. McCONNELL. Not at this point; could continue to believe that the American people are in favor of this, if they choose. I am rather confident that they are not. They are having a chance to vote on public funding every April 15. In my State only 18 percent of Kentuckians choose to check off that they would like some portion of taxes that they already owe to go to Presidential races, including such things as financing the conventions. Clearly there is no sentiment for that.

But beyond the question of sentiment, because I suppose either of us can craft a question in a way that gets the answer we want, there is a more broad-based philosophical difference between virtually everybody on our side and virtually everybody on the other side. It is whether we think the efforts of people out there in the land to participate in our campaigns by making contributions that are limited and disclosed is somehow how a tainting process. I have heard it said time and time again by my friends on the other side we are somehow tainted by the fact that all of these people are out there contributing to our campaigns. Bearing in mind that in congressional races, the average contribution is about $300, how that is tainting is hard for this Senator to understand.

We all know there is a need for money in politics because in this modern age of communication, that is the way we reach the public. We may not like that. We may wish that people still wanted to go out on the courthouse lawn and listen to endless debates. You cannot even get a crowd for a debate in here, much less out there.

I think, frankly, it is fairly healthy that people are not interested in doing that sort of thing. Politics in America to the typical American is not a consuming interest, like it is for all of us. I, frankly, think that is a pretty healthy thing.

We have a fairly well-established democracy here. People have more important things to do: To be with their families, to go to ball games, to work, to do other things that are more important to them than to go out and listen to us making speeches or picking up pamphlets at our headquarters and going out and distributing those door to door. That is not something that that typical American has a consuming interest in doing.

A great many Americans do participate in the political process by writing out a check and sending it to their favorite candidate. For the life of me, Mr. President, I have a hard time seeing how that is a tainting thing.

The other argument that is made is that this is going to relieve all of us from the money chase. It has been asserted time and time again on the floor of the Senate that all Senators do is raise money. That just is not true. That is not what happens here. The statistics are clear. In every cycle that we have studied—and that is the last three, and we are also working on this one although it is completed—it is perfectly clear that Senators do not spend all of their time raising money.

Looking at the class of 1986, in the first 2 years of that 6-year term only 4 percent of all the money that was raised came in.

In the second 2 years, only 10 percent; 86 percent of the money raised by the class of 1986 came in in the last 2 years. Why? Because they wanted to get reelected; because they thought they might have an opponent.

I think competition is a good thing. We do not own these seats. We should not be insulated either from people who want to contribute to us or those who want to run against us. The same pattern was evident in the class of 1988 and the class of 1990. Over 80 percent of the money raised by those incumbents was raised in the last 2 years. There is no money chase, Mr. President. It does not exist. It is a fiction.

So I think this amendment is, at least, in the judgment of the Senator from Kentucky, more straightforward than the underlying bill. The proponents of this bill come right out and say they think the participation in our campaigns is a tainting thing and they provide up to 90 percent of the spending limit from public funds. It almost approaches constitutionality, but it comes up a little bit short.

If this amendment sought to make this bill constitutional, it could fully fund or maybe even entice candidates into accepting a limit with 90-percent funding up to the spending limit but not punish—not punish—people who choose to express themselves beyond the limit.

So this amendment, even though it moves in the direction of becoming constitutional, still comes up short of the mark because it keeps all the punitive features, that the underlying amendment has when one expresses himself above the limit prescribed.

Mr. KERRY. Will the Senator from Kentucky yield?

Mr. McCONNELL. In a moment. When it punishes candidates for expressing themselves above the limit prescribed in the bill. Mr. President, I would have hoped that we could have had just a straightforward public funding amendment with no penalties so that I could have stood up here and said this may be wrongheaded but at least it does not violate the first amendment.

Unfortunately, the Kerry amendment is both expensive and unconstitutional. So there are at least two good reasons for opposing this amendment. It will be very expensive, and it also will not last a minute in the courts.

So, Mr. President, I hope that the Kerry amendment will not be approved, and I yield the floor.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KERRY. I would like to make a point quickly on my time, if I may.

Mr. President, I ask unanimous consent that a memo from the Congressional Research Service be printed in the RECORD.

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

CONGRESSIONAL RESEARCH SERVICE,
Washington, DC, May 17, 1991.

To: Senate Committee on Rules and Administration, Attention: Thomas E. Zoeller, Counsel.

From: American Law Division.

Subject: Constitutionality of a Provision in S. 3 (102d Cong.) That A Candidate Complying With Spending Limits, Whose Opponent Does Not Comply, Shall Receive Additional Public Financing in the Amount of the Excess Expenditure.

This memorandum responds to your request for a discussion of the constitutionality of a provision in S. 3, the "Senate Election Ethics Act of 1991," 102d Cong., 1st Sess., that a candidate complying with spending limits, whose opponent does not comply, shall receive additional public financing in the amount of the excess expenditure.

In the 1976 landmark case of *Buckley v. Valeo*,[1] the Supreme Court held that spending limitations violate the First Amendment because they impose direct, substantial restraints on the quantity of political speech. The Court found that expenditure limitations fail to serve any substantial government interest in stemming the reality of corruption or the appearance thereof and that they heavily burden political expression.[2] As a result of *Buckley*, spending limits may only be imposed if they are voluntary.

It appears that the provision in question would pass constitutional muster for the same reasons that the public financing scheme for presidential elections was found to be constitutional in *Buckley*. The Court in *Buckley* concluded that presidential public financing was within the constitutional powers of Congress to reform the electoral process and that public financing provisions did not violate any First Amendment rights by abridging, restricting, or censoring speech, expression, and association, but rather encouraged public discussion and participation in the electoral process.[3] Indeed, the Court succinctly stated:

> Congress may engage in public financing of election campaigns and may condition acceptance of public funds on an agreement by the candidate to abide by specified expenditure limitations. Just as a candidate may voluntarily limit the size of the contributions he chooses to accept, he may decide to forgo private fundraising and accept public funding.[4]

Because the subject provision does not *require* a candidate to comply with spending limits, the proposal appears to be voluntary. Even though compensation paid to a complying candidate, in the amount of excess expenditures made by a non-complying candidate, serves as an incentive to limit spending, it does not jeopardize the voluntary nature of the limitation. That is, a candidate could legally choose not to comply with the limitation by opting not to accept public financing. Therefore, it appears that the proposal would be found to be constitutional under *Buckley*.

L. PAIGE WHITAKER,
Legislative Attorney.

Mr. KERRY. Mr. President, it says in the 1976 case of Buckley versus Valeo that this particular proposal meets constitutionality under that. When we run out of arguments on campaign finance reform, when we cannot really argue against the concept, then the great thing to do is come to the floor and say it is unconstitutional.

The Senator from Kentucky suggests it is unconstitutional because it punishes some. It does not punish anybody; it does not punish them at all. It does not violate anybody's rights to spend all the money they want. If they want to spend $100 million, they can spend $100 million. This is very elucidating regarding the position of the Republicans on this bill, the notion that the equality of the opportunity to speak is a punishment. They want the advantage and if you take the advantage away from them, you are punishing them.

What this bill does is give equality of opportunity to speak to the other side. It takes away no right to speak; it does not limit the person's speech; it does not in any way touch the content of what they say. It simply says, hey, folks, the other guy is going to get to speak, too. And that is 100-percent constitutional.

I reserve the remainder of my time.

Mr. DECONCINI addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. DECONCINI. I thank the Chair.

I am here to support the Kerry amendment.

Mr. KERRY. How much time does the Senator from Arizona need?

Mr. DECONCINI. Does the Senator control the time? I ask for 5 minutes.

Mr. KERRY. How much time remains?

The PRESIDING OFFICER. The Senator from Massachusetts has 10 minutes 30 seconds.

Mr. KERRY. I yield the Senator from Arizona 4 minutes.

Mr. DECONCINI. I thank the Senator. I did not realize there was a time limit. I was not listening to all the fine arguments of the Senator because I know them and agree with them.

Mr. President, I think the Senator from Massachusetts and others, including this Senator, are trying to come up with a financial way of providing an equilibrium in the campaign process of financing Senate campaigns, and it is a good one. He has looked at it from a practical point of view and this amendment addresses it just like that, a practical way, to see that there is a level playing ground, that people will not have an advantage because they are incumbents. There are limits and there is a threshold to demonstrate that you are really a credible candidate and not far off the end, right or left, or someplace else. Once you establish that, and you get through the primary, you are entitled to the public financing.

As the Senator from Massachusetts pointed out, whenever you cannot find a reason to be against something, just say it is unconstitutional. That is a great argument. Everybody is very cautious about doing anything that might be unconstitutional.

But that is what this body is about. We pass laws here. We do not interpret the constitutionality of them. We do our level best to come up with laws that we believe are constitutional, based on the strong recommendations of experts. We do not sit here purposely trying to pass unconstitutional laws.

When campaign reform and public financing was passed once before and Buckley versus Valeo resulted, we found that part of our reform effort was unconstitutional, but we found the Presidential side of it was constitutional.

I think we need to look at the history of the success of the Presidential public financing. It has worked. I think there is hardly anyone here who would doubt that since the Presidential system was enacted, as the result of Watergate, which was certainly the momentum to enact such a system, Presidential campaigns have vastly improved. It does not mean there are not problems still with them, but the current system has vastly improved the image of that election process and it has curtailed much of the underhanded, special interest money that was involved in the elections prior to Watergate.

The checkoff system has worked. Thirty-two million Americans checked "yes." With just a small amount of education and some positiveness about public officials in elections, instead of everybody criticizing politics all the time and then candidates having to go

[1] 424 U.S. I (1976).
[2] *Id.* at 39.
[3] *Id.* at 90-93.
[4] *Id.* at 67, fn. 65.

out and run for office, it seems to me that the checkoff would work.

We have seen voter disenchantment here and how the public today holds us in the lowest esteem—some of the polls show. We do not have the credibility and the confidence of the American public. And why is it? Because we are out hustling for money. We are out there with a tin cup. We are out there begging people to give us money. And this bill before us today creates limits and knocks off the exorbitant amount of money that we have to raise and spend.

The Senator from Massachusetts comes in with a way to finance it and to pay for it so you do not have to go out and beg.

Maybe I am missing something. Maybe there are some Members who like to go out and ask for money. I have never liked it. I must say I am pretty good at it. I can raise it. I do not think there is an incumbent who cannot raise it if they want to. We want to make it fair. We want to do away with the image problem and the reality problem that special interests are controlling this electoral process.

I hope this body will agree to the amendment of the Senator from Masachusetts and others.

Mr. President, I rise in support of the Kerry amendment because I believe that public financing is a key element of campaign finance reform. There are numerous reasons that public financing would do much to solve the current problems tainting our campaign system, and I would like to discuss them briefly.

Without public financing as an incentive for complying with spending limits, our efforts to achieve true campaign finance reform will fail. As we know, the Supreme Court ruled in Buckley versus Valeo that it is unconstitutional to limit campaign spending outright. Therefore, limits must be voluntary, and the incentives to comply with them must be strong enough to make them effective. Public financing is the strongest incentive we have to comply with limits. Other incentives play an important role, but public financing is the key.

Public financing increases the accountability of campaign fundraising. Combined with spending limits, public financing reduces the need for candidates to pursue big money and thus increases the accountability of the source of funds. With public funds, everyone knows where the money came from, and there is no underlying question about any indebtedness that may result from it.

Public financing helps challengers achieve equal ground. Incumbents enjoy many advantages simply by virtue of the job they perform: Name recognition, use of the frank, the ability to perform constitutent service, and the opportunity to receive honoraria, which can be directed to campaign coffers. In addition, incumbents enjoy an incredible fundraising advantage. Of 1988 PAC contributions to Senate races, incumbents received 74 percent, challengers received 12 percent, and candidates in open races received 14 percent. The incumbent share of total Senate campaign spending rose from 44 percent in 1980 to 66 percent in 1990. There can be no doubt that incumbents easily raise more money than challengers, and the only way to even the playing field is to create spending limits at the level which challengers are able to achieve. This keeps incumbents' money machines down at the challengers' level without hindering the challenger from mounting an effective campaign.

Public financing would be equally available to all viable candidates. It would reduce the impact of the incumbent's greater accessibility to money, and the race would get back to issues, rather than money.

The success of the Presidential system of public financing is excellent testimony of the effectiveness of this proposal. All but one Presidential candidate has used public funds since the system was created. The Presidential system succeeded in improving the poor public image of Presidential elections that resulted from Watergate. The checkoff system does work. Over 32 million Americans check "yes" on their tax returns, indicating that they do want $1 of their tax money to be used to support public financing of Presidential campaigns. With just a small education effort, even more would understand the system and use it.

Public financing is an investment in good government, not an entitlement program for politicians, as some critics have claimed. It is clear that this country faces severe voter disenchantment. The American people currently do not have faith in the integrity of elections. In 1988, national voter turnout hit a 24-year low of 50 percent. Mr. President, fully one-half of the American electorate does not feel it is worth their while to exercise their constitutional right to choose their leaders.

This decline in our democratic processes is a great threat to our Nation. Homelessness, child nutrition, education—all of these are vital programs worthy of spending. But we cannot compare apples and oranges. We cannot say that the threat to our democracy of the cynicism, disgust, and distrust of the American people is less of a problem than the many other crises facing this country. We cannot ignore the level of dissatisfaction that exists today. We must change the public perception. Partial public financing is not a selfish program on the part of politicians. It is a program for the people to guarantee to them that their own government is one of integrity and honor. How can we say that partially financing elections with the people's money in an effort to combat private big money is not a worthy use of the people's funds?

Public financing will not just pay fringe candidates to publicize their agenda, as some critics have argued. The opponents' story is that public financing will enable fringe candidates such as Lyndon LaRouche and David Duke to push their own private agendas at the public expense. Critics argue that candidates who would not choose to run under current circumstances would be encouraged to go for the spotlight at the public's expense, even though they have little chance of winning.

These arguments are inaccurate. Candidates must prove that they are serious and viable by raising a threshold of 10 percent of their general election limit. The threshold must be made up of small contributions of $250 or less. Fifty percent of the contributions must come from in-State.

Mr. President, competition is a critical aspect of Democracy. If a candidate can meet the threshold requirements, then I believe he has demonstrated that he represents ideas that a significant number of constituents agree with, whether or not we agree with them personally. Democracy means encouraging ideas, not squelching them. If an opponent is running on a platform that is abhorrent to us, then let's get out there and make the issues the focus of the election. This is what makes the people confident that their representative was elected because of his ideas and not because of money. To say we don't want to give challengers an equal playing field because they might espouse ideas we don't agree with is fundamentally contrary to the tenets of this great democracy. Shying away from this important element of reform—which will benefit all candidates and level the playing field for challengers—just because we are afraid of encouraging candidates we don't like, is a poor excuse for denying the American people the true reform they deserve.

Mr. President, the arguments against public financing are weak. They are grasps in the air to divert the substance of this debate away from the importance of spending limits. Opponents of public financing attempt to twist the issue around, to make it appear that they are protecting the public interest by not expending public funds, in an effort to avoid facing the fact that they want to keep the current incumbent advantages in place. This is what the true effect would be, Mr. President.

Without public financing, we have no incentive to comply with spending limits. Without strong incentives, voluntary limits won't work, and we cannot constitutionally impose limits on

candidates who do not agree to them. Without working spending limits, the big money chase will continue. Candidates will be faced with the need to raise millions of dollars for a campaign, and the fat cats will continue to find loopholes somewhere, somehow, to get their money to candidates. And most importantly, the incredible incumbent advantage will continue to benefit current officeholders and effectively bar potential good, effective leaders from competing on an even playing field for the honor of representing the people of this great Nation.

It is the people we represent. There is nothing evil about financing the people's elections with the people's money, so that the people control the interests of those they elect.

Mr. KERRY. I thank the Senator from Arizona.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KERRY. Mr. President, I ask unanimous consent that the list of some 400 organizations around the country supportive of this legislation be printed in the RECORD.

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

ORGANIZATIONS IN SUPPORT OF COMPREHENSIVE CAMPAIGN FINANCE REFORM INCLUDING PUBLIC FUNDING OF CONGRESSIONAL CAMPAIGNS

American Association of Retired Persons (AARP)
American Association of School Administrators
American Association of University Women
American Association of University Women of Maine
American Association of University Women of New Hampshire
American Ethical Union
American Jewish Committee
American Public Health Association
American Public Power Association
American Reading Council (NY)
Americans For Nonsmokers' Rights
Americans for Indian Opportunity
Appalachia-Science in the Public Interest
Arizona Citizen Action
Arizona Coalition for Human Services
Arizona Common Cause
Arizona Ecumenical Council
Arizona Gray Panthers
Association for Community Based Education
Association for Community Organizations for Reform Now (ACORN)
Association for Community Organizations for Reform Now (ACORN) NY
Austin Congregation Beth Israel
Austin Gray Panthers
B'nai B'rith Women
B.U.R.N.T.
BPW/USA (National Federation of Business and Professional Women, Inc.)
Bergen County Gray Panthers (NJ)
Beyond Recall (AZ)
Broward Coalition of Condo Owners Association (FL)
California AARP/VOTE
California Advocates for Nursing Home Reform
California Center for Public Interest Law
California Common Cause
California Consumers' Union of the U.S., Inc.
California Council of Churches
California Greenpeace
California Insurance Consumer Action Network
California Jobs With Peace
California Public Interest Research Group
Campaign California
Caucus of Connecticut Democrats
Center for Community Action
Center for Justice—Buffalo
Center for Science in the Public Interest
Central Kentucky Council for Peace and Justice
Century Village Democratic Club (FL)
Charlotte Greens (NC)
Charlotte Rainbow Coalition (NC)
Childrens' Rights Group (CA)
Chinatown Planning Council (NY)
Chinatown Voter Education Project (NY)
Church Women United
Church Women United of Maine
Church of the Brethren
Church of the Brethren, Washington Office
Citizen Action
Citizen Action—Nashville, Tennessee
Citizen Action—Pennsylvania
Citizen Action Coalition of Indiana
Citizen Action of New York
Citizens Against PACs
Citizens Energy Council (NJ)
Coalition of Seniors, Retirees and Disabled (NJ)
Coalition to Stop Gun Violence
Colorado Citizen Action
Colorado Public Interest Research Group
Committee for Children
Common Cause
Community Nutrition Institute
Connecticut Association of School Administrators
Connecticut Church Women United
Connecticut Citizen Action Group
Connecticut Common Cause
Connecticut Public Health Association
Connecticut Public Interest Research Group
Consumer Federation of America
Consumers Information Council—Deerfield Beach
Consumers Union of New York
Consumers Union of U.S., Inc.
Consumers for Recycling (OR)
Cornucopia Network, Inc. (NJ)
Council of Senior Citizens (GA)
Dade County Council of Senior Citizens
Dallas American Jewish Committee
Delian League (NY)
Durham Committee on Black Affairs
Durham Voters Alliance
East Harlem Interfaith
Environmental Action
Environmental Law Caucus (OR)
Environmental Policy Institute—Northwest office
Florida Church Women United—Charlotte County
Florida Common Cause
Florida Consumer Action Network
Florida Consumer Federation
Florida Consumers Information Council
Florida Impact
Florida Municipal Electric Association
Florida Network—16 District
Florida Public Interest Research Group
Florida Union of American Hebrew Congregations—Southeast Region
Forelaws on Board (OR)
Friends Committee on National Legislation
Friends of the Earth—Northwest Office
Friends of the Earth/Environmental Policy Institute
Georgia Citizen Action
Georgia Consumer Center
Georgia League of Women Voters
Government Accountability Project
Granite State Coalition (NH)
Gray Panthers
Gray Panthers of New York City
Gray Panthers of Oregon
Gray Panthers of South Dade
Greater Cape Coral Church Women United
Great Columbus Gray Panthers
Greenpeace Action
Greenspace Northwest
Groundwork
Handgun Control Federation of Ohio
Headwaters (OR)
Hollywood Women's Political Committee
Homeless Voter '91 (NY)
Illinois Public Action Council
Illinois Public Interest Research Group
Indiana Citizen Action
Indiana Common Cause
Indiana Farmers Union
Indiana Lawyers Guild
Indiana Public Interest Research Group
Institute for Community Resources and Public Policy
Institute for Peace and National Security
Institute for Southern Studies
International Association of Chiefs of Police
Iowa Citizen Action Network
Iowa League of Savings Institutions, Inc.
Iowa Public Interest Research Group
Jesuit Social Ministries
Kansas City Gray Panthers
Kansas Coalition on Aging
Kansas Common Cause
Kansas Consumer Affairs Association, Inc.
Kansas Farmers Union
Kansas National Farmers Organization
Kansas Natural Resources Center
Kansas Rural Center
Kentuckians Against Assault Weapons
Kentucky American Jewish Committee
Kentucky Association of School Administrators
Kentucky Citizen Action
Kentucky Coalition for the Homeless
Kentucky Combined Committee on Aging
Kentucky Common Cause
Kentucky Community Farm Alliance
Kentucky Conference of NAACP Branches
Kentucky Council of Churches
Kentucky IAM-Nurses Professional Organization
Kentucky Jewish Community Federation
Kentucky League of Women Voters
Kentucky National Farmers Organization
Kentucky Public Health Association
Kentucky Youth Advocates
Lawrence Countians for Safe Waste Disposal (TN)
League of United Latin American Citizens
League of United Latin American Citizens of Texas
League of Women Voters of Maine
League of Women Voters of New Jersey
League of Women Voters of New York City
League of Women Voters of New York State
League of Women Voters of the United States
Legislative Election Action Program (CT)
Lloyd Harbor, New York Friends Meeting
Lobbyists and Lawyers for Campaign Finance Reform
Long Island Council of Churches
Long Island Progressive Coalition
Louisiana Citizen Action
Louisville National Council of Jewish Women
Maine AARP/VOTE
Maine Chapter of the National Council of Jewish Women

Maine Citizen Action
Maine Commission for Women
Maine Common Cause
Maine Earth First
Maine NETWORK
Maine Nuclear Referendum Committee
Maryland Clean Water Action
Maryland Common Cause
Maryland Gray Panthers
Maryland Infinity Recycling, Inc.
Maryland NAACP
Maryland Public Health Association
Maryland Public Interest Research Group
Maryland United Communities Against Pollution
Maryland White Lung Association
Maryland Women's Political Caucus
Marylanders United for Peace and Justice
Massachusetts Citizen Action
Massachusetts Common Cause
Massachusetts GreenPeace USA
Massachusetts NETWORK
Massachusetts Public Health Association
Massachusetts Public Interest Research Group
Massachusetts AARP/VOTE
McKenzie Guardians (OR)
Mennonite Central Committee
Miami American Jewish Committee
Michigan Citizens Lobby
Michigan Common Cause
Michigan Farmers Union
Michigan League of Women Voters
Michigan Network
Michigan Public Interest Research Group
Midsouth Peace & Justice Center (TN)
Minneapolis Friends Meeting
Minnesota AARP/VOTE
Minnesota Alliance for Progressive Action
Minnesota Association of School Administrators
Minnesota COACT
Minnesota Church Women United
Minnesota Citizens For Tax Justice
Minnesota Common Cause
Minnesota DFL Feminist Caucus
Minnesota Farmers Organization
Minnesota Farmers Union
Minnesota International Alliance for Sustainable Agriculture
Minnesota Joint Religious Legislative Coalition
Minnesota League of Women Voters
Minnesota Municipal Utilities Association
Minnesota Public Health Association
Minnesota Public Interest Research Group
Minnesota Rainbow Coalition
Minnesota Senior Federation
Minnesota/Dakota NAACP
Missouri AARP/VOTE
Missouri Citizens Action
Missouri Common Cause
Missouri Farmers Organization
Missouri IMPACT
Missouri NAACP
Missouri Public Health Association
Missouri Public Interest Research Group
Montana Public Interest Research Group
NETWORK: A Catholic Social Justice Lobby
Nashville Clergy and Laity CONCERN
National Academy of Public Administration
National Association of Arab Americans
National Association of Catholic School Teachers
National Coalition to Ban Handguns
National Community Action Foundation
National Council of Churches
National Council of Jewish Women
National Council of Jewish Women (NC)
National Council of Jewish Women, Louisville Section
National Council of Jewish Women, Twin Cities Section
National Council of La Raza
National Farmers Organization
National Farmers Union
National Insurance Consumer Organization
National Non-Partisan Voter Registration Campaign
National Puerto Rican Forum
National Rural Coalition
National Urban League
Natural Resources Defense Council
Nebraska Center for Rural Affairs
Nebraska Citizen Action
Nebraska Farmers Union
Nebraska League of Rural Voters
Network for Enviro&Econ Responsibility of the United Church of Christ
New Hampshire AARP/VOTE
New Hampshire Association for the Elderly
New Hampshire Citizen Action
New Hampshire Common Cause
New Hampshire NAACP
New Hampshire Women's Lobby
New Jersey Citizen Action
New Jersey Common Cause
New Jersey Council of Churches/IMPACT
New Jersey Public Interest Research Group
New Jersey Rainbow Coalition
New Mexico Public Interest Research Group
New York American Jewish Committee
New York Church Women United
New York Common Cause
New York Conference of the United Church of Christ
New York Gray Panthers
New York Metropolitan District Unitarian Universalist Association
New York National Puerto Rican Forum
New York Public Interest Research Group
New York State Council of Churches
New York State IMPACT
North Carolina Civic Education Project
North Carolina Common Cause
North Carolina Equity
North Carolina Fair Share
North Carolina League of Women Voters
North Carolina People's Alliance
North Carolina SANE/FREEZE
North Potomac Citizen's Association (MD)
North West Civic Coalition (NM)
Oak Ridge Environmental Peace Alliance (TN)
Office for Church in Society, United Church of Christ
Ohio American Jewish Committee—Cincinnati Chapter
Ohio Citizen Action
Ohio Common Cause
Ohio Council of Churches
Ohio Farmers Union
Ohio Network
Ohio Public Interest Research Group
Oregon Fair Share
Palouse Preservation League (WA)
Pax Christi—South Texas
Pennsylvania Church Women United
Pennsylvania Citizen Action
Pennsylvania Council of Churches
Pennsylvania Council of Federation of Reform Synagogues
Pennsylvania Farmers Union
Pennsylvania Gray Panthers—Greater Pittsburgh
Pennsylvania National Puerto Rican Forum
Pennsylvania Network—2nd District
Pennsylvania Public Interest Research Group
Pennsylvania Urban League
People for Animal Rights (OR)
Phoenix American Jewish Committee
Piedmont Peace Project (NC)
Portlanders Against US Intervention in Central America
Presbyterian Church of the U.S.A.
Public Citizen
Public Interest Research Group in Michigan
Public Voice for Food and Health Policy
Queens Citizens Coalition for Political Alternatives
Religious Society of Friends—1st Street Meeting, NYC
Rhode Island Gray Panthers
Rural Advancement Fund (NC)
Sacramento Urban League
Sarasota-Manatee Gray Panthers
Save Shelby Farms Forest (TN)
Senior Citizens Alliance of Tarrant County (OK)
South Carolina Common Cause
Southwest Florida American Jewish Committee
Tallahassee—Temple Israel
Tennessee Common Cause
Tennessee Gray Panthers
Tennessee National Farmer's Organization
Tennessee Natural Rights Center
Tennessee Network for Community and Economic Development
Tennessee Peace and Disarmament Campaign
Texas Church Women United
Texas Citizen Action
Texas Citizens Environmental Coalition
Texas Common Cause
Texas Farmers Union
Texas Network—13th, 22nd and 25th Districts
Texas Public Citizen
The Children's Foundation
The Congregation Temple B'nai Jehudah, Kansas City, Missouri
The Episcopal Church, Public Ministries Cluster
The General Board of Church and Society of the United Methodist Church
The National Council on the Aging
The Southern Rainbow Education Project
The Temple, Louisville, Kentucky
The United Methodist Board of Church and Society
Traprock Peace Center
Twin Cities Gray Panthers
U.S. Public Interest Research Group
Union Seminary (NY)
Union of American Hebrew Congregations
Union of American Hebrew Congregations/NE Division
Unitarian Universalist Association of Congregations
United Church of Christ—South Central Conference
United Neighborhood Houses of NY, Inc.
United School Administrators of Kansas
Voters Electing a New Congress
Washington American Association of Retired Persons
Washington Association of Churches
Washington Citizen Action
Washington Common Cause
Washington El Centro De la Raza
Washington Gray Panthers
Washington League of Women Voters
Washington National Farmers Organization
Washington Peace and Justice Action League
Washington Public Interest Research Group
Washington Veterans for Peace
West Virginia Citizen Action Group
Western Pennsylvania American Jewish Committee
Wisconsin Action Coalition
Wisconsin Public Interest Research Group
Women for Economic Justice
Women's City Club of New York, Inc.

Women's League for Conservative Judaism

Mr. KERRY. Mr. President, I note this list really represents exactly the kind of people we are talking about. My colleague from Kentucky talked about this notion of our being tainted and how money simply comes from small donors, but the reality is there are congressional races where 60 percent of the money comes in in over $1,000 amounts. In fact, only 1 out of every 200 Americans contributes $200 or more to congressional candidates. Yet, most of the money comes in those amounts. So the fact is it really represents the disenfranchisement, if you will, of the American voter from this system.

Mr. President, I reserve the remainder of our time.

Mr. BRADLEY. Will the Senator yield for a question?

Mr. McCONNELL. In a moment, Mr. President.

The PRESIDING OFFICER. The Senator from Kentucky is recognized.

Mr. McCONNELL. In fact, the most serious argument against the underlying bill, which is still a problem with the Kerry amendment, is it is unconstitutional. I do not know where the CRS opinion came from, but I would suggest they read the Buckley case. In the Buckley case the pertinent part is this:

The mere growth in the cost of Federal election campaigns in and of itself provides no basis for Governmental restrictions on the quantity of campaign spending and the resulting limitation on the scope of Federal campaigns.

The first amendment denies Government the power to determine that spending to promote one's political views is wasteful, excessive or unwise. In the free society ordained by our Constitution, it is not the Government but the people, individually as citizens and candidates and collectively as associations and political committees, who must retain control over the quantity and range of debate on public issues in a political campaign.

Mr. President, this is not even a close call. This bill is blatantly unconstitutional. It is distinguishable from the Presidential system. The Presidential system, I say to my friends, is at least honest, full public funding. But if you choose not to accept the public funding and you decide you want to speak as much as you can, nothing happens to you. No public subsidiaries are triggered for your opponent. You did not lose any discount rates. Nothing bad happens to you. You have to work harder to raise the money.

One candidate did that, John Connally. Nothing was triggered for any of his opponents. Nothing bad happened to him.

But under S. 3, if you decide as a matter of principle, or for whatever reason, you do not agree to limit your speech—and the Supreme Court has said the spending of money in a political campaign is protected first amendment speech—or you do not like public funds or some combination thereof, and you go out and you say I am going to speak as much as I can and you encroach above the arbitrary spending limit, all hell breaks loose, Mr. President. You lose your broadcast discount. You lose your direct mail subsidy. Public subsidies are triggered for your opponent. And if some independent citizen wants to come in and speak against you, as they have a right to do under the Buckley case, other public funds are triggered. So you are clearly punished, punished for exercising your first amendment rights to speak under S. 3.

Unfortunately, the Kerry amendment retains the penalty provisions.

I say to my friends on the other side, I was hoping this amendment would be completely honest, that is to say, we are going to have really voluntary spending limits and we are going to provide full public funding. It would have been expensive, but it would have been constitutional. And so I am sorry I still have both arguments. It is both expensive and unconstitutional. I wish it had been otherwise.

Mr. KERRY. Will the Senator yield?

Mr. McCONNELL. I will be happy to yield to the Senator from Massachusetts for a question without losing my right to the floor.

Mr. KERRY. What the Senator from Kentucky has done is read the portion of Buckley that does strike down the independent expenditure ceiling, ceiling on overall campaign expenditures, et cetera. But the Court said specifically those provisions impose direct and substantial restrictions on political free speech absent a showing of corruption or the appearance of corruption. The Court says, and I quote the Court——

Mr. McCONNELL. Is this a question?

Mr. KERRY. I am going to ask the Senator about his awareness. It is a question.

Congress is justified in concluding that the interest in safeguarding against the appearance of impropriety requires the opportunity for abuse inherent in the process of raising large monetary contributions be eliminated.

That is permissive language. Does the Senator not agree?

Mr. McCONNELL. Absolutely. What the Court did, of course, as the Senator apparently does not understand, is make a distinction between the receiving on the one hand and the spending on the other. The Court said it was entirely appropriate because of the appearance of corruption to put a limit on what Senator KERRY might give Senator McCONNELL for his campaign. What the Court said was impermissible to do in effect was to say there are only so many contributors Senator McCONNELL can have. It said it is OK to put a cap on contributions to another, but you cannot tell the candidate how many contributors he can have or how much speech he can engage in.

The Justice Department put it another way, in testimony this year before the Rules Committee, in referring to the spending limits in S. 3:

These provisions would force a candidate to accept a limitation on expenditures and therefore on the quantity of political speech in which he could engage. A candidate either would accept limits on his power to convey his ideas to the voters or would face an opponent whose campaign is being supercharged with huge grants of taxpayers' dollars, perhaps in the millions. These provisions would raise very grave first amendment problems.

So there is a clear distinction between the receiving of contributions, which certainly can be limited, consistent with the Buckley case, and the expenditure of funds to express yourself, which cannot be limited. A candidate can only be enticed by a public subsidy into accepting those limits. He cannot be bludgeoned into accepting those limits.

Now, Mr. President, I had an op-ed article in the Washington Post just last Thursday which I would like to ask be inserted at this point because it deals directly with the constitutional issue. I ask unanimous consent that it be printed in the RECORD.

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

[From the Washington Post, May 16, 1991]

ELECTION REFORM THAT FETTERS FREE SPEECH

(By Mitch McConnell)

There plenty of good reasons to be against S.3, the huge campaign finance bill lumbering through the Senate; It's a politicans' entitlement program, it's rigged for incumbents, and experts say it won't do any thing to reduce campaign spending or special interest influences.

But the most serious reason for opposing S.3 is that this bill is the most aggressive attack on free speech since the Alien and Sedition laws. Even if the bill limps through both houses and survives an expected presidential veto, it will be pronounced DOA on the steps of the Supreme Court.

S.3 enforces spending limits in Senate election campaigns by imposing Draconian penalties on anyone who refuses to comply. This runs headlong into the Supreme Court case Buckley v. Valeo, which held that spending limits are essentially a limit on speech and therefore cannot be coerced.

The Buckley decision did allow Congress to offer candidates public money as an incentive to limit spending—provided that the system was completely voluntary. That is how presidential elections work: Candidates may forgo the subsidy (John Connally did in 1980), but they are not punished for ignoring the limits.

S.3 is completely different: Nonparticipating candidates not only forgo public financing, but they also lose a valuable discount rate for their TV ads. And if they exceed the spending limit—even by $1—they trigger an avalanche of public money for their opponents. In a perverse twist on Buckley, S.3 makes spending limits the "deal you can't refuse," using public money and other benefits to bludgeon candidates into submission.

S.3's constitutional problems don't stop there. The bill gives candidates cold cash to battle "independent expenditures," efforts by private citizens to affect an election. Thus, David Duke could get millions of tax dollars to combat efforts against him by the NAACP and B'nai B'rith. In effect, S.3 uses the power of the public purse to overwhelm private political speech.

The bill also discriminates against citizens who want to support candidates in other states. This ignores the fact that members of Congress are national figures. Many members, because of committee post or personal crusade, are leaders on issues of national significance. To draw state lines around the right to support candidates is to restrict every citizen's right—as an American—to particpate in national issues and ideas. It is simply inane that a KKK member in David Duke's home state should have more right to contribute to him than an out-of-state civil rights worker would have to help his opponent.

It is also unconstitutional. The Buckley court found only one acceptable reason to restrict contributions: to prevent the appearance or reality of corruption. There is nothing about out-of-state money that makes it more corrupting than in-state money. If the Keating Five scandal taught us anything, it is that when a contribution has some connection to the state, even the most blatant quid pro quo can be justified as "constituent service."

Finally, S.3 gets downright nasty in regulating political advertising. The bill forces all nonparticipating candidates to declare in their ads: "This candidate has not agreed to abide by the spending limits . . . set forth in the Federal Election Campaign Act." This disclaimer clearly is designed to embarrass such candidates, and implies that they are scofflaws when their only "crime" is the full exercise of their First Amendment freedomes.

Like the McCarthy era's "Loyalty oaths," S.3's degrading disclaimer would be struck down by the Supreme court as an impermissible speech content requirement.

S.3 has as much chance of surviving the Supreme Court as Saddam Hussein would have at an Army-Navy game. Before it gets that far, however, Congress should act responsibly regarding the bill's unconstitutionality. Members of Congress swear to uphold and protect the Consitution. If a bill's unconstitutionality is firmly established under legal precedents, as it is with S.3, then it is the duty of every member to stand by the principles they have sworn to protect.

Advocates of a flag-burning ban went to extreme lengths to ensure its constitutionality, checking with legal scholars and adding language to require expedited Supreme Court review. No such efforts have been made regarding S.3. So before this bill is passed out of the Senate, I will offer an amendment requiring expedited Supreme Court review of any constitutional challenge to it.

Congress should take special precautions with S.3 precisely because it is not just another flag-burning bill that restricts the trivial right to torch Old Glory. S.3 is a neutron bomb of a bill, aimed at the heart of political participation in America. By forcibly limiting campaign spending, S.3 squeezes out small donors and handicaps challengers with broad support. If it ever became law, this bill would noticeably shrink every American's right to be involved in politics.

The most revolutionary election reform ever enacted in this county was the First Amendment. The core of that reform was the ideal of unlimited, unfettered, unregulated speech. It would be a tragic irony to compromise that ideal in the name of election reform.

Mr. KERRY. Again, will the Senator yield for a further question?

Mr. McCONNELL. Yes, I will be happy to yield.

Mr. KERRY. The Senator has correctly drawn the distinction the Court drew at that point in time, but what the Court said at that point in time is it was only analyzing the contributor process but said, absent a showing of possible corruption with respect to expenditures, they could not limit it. If you have the showing of corruption with expenditures, you could.

Does the Senator not agree the very issue before the Congress of the United States in the Keating episode raises the whole question of an expenditure of money with respect to corrupting influence?

Mr. McCONNELL. Of course, the Keating case was essentially two cases of soft money. One was a multiparty——

Mr. KERRY. The question is does it involve expenditure and the image of impropriety?

Mr. McCONNELL. The Keating case involved——

Mr. KERRY. Yes or no?

Mr. McCONNELL. Nonparty soft money, and party soft money. In one case, due to the laws of the State of Ohio, it was permissible for a multicandidate PAC to receive a $200,000 contribution under the laws of the State of Ohio. In another case there was a situation where a Member of Congress solicited over $800,000 for a tax-exempt organization that was engaged in voter registration drives.

That does not have anything to do with what is before us today, Mr. President. What is before us today is an effort to put a cap on how many people can participate in the political campaigns of candidates for Congress in limited and disclosable amounts.

Mr. KERRY. Again will the Senator yield on that?

Mr. McCONNELL. There is nothing corrupting——

Mr. KERRY. Will the Senator yield?

Mr. McCONNELL. I have the floor, Mr. President.

Mr. KERRY. Will the Senator simply yield on that one point?

Mr. McCONNELL. There is nothing corrupting, Mr. President, about getting a lot of money from a whole lot of people. It is inconceivable to this Senator that a lot of these folks are going to get together and conclude they want to try to influence the officeholder in one particular direction. One of the difficulties, Mr. President, in having as low a limit as we do, the $1,000 limit we set back in the mid-1970's in today's dollars is worth about $450.

If you raise a lot of money, run for Congress, you have a whole lot of supporters. They rarely, if ever, get together with one common purpose. And that is what the Court was saying, in effect; that it is perfectly permissible to put a limit on what a person can give to another, because if $50,000 contributions, $100,000 contributions, were permissible, that certainly would raise the appearance of impropriety.

Ironically, the only place where those kinds of contributions are continuing to exist is in the Presidential system, where there are spending limits in public finance. The big moneys come back, all right. The Watergate-type contributions come back. But not for Congress; not in congressional races. Oh, no. The big moneys come back in the Presidential race, which my friend from Massachusetts seeks to replicate and apply to 535 different races.

Mr. BRADLEY. Will the Senator yield?

Mr. McCONNELL. The problem we have, the very thing that the Senator from Massachusetts and the Senator from New Jersey find so offensive, is occurring in the races, the one race, the Presidential race, that they seek to replicate by extending this system to 535 additional races.

I am happy to yield to the Senator from New Jersey for a question.

Mr. BRADLEY. I asked the question earlier of the distinguished Senator because of his concern over public finance, and the fact that he believes the public dollars should not be spent for political purposes.

Would he be prepared to write a letter to the chairman of the Republican National Committee urging that the committee not accept public dollars for the convention? And because of his concern for the large donors that push money into campaigns, as he sees it, under the current law, would he be prepared, which is not, to prohibit, as S. 3 does, those kinds of contributions going into the States? Two questions.

Mr. McCONNELL. First, I say we had an amendment up here just a little while ago, offered by the Senator from Kentucky, to eliminate public funding for Presidential elections, including conventions, and to eliminate subsidies. The Senator from New Jersey voted against that amendment. The Senator from Kentucky voted for it.

I would be prepared to play on that field if the rules were the same for everybody. The Senator from New Jersey must understand the difference between party soft money and nonparty soft money.

Yes, S. 3 does make an attempt to get at party soft money, to grind parties down further; parties, the one entity in America that will stand up for a challenge. One thing you can be sure of: Over 80 percent of the PAC money goes to incumbents, and 64 percent of

individual donations goes to incumbents. Incumbents have some real advantage.

The only entity in the American political process that will stand up for a challenger and will provide some risk capital, some venture capital, is the political party. And what does S. 3 seek to do? Grind the political party down; restrict it further than it is today.

Aha; but S. 3 does not do anything about nonparty soft money. Not one whit does it touch nonparty soft money. That, Mr. President, is the sewer money. It is unlimited. It is undisclosed.

It comes from labor unions; it comes from corporations and trade associations; it is off in the black market, and it is running rampant in the Presidential system. It is running rampant in the Presidential system, the system my friends from New Jersey and Massachusetts seek to replicate by extending it to another 535 races.

Mr. KERRY. Will the Senator yield for a question?

Mr. McCONNELL. Yes.

Mr. KERRY. The Senator made the argument a moment ago that there is an unconstitutionality. Because of the limitation here on small contributions, it limits people's ability to take part in the process.

Mr. McCONNELL. No; I did not.

Mr. KERRY. The Senator, when I tried to interrupt him about the question, I thought had said that there is a problem in this bill because it takes away from people the ability in small numbers to be able to participate.

Mr. McCONNELL. You cannot. Unless you are under a very, very low threshold and happen to live within the State, you are restricted. You do have, I think, in the amendment——

Mr. KERRY. Does the Senator believe that it is better for each of us to be out around the country looking for money, or that it is better to have an unlimited opportunity to raise money in our home State?

Mr. McCONNELL. What the Senator from Kentucky feels is the people who live outside of our States who care about the national issues that we debate here in this body have every right to support or to oppose candidates running for office. This effort to distinguish between in-State and out-of-State donors and to punish those who cannot vote for us, I think, is outrageous.

Why should, for example, the Ku Klux Klan in Louisiana be in a superior position to support David Duke, as opposed to a civil rights organization from Massachusetts to oppose David Duke? I mean, I think that this is a national office here. The people who vote for us, obviously, are in a preferred position. They are in our States.

But to say that the prolife and the prochoice people all across America cannot be interested in Senator HELMS' reelection race, or Senator PACKWOOD's reelection race, and that they are not on equal footing to support or to oppose candidates who are deeply involved in national issues that affect every American, I think is absurd.

So I very strenuously oppose these kinds of distinctions that are drawn in the bill of the Senator from Massachusetts between in-State and out-of-State donors. Those who live within our jurisdictions are already in a preferred position. They get to elect us or defeat us. But we vote on issues that affect everyone, and people across the country have a right, it seems to me, to an equal footing with those who are inside our States, to seek to oppose us or to defeat us.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Kentucky has 5 minutes, 42 seconds remaining.

Mr. BRADLEY. Will the Senator yield for another question?

Mr. McCONNELL. I yield to the Senator from New Jersey for a question.

Mr. BRADLEY. The Senator from Kentucky opposes the checkoff both for Presidential and for the Senate campaigns; is that not correct?

Mr. McCONNELL. That is correct.

Mr. BRADLEY. How does the Senator from Kentucky explain that the current President of the United States, George Bush, disclosed to the public that he checked off for his Presidential donation, and that he would advise people to check off?

Mr. McCONNELL. I would be happy to answer the Senator's question. I am not here representing George Bush's views. George Bush, I guess, decided to support the checkoff. The Vice President did not check off.

I have heard the point made time and time again, and the Senator from New Jersey may have made the point, that somehow Republicans waived their right to be offended by public funding because Republican candidates for President have accepted the public funding. I will tell you why they have accepted the public funding. It is so generous they cannot afford not to.

What happens is, at the beginning of a campaign for the President, people running for President—such as I hear my friend from New Jersey may some day—have finance chairmen come in and sit down with them to say, "Mr. President-to-be, here are your choices. At $1,000 per contributor, we can go out and try to raise our money from regular old folks out there in American, all across America. Or we can accept a really significant subsidy here from the taxpayers."

And for practical reasons, every one of those candidates desiring to get the money as easily as possible decide to accept the limits and get the money. This system is constitutional. I will give it credit for that. It is truly volunary. You do not get punished if you do not do it. But at $1,000 a pop, it is pretty hard to raise the kind of money that they raise in Presidential systems.

I frankly think it is terrible. I think we ought to abolish it. I am not a fan of PAC's, but I accepted PAC money last year in my campaign because that is the current system, Mr. President. We do not waive the right to try to change the system simply because we operate within it. And it is completely and totally irrelevant that Republican candidates for President have accepted public funds.

That does not mean it is the right thing to do, to squander one-quarter of a million dollars of taxpayers' money over the last 14 years. That does not mean it is the right thing to do, to have a system that spawns nonparty soft money and party soft money abuse. That does not mean it is the right thing to do, to have 1 out of 4 of those tax dollars go to lawyers and accountants to try to figure out how to skirt the system. That does not mean it is the right thing to do.

We ought to get rid of it. We had a chance to do that earlier here today. Nobody on the other side wanted to do that.

So, Mr. President, what you have here with the Kerry amendment is an amendment that is a little more honest, I think, than S. 3. Because it provides more public money, a little more honesty. It could have been completely honest if it had also been made constitutional.

I am sorry that my friends from New Jersey and Massachusetts, whom I greatly admire because they are coming out here and telling the truth—the vast majority on the other side have been trying to somehow argue this is not a public fund bill. It is. They are glad they are offering this amendment. They want to be able to go vote against it, so they can go home and argue they are not in favor of public funding.

I appreciate your honesty in laying it right out there, being honest by saying somehow it is tainted for all of those people in America to be helping us in our campaigns; it is corrupting us. We have been somehow subverted, if you will, by this process of receiving these limited and disclosed contributions from so many people.

Mr. President, the crux of the issue is simply this: We do not see life the same way. We look at America and we do not see it the same way. My good friends on the other side of the aisle look at America, and they see all those competing interests and they say, "My goodness, please protect me from that, remove me from all those competing interests seeking to influence me in one way or the other. Get them out of my life. I am so tired of going to fundraisers, and I am so tired of asking for money. I sure wish nobody would chal-

lenge me next time, because surely I own this seat. Remove all of those tainting interests from my life and let me reach into the Treasury and get it the easy way."

Mr. President, I look out at America, and virtually everybody on this side of the aisle does, and we see this: We see a bunch of Americans who want to participate in the political process, and the way you do that these days—whether we like it or not, we do not use the horse and buggy anymore. Nobody comes to the courthouse steps to listen to us speak. That was yesterday. We may be sorry those days are gone, and we may wish they would come back, but they are not. Today the way you participate in politics is you make a limited and fully disclosed contribution to the candidate of your choice, and what we do is try to get as many of those people as we can. Mr. President, I do not think we are tainted by that influence. I welcome their efforts to influence me. I think that is the way a democracy works, and I hope the Kerry amendment will be defeated.

Mr. KERRY. Mr. President, how much time remains?

The PRESIDING OFFICER (Mr. LIEBERMAN). Five minutes, five seconds.

Mr. KERRY. I yield 1 minute to the Senator from New Jersey.

Mr. BRADLEY. Mr. President, I thank the Senator from Massachusetts. Listening to the Senator from Kentucky earlier today, and throughout his remarks, there is this threat of wistful recollection for the time when there were no limits in the Presidential races and the senatorial and congressional races.

Mr. President, when was the last time there were no limits in the Presidential races? I think it was 1972. I think it was Watergate. I think that was the year that people walked around with big bags full of cash and met out on the George Washington Parkway to try to subvert democracy. I think that was the year that the Senator yearns to return to.

I have a different view. I think it is better to have 32 million Americans contributing to campaigns, if they choose, than to have 1 million Americans contributing to campaigns, if they choose, in much larger amounts. That is the basic question.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. KERRY. Mr. President, the Senator from Kentucky has suggested, and I know respectfully, that we see a different America here with respect to the issue of campaign financing. I agree with the Senator from Kentucky that we do. The Senator from New Jersey has just articulated it.

The Senator from Kentucky says he likes the special interests competing. He does not see anything wrong with the process. And that is really what this vote is about: Which America is it today, an America where the public really views us as the prisoners of money, or is it an America that is satisfied with the current political system?

I suggest, respectfully, that this chart tells the story of America. This is the story of the America I see. In 1980, 1982, 1984, 1986, 1988, and 1990, the blue line—I hope the Senator from Kentucky can see this—this is all the money that the incumbents got, the blue line. The yellow line is the challengers; it has gone down each year. And the orange line represents an open seat. Look at what a pathetic amount of money an open seat gets versus an incumbent. That is America. Those are facts. That is reality. That is what the American political system has become. The incumbents, two to one over a challenger, and open seats barely get a pittance to run for office.

The American public is fed up with that. It is their perception of us. Here is a cartoon in today's Washington Post. U.S. Congress, very fat and overstuffed, standing up on a stool in a boxing ring. Campaign finance reform sitting down smiling at the overstuffed Congress standing on a stool in a diving position, and what it says is: "And in this corner wearing diving gear, poised in a diving position to take a dive on campaign finance reform." That is what this vote is about.

He respectfully suggests that this is a grand subsidy for politicians. What would you rather have? Would you rather have an individual walking up and handing somebody $2,000 and saying, "Here, this is for you, Senator, and I really hope it helps," or would you rather have some anonymous American checking off on their tax return, "I want $3, or my wife and I or husband and I want $6 to go to a clean campaign system." That is what it is about, whether or not we are willing to set limits on the amount we spend, or engage in an ever-increasing arms race for money. That is what it is, a money race. Every single year we have to raise more and more and more money. The Senator from Kentucky wants an unlimited battle for that, no restraint. Let us go back to the old rules. Well, I think the two Americas are very, very clear here.

I have no illusions about the difficulty that we face on this vote. I am not looking at incipient victory here. But there is going to be a day when the American people are going to say that something is wrong down here, and this system is going to get put in place, unless we can find a better way to fund it.

This is constitutional and it is voluntary—voluntary—it gives choice to the American people. If the American people choose not to support this system, each and every one of us are free to go out and raise the money, as we do under the current system, but with limits on the total amount. That is all we are asking. Let the American people choose. We keep hearing about how we are always sending money somewhere or another. Give the American people a direct choice on their tax return: Do you or do you not want to fund it? It gives each of us the unlimited ability in our own States to raise as much as we want in small donations. I cannot think of a better form of democracy.

The PRESIDING OFFICER. All time has expired.

Mr. KERRY. 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 clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Nevada [Mr. REID] is 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 North Carolina [Mr. HELMS] is absent due to a death in the family.

The PRESIDING OFFICER (Mr. BRYAN). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 39, nays 58, as follows:

[Rollcall Vote No. 74 Leg.]

YEAS—39

Adams	Daschle	Metzenbaum
Akaka	DeConcini	Mikulski
Baucus	Dodd	Mitchell
Bentsen	Fowler	Moynihan
Biden	Glenn	Pell
Bingaman	Gore	Riegle
Boren	Harkin	Sanford
Bradley	Inouye	Sarbanes
Bumpers	Kennedy	Sasser
Burdick	Kerry	Simon
Byrd	Lautenberg	Wellstone
Conrad	Leahy	Wirth
Cranston	Lieberman	Wofford

NAYS—58

Bond	Graham	Nickles
Breaux	Gramm	Nunn
Brown	Grassley	Packwood
Bryan	Hatch	Pressler
Burns	Hatfield	Robb
Chafee	Heflin	Rockefeller
Coats	Hollings	Roth
Cochran	Jeffords	Rudman
Cohen	Johnston	Seymour
Craig	Kassebaum	Shelby
D'Amato	Kasten	Simpson
Danforth	Kerrey	Smith
Dixon	Kohl	Specter
Dole	Levin	Stevens
Domenici	Lott	Symms
Durenberger	Lugar	Thurmond
Exon	Mack	Wallop
Ford	McCain	Warner
Garn	McConnell	
Gorton	Murkowski	

NOT VOTING—3

Helms	Pryor	Reid

So the amendment (No. 259) was rejected.

Mr. BOREN. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

Mr. BOREN. Mr. President, if I might inquire of the manager of the bill on the other side of the aisle and also, perhaps, have the attention of the distinguished majority leader for just a moment, it is my understanding that the two leaders hope to move shortly to the discussion of the budget matter.

We do have one amendment on this side of the aisle that would be subject to being offered under a 30-minute time limitation with 15 minutes on each side. We would be happy to offer that. On the other hand, we just had an amendment from this side of the aisle. If there is an amendment from the other side of the aisle that would take approximately the same amount of time I would be happy to yield to have that offered.

Mr. McCONNELL. Mr. President, the other Senator from Oklahoma has two amendments, and I believe he is willing to debate them both and stack the votes. He is here.

Mr. BOREN. Let me yield to our two leaders to see what they want to do in terms of time to move to the budget.

So that we have an opportunity to discuss this, let me 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.

UNANIMOUS-CONSENT AGREEMENT

Mr. MITCHELL. Mr. President, I ask unanimous consent that Senator NICKLES be recognized to offer an amendment striking the incentive provisions in the bill; that there be no amendments in order to his amendment; that there be 20 minutes of debate on the amendment, equally divided in the usual form; and that the vote on or in relation to the amendment occur following a vote on the budget resolution conference report this evening.

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

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, if I might have the attention of Senators, what we now propose to do, following consultation with the distinguished Republican leader and the managers of the bill, is to debate Senator NICKLES' amendment for 20 minutes, by which time we anticipate a budget resolution conference report will have arrived in the Senate and be available for consideration. Immediately upon the conclusion or yielding back of the 20 minutes allocated to the Nickles amendment, we will proceed to consideration of the budget resolution conference report under the previous agreement providing for 2 hours of debate equally divided on that measure.

Upon the conclusion of that 2 hours, which will occur at approximately 8:45, we would vote on the budget conference report and then immediately, without any intervening action, vote on or in relation to the Nickles amendment.

During the time between now and then, the managers on both sides will work to prepare a list of all amendments and attempt to get time agreements so we can then try later to get an agreement that will nail down all of the remaining amendments with time agreements, and we could then determine how best to proceed from there, hopefully in a fashion that would permit us to discontinue Senate action this evening at a reasonable hour and yet permit us to finish both the fast-track legislation and this legislation sometime tomorrow.

Mr. DOLE. Will the majority leader yield?

Mr. MITCHELL. Certainly.

Mr. DOLE. Mr. President, it is my hope they will not take too much time on the budget conference, or at least on this side of the aisle. If that is the case, the vote still will not come until some time around 8:30 or quarter of 9.

Mr. MITCHELL. I believe, Mr. President, in response to my colleague, that a number of persons on both sides have requested the opportunity to not be present. So I would say yes. But I suggest if that occurs, we can then seek unanimous consent to take another amendment. Senator ROTH is here. Senator EXON has an amendment, and Senator NICKLES has another one. We will stack that vote after the other two.

Mr. DOLE. Senator ROTH has a committee meeting in the morning. He will be prepared, even after we complete other business tonight, to debate his amendment and have a vote first thing in the morning.

Mr. MITCHELL. Mr. President, I think that is a very generous offer. It is my hope we can accept that and perhaps do the same with others. That will permit us to proceed. I think that will become clear during the period between now and 8:45 when the managers will work on a list. I appreciate the Senator's offer. I hope we can do that.

SENATE ELECTION ETHICS ACT

The Senate continued with the consideration of the bill.

AMENDMENT NO. 261 TO AMENDMENT NO. 242

(Purpose: to eliminate all taxpayer subsidies for Senate election campaigns)

Mr. NICKLES. 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 Oklahoma [Mr. NICKLES] proposes an amendment numbered 261 to amendment No. 242.

Mr. NICKLES. 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 19, beginning with line 3, strike all through page 23, line 13.

Mr. NICKLES. Mr. President, this amendment is very simple. This amendment would eliminate all taxpayer subsidies provided for under this bill, S. 3.

We have heard a lot of discussions by people on both sides saying we really should not subsidize politicians. I characterize the bill we have before us as welfare for politicians, in many cases.

I really do not think that subsidizing Senate races should be a role of the taxpayers. Frankly, Mr. President, if we subsidize Senate races, we are also going to be subsidizing House races.

This bill has a lot of subsidies. I heard people say this bill only costs taxpayers maybe $25 million a year. That is totally false. That is not the case. That may be the case of the so-called communication vouchers. This amendment would eliminate the communication vouchers. That is the amount of 20 percent of the general election limit. In most States, that is well in excess of $1 million that politicians would receive in vouchers where they could go out and buy TV time or radio time. We eliminate that.

Not only would we eliminate that, but we also would eliminate the so-called mail subsidies. As my colleagues probably are aware—I hope they are aware—S. 3 allows politicians to mail first class at one-fourth the rate our constituents mail for. They can mail first class at 7.25 cents instead of 29 cents per stamp.

We would eliminate the subsidy that would match independent expenditures. We would also eliminate the subsidy that would eliminate excess expenditures. By excess expenditures, if you exceed the spending limit under S. 3, your participating opponent is entitled to receive millions of dollars.

I will just give an example. I will use the State of Arizona and run this through so my colleagues can better understand how generous a bill this is.

The State of Arizona is an average size State. Its voting age population is 2.5 million people. Its general election expenditure limit is $1,172,000. Its mail subsidy is $175,875. Its voter communication voucher is $234,500. We would estimate the independent expenditure amount would average out about $58,000, that the excess expenditure amount—and this would be if one can-

didate decided to participate and one candidate decided not to and the candidate who did not participate exceeded the general election expenditure limit—then the participating opponent or candidate would receive an amount equal to the general election limit.

In Arizona's case, it would be $1,172,500. The total taxpayer subsidy for the State of Arizona, if you had one candidate participating and one not, would be $1,641,500.

I am not even including the so-called broadcast subsidy. I will address that in a later amendment. I tell my colleagues right now I am going to have an amendment later that will eliminate the so-called broadcast subsidy, where we mandate to broadcasters they have to provide rates to politicians at one-half the rate they would charge anybody else.

If you add all the subsidies together, you realize that taxpayers, for a race in Arizona, would be paying an estimated $1,641,000 for a U.S. Senate candidate. I think that is outlandish. I think it is ridiculous. I do not think taxpayers want to spend millions of dollars in U.S. Senate races.

When you add all of this together, we are talking about real money. If it is $1.6 million in Arizona, and you add it up for all the States—in 1994 there are 33 States where we will have Senate races—the total will be almost $82 million. Again, this is strictly the Senate. That is just guessing where one candidate is eligible. We estimate, if both candidates participate, the cost will be less. It will be $46,807,000.

Mr. President, that is not counting minor party candidates. We put together, which I will include, Mr. President, for the RECORD, a very detailed analysis on the total cost of this bill State by State, whether one candidate or two candidates participate in the system.

I will also include estimates that we have done on what it will cost taxpayers for minor party candidates, because you will have minor party candidates. They will be eligible to receive Federal assistance. You may be talking about David Duke in Louisiana. You may be talking about viable, independent party candidates in States like New York. You may be talking about third-party candidates in States like California, and others.

We estimate that the total for minor party candidates in 1994 alone would be $22 million. So you add the $22 million, plus the $81 million if one candidate is participating, and you are talking about over $100 million in 1994 for Senate costs alone.

And then you can add the House costs. If the Senate is going to get subsidized mailing, if the Senate is going to get mail rates at one-fourth the cost for other constituents, if the Senate is going to get taxpayer-funded spending if your opponent exceeds the so-called spending limit, certainly the House will qualify as well. So I think we need to compute that as well.

If the Senate costs in 1994 could be $100 million, if you figure the House costs, considering the great number of races, et cetera, you can usually multiply that figure at least times 1.5. So we are looking at a cost for 1994, adding the House and the Senate, of well in excess of $250 million.

If you add minor parties into the House, you can easily be up to $300 million. You multiply that times the cycle for 1996 and 1998, Mr. President, and it is very conceivable that we are looking at a bill that will cost taxpayers, over a 6-year cycle, in excess of $1 billion. This at a time when we have enormous deficits. This at a time when people say cut spending. This at a time when a lot of people say we should be cutting entitlements.

That is the opposite of what this bill does. This bill creates entitlements for politicians. In this Senator's opinion, that is a serious mistake. Politicians should not be entitled to mail subsidies. Politicians should not be entitled to new communication voucher subsidies. Politicians should not be entitled to subsidies from broadcasters. As I said earlier, we will address that in a later amendment.

Again, I want to make sure my colleagues understand what we are doing. We are eliminating the taxpayer subsidies that are in S. 3—very clear, very plain.

I heard my friend from New Jersey earlier today say the Republicans get reduced mailing rates. We get the same rates the Democrats get. If they are subsidies, I think we should eliminate them. Political parties should pay their fair share in mail costs. Right now, the parties are subsidized for their national conventions. I think they should be eliminated.

I certainly do not think we should be expanding public subsidies for Senate candidates, and that is exactly what S. 3 does. That is why I have objected so strongly to S. 3 since its inception.

What the leaders have done on S. 3 is a little bit of a bait and switch. Last year, they had subsidies for 20 percent of the election limit. This year, when they introduced the bill, it was 50 percent. So they greatly increased the subsidies. And would you know it, the day they introduced the bill, they dropped it back down to 20 percent, and said, "See what we save. We reduced the subsidy."

They are playing games. That is mirrors. What they have done is they have raised the price; they raised the subsidy, and then they cut the subsidy back.

Mr. President, the bill we have before us is enormously expensive to taxpayers. We need to save taxpayers their money. We need to eliminate the taxpayer subsidies that are in S. 3. That is exactly what this amendment will do. I hope that my colleagues will adopt it.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who seeks recognition?

Who yields time?

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. I ask unanimous consent that a statement, including the charts and tables which I have alluded to in my statement, be printed in the RECORD.

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

[U.S. Senate Republican Policy Committee, May 21, 1991]

THE BOREN-MITCHELL SUBSTITUTE TO S. 3

HUNDREDS OF MILLIONS OF DOLLARS TO SUBSIDIZE SENATE CAMPAIGNS—AND SENATE DEMOCRATS HAVE VOTED TO RAISE TAXES TO PAY FOR THEM

S. 3, as reported, would have cost taxpayers and broadcasters about $1 billion over six years. Last week, in an attempt to reduce the bill's costs, S. 3 sponsors introduced a substitute which cuts back on one of the major taxpayer-financed subsidies (the voter communication voucher).

However, the Boren-Mitchell substitute still costs hundreds of millions of dollars. In the most comprehensive cost estimate ever done on S. 3 (attached), the Republican Policy Committee estimates that for Senate elections alone the Boren-Mitchell substitute will over six years—

Cost taxpayers between $171 million (if all candidates participate) and $297 million (if one major party candidate does not), and

Cost broadcasters between $195 million (for all candidates) and $107 million (if one major party candidate does not participate).

If Congress allows candidates for the House of Representatives to avail themselves of subsidies from taxpayers and broadcasters (as nearly everyone supposes it will) the costs will increase by about 150 percent. The Policy Committee estimates that for both Senate and House elections the Boren-Mitchell substitute will over six years—

Cost taxpayers between $428 million (if all candidates participate) and $743 million (if one major party candidate does not), and

Cost broadcasters between $488 million (for all candidates) and $268 million (if one major party candidate does not participate).

In short, the Boren-Mitchell substitute still constitutes a subsidy of a billion dollars ($.916 billion to $1.011 billion) to congressional candidates.

Last Friday, Senate Democrats attached to the Boren-Mitchell substitute a sense-of-the-Senate amendment that authorizes a tax increase to pay for these political subsidies. Every Republican Senator voted against that amendment. Across the aisle, 93 percent of Democrats voted for it.

The sense-of-the-Senate amendment rejected "any general revenue increase" but called instead for "removing subsidies for political action committees with respect to their political contributions or for other organizations with respect to their lobbying expenditures."

Senator Packwood's floor statement summarized Republican objections to the amendment which, while cleverly packaged, was a tax increase nevertheless:

"For every legitimate organization in America, no matter what it is, that wants to come here and exercise their first amendment right to petition us for a redress of grievances, they will lose the right to deduct those expenses or, to put it another way, because they now can no longer make the deduction, they will pay more taxes. If that is not a tax increase, I do not know what a tax increase is.

"I understand what the Democrats are trying to do. They want the taxpayer to fund our campaigns, but they want to say it in such a way that it does not seem like the taxpayers are funding our campaigns. . . ." 137 Cong. Rec. S 6025 (daily ed. May 16, 1991). See also, 137 Cong. Rec. S 6027 (remarks of Sen. Dole) (". . . The first amendment [on S. 3] should not be a tax increase. . . .")

NOTES ON POLICY COMMITTEE TABLES 1 TO 12

Election costs under the Boren-Mitchell substitute

Tables 1–6 show estimated costs of the Boren-Mitchell substitute amendment for Senate elections in 1994, 1996, and 1998. Costs shown are for two major-party candidates only. Charts 1, 3, and 5 show estimated costs when one of the major-party candidates elects not to participate in the system of spending limits and subsidies. Charts 2, 4, and 6 show estimated costs when both candidates are eligible for subsidies.

Column 1 is self-explanatory. We make no attempt to adjust voting age population (VAP) for future years; we use 1990 VAP throughout.

Column 2 is the general election expenditure limit (GEEL) established by the Boren-Mitchell substitute (it is the same as in the bill as reported). As the bill requires, we index the GEEL (we assume a 3.5% CPI). Candidates qualify for subsidies by raising 10 percent of this amount in relatively small contributions and by agreeing to limit their spending.

Column 3, the "mail subsidy," is 15 percent of the GEEL for one candidate. Candidates may spend 5 percent of their GEEL on subsidized mail. We assume they will spend all 5 percent on first-class mail which is available to them for one-fourth of the regular rate. Therefore, they pay 5 percent of the GEEL for postage worth 20 percent of the GEEL; net subsidy is 15 percent.

Column 4, the "voter communication voucher," is 20 percent of the GEEL for one candidate. This is the major change between the bill as reported (which had a 50 percent voucher) and the Boren-Mitchell substitute.

Column 5, the "Independent expenditure amount," is estimated to be 5 percent of the GEEL for one candidate. This subsidy goes to eligible candidates when certain independent expenditures are made against them or on behalf of their opponents.

Column 6, the "excess expenditure amount," is estimated to be 100 percent of the GEEL when one candidate is not eligible, and it will be zero when both candidates are eligible. An eligible major-party candidate is entitled to a subsidy of 100 percent of the GEEL when the noneligible major-party opponent raises, spends, or obligates 133.33 percent-plus-one-dollar of the GEEL.

Column 7 is the sum of columns 3 through 6. It represents the estimated taxpayer subsidy for eligible Senate candidates.

Column 8 shows the estimated subsidy that broadcasters will provide to Senate candidates directly. We assign a value of 50 percent of the GEEL. We assume that eligile candidates will spend 50 percent of the GEEL on broadcasting. 40 percent of the (50 percent) amount is provided by the voter communication voucher which is worth 20 percent of the (100 percent) GEEL. Eligible candidates spending 40 percent of the GEEL can buy broadcast time worth 100 percent of the GEEL because broadcasters must sell time to them at one-half the going rate. Therefore, broadcasters provide a subsidy equal to whatever the candidates spend.

Column 9 is the sum of columns 7 and 8; it shows total subsidies.

Minor party election costs under the Boren-Mitchell substitute

Tables 7–12 show estimated costs of the Boren-Mitchell substitute amendment for Senate elections in 1994, 1996, and 1998 for minor-party candidates only. Charts 7, 9, and 11 show estimated costs when one of the major-party candidates elects not to participate in the system of spending limits and subsidies. Charts 8, 10, and 12 show estimated costs when both major-party candidates are eligible for subsidies. We assume all minor-party candidates are eligible.

We are not aware of any other effort to estimate the cost of the subsidies to minor party candidates. We were surprised at the costs of such subsidies even under relatively modest assumptions.

Column 1 shows 1990 voting age population (VAP).

Column 2 is the general election expenditure limit (GEEL). As the bill requires, we index the GEEL (we assume a 3.5% CPI).

Column 3 is the qualifying amount (established by the bill) which is 10 percent of the GEEL. Candidiates qualify for subsidies by raising this amount in relatively small contributions and by agreeing to limit their spending.

We show only those large states where we project there will be minor-party candidates. We suppose there will be three minor-party candidates for each Senate race in California and two minor-party candidates for each Senate race in New York. Other large states are assigned one minor-party candidate per race. Though very real, we ignore minor-party possibilities in smaller states.

Column 4, the "mail subsidy," is 15 percent of the GEEL for each minor-party candidate. We assume they will spend all of their subsidy on first-class mail which is available to them for one-fourth the regular rate.

Column 5, the "voter communication voucher," is 10 percent of the GEEL. Eligible minor-party candidates are eligible for voter communication vouchers equal to 10 percent of the GEEL. (Major-party candidates get vouchers of 20%.)

Column 6, the "independent expenditure amount," is estimated to be 5 percent of the GEEL for each minor-party candidate. This subsidy goes to eligible candidates when certain independent expenditures are made against them or on behalf of their opponents.

Column 7, the "excess expenditure amount," is estimated to be 20 percent of the GEEL when one major-party candidate is not eligible, and it will be zero when all candidates are eligible. This formula for minor-party candidates is different from that used for major-party candidates.

Column 8 is the sum of columns 4 through 7. It represents the estimated taxpayer subsidy for eligible minor-party Senate candidates.

Column 9 shows the estimated subsidy that broadcasters will provide to minor-party Senate candidates directly. We estimate 20 percent of the GEEL.

Column 10 is the sum of columns 8 and 9; it shows total subsidies.

TABLE 1.—1994 ELECTION COSTS UNDER THE BOREN-MITCHELL SUBSTITUTE—WHEN ONE MAJOR PARTY CANDIDATE IS NOT ELIGIBLE

State	1990 voting age population	General election expenditure limit	Mail subsidy	Voter communication voucher	Independent expenditure amount	Excess expenditure amount	Taxpayer subtotal	Half-price broadcast rates (private sector)	Total cost
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Arizona	2,575,000	$1,172,500	$175,875	$234,500	$58,625	$1,172,500	$1,641,500	$586,250	$2,227,750
California	21,350,000	5,500,000	825,000	1,100,000	275,000	5,500,000	7,700,000	2,750,000	10,450,000
Connecticut	2,479,000	1,143,700	171,555	228,740	57,185	1,143,700	1,601,180	571,850	2,173,030
Delaware	504,000	950,000	142,500	190,000	47,500	950,000	1,330,000	475,000	1,805,000
Florida	9,799,000	3,049,750	457,463	609,950	152,488	3,049,750	4,269,650	1,524,875	5,794,525
Hawaii	825,000	950,000	142,500	190,000	47,500	950,000	1,330,000	475,000	1,805,000
Indiana	4,133,000	1,633,250	244,988	326,650	81,663	1,633,250	2,286,550	816,625	3,103,175
Maine	917,000	950,000	142,500	190,000	47,500	950,000	1,330,000	475,000	1,805,000
Maryland	3,533,000	1,459,900	218,985	291,980	72,995	1,459,900	2,043,860	729,950	2,773,810
Massachusetts	4,576,000	1,744,000	261,600	348,800	87,200	1,744,000	2,441,600	872,000	3,313,600
Michigan	6,829,000	2,307,250	346,088	461,450	115,363	2,307,250	3,230,150	1,153,625	4,383,775
Minnesota	3,244,000	1,367,200	205,080	273,440	68,360	1,367,200	1,914,080	683,600	2,597,680
Mississippi	1,852,000	955,600	143,340	191,120	47,780	955,600	1,337,840	477,800	1,815,640
Missouri	3,854,000	1,566,200	233,430	311,240	77,810	1,556,200	2,178,680	778,100	2,956,780
Montana	588,000	950,000	142,500	190,000	47,500	950,000	1,330,000	475,000	1,805,000
Nebraska	1,187,000	950,000	142,500	190,000	47,500	950,000	1,330,000	475,000	1,805,000
Nevada	833,000	950,000	142,500	190,000	47,500	950,000	1,330,000	475,000	1,805,000
New Jersey	5,903,000	4,932,100	739,815	986,420	246,605	4,932,100	6,904,940	2,466,050	9,370,990
New Mexico	1,074,000	950,000	142,500	190,000	47,500	950,000	1,330,000	475,000	1,805,000
New York	13,600,000	4,000,000	600,000	800,000	200,000	4,000,000	5,600,000	2,000,000	7,600,000
North Dakota	481,000	950,000	142,500	190,000	47,500	950,000	1,330,000	475,000	1,805,000
Ohio	8,090,000	2,622,500	393,375	524,500	131,125	2,622,500	3,671,500	1,311,250	4,982,750
Pennsylvania	9,199,000	2,899,750	434,963	579,950	144,988	2,899,750	4,059,650	1,449,875	5,509,525
Rhode Island	767,000	950,000	142,500	190,000	47,500	950,000	1,330,000	475,000	1,805,000
Tennessee	3,685,000	1,505,500	225,825	301,100	75,275	1,505,500	2,107,700	752,750	2,860,450
Texas	12,038,000	3,609,500	541,425	721,900	180,475	3,609,500	5,053,300	1,804,750	6,858,050
Utah	1,076,000	950,000	142,500	190,000	47,500	950,000	1,330,000	475,000	1,805,000
Vermont	425,000	950,000	142,500	190,000	47,500	950,000	1,330,000	475,000	1,805,000

TABLE 1.—1994 ELECTION COSTS UNDER THE BOREN-MITCHELL SUBSTITUTE—WHEN ONE MAJOR PARTY CANDIDATE IS NOT ELIGIBLE—Continued

State	1990 voting age population	General election expenditure limit	Mail subsidy	Voter communication voucher	Independent expenditure amount	Excess expenditure amount	Taxpayer subtotal	Half-price broadcast rates (private sector)	Total cost
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Virginia	4,615,000	1,753,750	263,063	350,750	87,688	1,753,750	2,455,250	876,875	3,332,125
Washington	3,545,000	1,463,500	219,525	292,700	73,175	1,463,500	2,048,900	731,750	2,780,650
West Virginia	1,394,000	950,000	142,500	190,000	47,500	950,000	1,330,000	475,000	1,805,000
Wisconsin	3,612,000	1,483,600	222,540	296,720	74,180	1,483,600	2,077,040	741,800	2,818,840
Wyoming	339,000	950,000	142,500	190,000	47,500	950,000	1,330,000	475,000	1,805,000
Total		58,509,550	8,776,433	11,701,910	2,925,478	58,509,550	81,913,370	29,254,775	111,168,145

TABLE 2.—1994 ELECTION COSTS UNDER THE BOREN-MITCHELL SUBSTITUTE—WHEN BOTH MAJOR PARTY CANDIDATES ARE ELIGIBLE

State	1990 voting age population	General election expenditure limit	Mail subsidy	Voter communication voucher	Independent expenditure amount	Excess expenditure amount	Taxpayer subtotal	Half-price broadcast rates (private sector)	Total cost
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Arizona	2,575,000	$1,172,500	$351,750	$469,000	$117,250	0	$938,000	$1,172,500	$2,110,500
California	21,350,000	5,500,000	1,650,000	2,200,000	550,000	0	4,400,000	5,500,000	9,900,000
Connecticut	2,479,000	1,143,700	343,110	457,480	114,370	0	914,960	1,143,700	2,058,660
Delaware	504,000	950,000	285,000	380,000	95,000	0	760,000	950,000	1,710,000
Florida	9,799,000	3,049,750	914,925	1,219,900	304,975	0	2,439,800	3,049,750	5,489,550
Hawaii	825,000	950,000	285,000	380,000	95,000	0	760,000	950,000	1,710,000
Indiana	4,133,000	1,633,250	489,975	653,300	163,325	0	1,306,600	1,633,250	2,939,850
Maine	917,000	950,000	285,000	380,000	95,000	0	760,000	950,000	1,710,000
Maryland	3,533,000	1,459,900	437,970	583,960	145,990	0	1,167,920	1,459,900	2,627,820
Massachusetts	4,576,000	1,744,000	523,200	697,600	174,400	0	1,395,200	1,744,000	3,139,200
Michigan	6,829,000	2,307,250	692,175	922,900	230,725	0	1,845,800	2,307,250	4,153,050
Minnesota	3,224,000	1,367,200	410,160	546,880	136,720	0	1,093,760	1,367,200	2,460,960
Mississippi	1,852,000	955,600	286,680	382,240	95,560	0	764,480	955,600	1,720,080
Missouri	3,854,000	1,556,200	466,860	622,480	155,620	0	1,244,960	1,556,200	2,801,160
Montana	588,000	950,000	285,000	380,000	95,000	0	760,000	950,000	1,710,000
Nebraska	1,187,000	950,000	285,000	380,000	95,000	0	760,000	950,000	1,710,000
Nevada	833,000	950,000	285,000	380,000	95,000	0	760,000	950,000	1,710,000
New Jersey	5,903,000	4,932,100	1,479,630	1,972,840	493,210	0	3,945,680	4,932,100	8,877,780
New Mexico	1,074,000	950,000	285,000	380,000	95,000	0	760,000	950,000	1,710,000
New York	13,600,000	4,000,000	1,200,000	1,600,000	400,000	0	3,200,000	4,000,000	7,200,000
North Dakota	481,000	950,000	285,000	380,000	95,000	0	760,000	950,000	1,710,000
Ohio	8,090,000	2,622,500	786,750	1,049,000	262,250	0	2,098,000	2,622,500	4,720,500
Pennsylvania	9,199,000	2,899,750	869,925	1,159,900	289,975	0	2,319,800	2,899,750	5,219,550
Rhode Island	767,000	950,000	285,000	380,000	95,000	0	760,000	950,000	1,710,000
Tennessee	3,685,000	1,505,500	451,650	602,200	150,550	0	1,204,400	1,505,500	2,709,900
Texas	12,038,000	3,609,500	1,082,850	1,443,800	360,950	0	2,887,600	3,609,500	6,497,100
Utah	1,076,000	950,000	285,000	380,000	95,000	0	760,000	950,000	1,710,000
Vermont	425,000	950,000	285,000	380,000	95,000	0	760,000	950,000	1,710,000
Virginia	4,615,000	1,753,750	526,125	701,500	175,375	0	1,403,000	1,753,750	3,156,750
Washington	3,545,000	1,463,500	439,050	585,400	146,350	0	1,170,800	1,463,500	2,634,300
West Virginia	1,394,000	950,000	285,000	380,000	95,000	0	760,000	950,000	1,710,000
Wisconsin	3,612,000	1,483,600	445,080	593,440	148,360	0	1,186,880	1,483,600	2,670,480
Wyoming	339,000	950,000	285,000	380,000	95,000	0	760,000	950,000	1,710,000
Total		58,509,550	17,552,865	23,403,820	5,850,955	0	46,807,640	58,509,550	105,317,190

Table 3.—1996 ELECTION COSTS UNDER THE BOREN-MITCHELL SUBSTITUTE—WHEN ONE MAJOR ONE MAJOR PARTY CANDIDATE IS NOT ELIGIBLE

State	1990 voting age population	General election expenditure limit	Mail subsidy	Voter communication voucher	Independent expenditure amount	Excess expenditure amount	Taxpayer subtotal	Half-price broadcast rates (private sector)	Total cost
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Alabama	3,010,000	$1,525,813	$228,872	$305,163	$76,291	$1,525,813	$2,136,138	$762,907	$2,899,045
Alaska	362,000	1,017,450	152,618	203,490	50,873	1,017,450	1,424,430	508,725	1,933,155
Arkansas	1,756,000	1,017,450	152,618	203,490	50,873	1,017,450	1,424,430	508,725	1,933,155
Colorado	2,453,000	1,216,549	182,482	243,310	60,827	1,216,549	1,703,168	608,274	2,311,443
Delaware	504,000	1,017,450	152,618	203,490	50,873	1,017,450	1,424,430	508,725	1,933,155
Georgia	4,639,000	1,884,692	282,704	376,938	94,235	1,884,692	2,638,569	942,346	3,580,915
Idaho	710,000	1,017,450	152,618	203,490	50,873	1,017,450	1,424,430	508,725	1,933,155
Illinois	8,678,000	2,966,135	444,920	593,227	148,307	2,966,135	4,152,588	1,483,067	5,635,656
Iowa	2,132,000	1,113,412	167,012	222,682	55,671	1,113,412	1,558,776	556,706	2,115,482
Kansas	1,854,000	1,024,090	153,614	204,818	51,205	1,025,090	1,433,726	512,045	1,945,771
Kentucky	2,760,000	1,315,188	197,278	263,038	65,759	1,315,188	1,841,263	657,594	2,498,857
Louisiana	3,109,000	2,626,752	394,013	525,350	131,338	2,626,752	3,677,452	1,313,376	4,990,828
Maine	917,000	1,017,450	152,618	203,490	50,873	1,017,450	1,424,430	508,725	1,933,155
Massachusetts	4,576,000	1,867,824	280,174	373,565	93,391	1,867,824	2,614,954	933,912	3,548,866
Michigan	6,829,000	2,471,065	370,660	494,213	123,553	2,471,065	3,459,491	1,235,532	4,695,023
Minnesota	3,224,000	2,694,751	404,213	538,950	134,738	2,694,751	3,772,652	1,347,376	5,120,027
Mississippi	1,852,000	1,883,488	282,523	376,698	94,174	1,883,488	2,636,883	941,744	3,578,626
Montana	588,000	1,017,450	152,618	203,490	50,873	1,017,450	1,424,430	508,725	1,933,155
Nebraska	1,187,000	1,017,450	152,618	203,490	50,873	1,017,450	1,424,430	508,725	1,933,155
New Hampshire	828,000	1,017,450	152,618	203,490	50,873	1,017,450	1,424,430	508,725	1,933,155
New Jersey	5,903,000	5,282,279	782,342	1,056,456	264,114	5,282,279	7,395,191	2,641,140	10,036,330
New Mexico	1,074,000	1,017,450	152,618	203,490	50,873	1,017,450	1,424,430	508,725	1,933,155
North Carolina	4,929,000	1,962,340	294,351	392,468	98,117	1,962,340	2,747,276	981,170	3,728,446
Oklahoma	2,371,000	1,190,202	178,530	238,040	59,510	1,190,202	1,666,283	595,101	2,261,384
Oregon	2,123,000	1,110,520	166,578	222,104	55,526	1,110,520	1,554,728	555,260	2,109,988
Rhode Island	767,000	1,017,450	152,618	203,490	50,873	1,017,450	1,424,430	508,725	1,933,155
South Carolina	2,558,000	1,250,285	187,543	250,057	62,514	1,250,285	1,750,400	625,143	2,375,542
South Dakota	519,000	1,017,450	152,618	203,490	50,873	1,017,450	1,424,430	508,725	1,933,155
Tennessee	3,685,000	1,612,391	241,859	322,478	80,620	1,612,391	2,257,347	806,195	3,063,542
Texas	12,038,000	3,865,775	579,866	773,155	193,289	3,865,775	5,412,084	1,932,887	7,344,972
Virginia	4,615,000	1,878,266	281,740	375,653	93,913	1,878,266	2,629,573	939,133	3,568,706
West Virginia	1,394,000	1,017,450	152,618	203,490	50,873	1,017,450	1,424,430	508,725	1,933,155
Wyoming	339,000	1,017,450	152,618	203,490	50,873	1,017,450	1,424,430	508,725	1,933,155
Total	94,283,000	53,968,665	8,095,300	10,793,733	2,698,433	53,968,665	75,556,132	26,984,333	102,540,464

TABLE 4.—1996 ELECTION COSTS UNDER THE BOREN-MITCHELL SUBSTITUTE—WHEN BOTH MAJOR PARTY CANDIDATES ARE ELIGIBLE

State	1990 voting age population	General election expenditure limit	Mail subsidy	Voter communication voucher	Independent expenditure amount	Excess expenditure amount	Taxpayer subtotal	Half price broadcast rates (private sector)	Total cost
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Alabama	3,010,000	$1,525,813	$457,744	$610,325	$152,581	0	$1,220,650	$1,525,813	$2,746,463
Alaska	362,000	1,017,450	305,235	406,980	101,745	0	813,960	1,017,450	1,831,410
Arkansas	1,756,000	1,017,450	305,235	406,980	101,745	0	813,960	1,017,450	1,831,410
Colorado	2,453,000	1,216,965	364,965	486,620	121,655	0	973,239	1,216,549	2,189,788
Delaware	504,000	1,017,450	305,235	406,980	101,745	0	813,960	1,017,450	1,831,410
Georgia	4,639,000	1,884,692	565,408	753,877	188,469	0	1,507,754	1,884,692	3,392,446
Idaho	710,000	1,017,450	305,235	406,980	101,745	0	813,960	1,017,450	1,831,410
Illinois	8,678,000	2,966,135	889,840	1,186,454	296,613	0	2,372,980	2,966,135	5,339,042
Iowa	2,132,000	1,113,412	334,023	445,365	111,341	0	890,729	1,113,412	2,004,141
Kansas	1,854,000	1,024,090	307,227	409,636	102,409	0	819,272	1,024,090	1,843,362
Kentucky	2,760,000	1,315,188	394,556	526,075	131,519	0	1,052,150	1,315,188	2,367,338
Louisiana	3,109,000	2,626,752	788,026	1,050,701	262,675	0	2,101,401	2,626,752	4,728,153
Maine	917,000	1,017,450	305,235	406,980	101,745	0	813,960	1,017,450	1,831,410
Massachusetts	4,576,000	1,867,824	560,347	747,130	186,782	0	1,494,259	1,867,824	3,362,083
Michigan	6,829,000	2,471,065	741,319	988,426	247,106	0	1,976,852	2,471,056	4,447,917
Minnesota	3,224,000	2,694,751	808,425	1,077,900	269,475	0	2,155,801	2,694,751	4,850,552
Mississippi	1,852,000	1,833,488	565,046	753,395	188,349	0	1,506,790	1,883,488	3,390,278
Montana	588,000	1,017,450	305,235	406,980	101,745	0	813,960	1,017,450	1,831,410
Nebraska	1,187,000	1,017,450	305,235	406,980	101,745	0	813,960	1,017,450	1,831,410
New Hampshire	828,000	1,017,450	305,235	406,980	101,745	0	813,960	1,017,450	1,831,410
New Jersey	5,903,000	5,282,279	1,584,684	2,112,912	528,228	0	4,225,823	5,282,279	9,508,102
New Mexico	1,074,000	1,017,450	305,235	406,980	101,745	0	813,960	1,017,450	1,831,410
North Carolina	4,929,000	1,962,340	588,702	784,936	196,234	0	1,569,872	1,962,340	3,532,212
Oklahoma	2,371,000	1,190,202	357,061	476,081	119,020	0	952,162	1,190,202	2,142,364
Oregon	2,123,000	1,110,520	333,156	444,208	111,052	0	888,416	1,110,520	1,998,936
Rhode Island	767,000	1,017,450	305,235	406,980	101,745	0	813,960	1,017,450	1,831,410
South Carolina	2,558,000	1,250,285	375,086	500,114	125,029	0	1,000,228	1,250,285	2,250,514
South Dakota	519,000	1,017,450	305,235	406,980	101,745	0	813,960	1,017,450	1,831,410
Tennessee	3,685,000	1,612,391	483,717	644,956	161,239	0	1,289,912	1,612,391	2,902,303
Texas	12,038,000	3,865,775	1,159,732	1,159,310	386,577	0	3,092,620	3,865,775	6,958,394
Virginia	4,615,000	1,878,266	563,480	751,307	187,827	0	1,502,613	1,878,266	3,380,879
West Virginia	1,394,000	1,017,450	305,235	406,980	101,745	0	813,960	1,017,450	1,831,410
Wyoming	339,000	1,017,450	305,235	406,980	101,745	0	813,960	1,017,450	1,831,410
Total	94,283,000	53,968,665	16,190,600	21,587,466	5,396,867	0	43,174,932	53,968,665	97,143,598

TABLE 5.—1998 ELECTION COSTS UNDER THE BOREN-MITCHELL SUBSTITUTE—WHEN ONE MAJOR PARTY CANDIDATE IS NOT ELIGIBLE

State	1990 voting age population	General election expenditure limit	Mail subsidy	Voter communication voucher	Independent expenditure amount	Excess expenditure amount	Taxpayer subtotal	Half-price broadcast rates (private sector)	Total cost
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Alabama	3,010,000	$1,495,844	$224,377	$299,169	$74,792	$1,495,844	$2,094,182	$747,922	$2,842,104
Alaska	362,000	1,090,600	163,590	218,120	54,530	1,090,600	1,526,840	545,300	2,072,140
Arizona	2,575,000	1,346,030	201,905	269,206	67,302	1,346,030	1,884,442	673,015	2,557,457
Arkansas	1,756,000	1,090,600	163,590	218,120	54,530	1,090,600	1,526,840	545,300	2,072,140
California	21,350,000	6,314,000	947,100	1,262,800	315,700	6,314,000	8,839,600	3,157,000	11,996,600
Colorado	2,453,000	1,304,013	195,602	260,803	65,201	1,304,013	1,825,618	652,007	2,477,625
Connecticut	2,479,000	1,312,968	196,945	262,594	65,648	1,312,968	1,838,155	656,484	2,494,638
Florida	9,799,000	3,501,113	525,167	700,223	175,056	3,501,113	4,901,558	1,750,557	6,652,115
Georgia	4,639,000	2,020,193	303,029	404,039	101,010	2,020,193	2,828,270	1,010,097	3,838,367
Hawaii	825,000	1,090,600	163,590	218,120	54,530	1,090,600	1,526,840	545,300	2,072,140
Idaho	710,000	1,090,600	163,590	218,120	54,530	1,090,600	1,526,840	545,300	2,072,140
Illinois	8,678,000	3,179,386	476,908	635,877	158,969	3,179,386	4,451,140	1,589,693	6,040,833
Indiana	4,133,000	1,874,971	281,246	374,994	93,749	1,874,971	2,624,959	937,486	3,562,445
Iowa	2,132,000	1,193,461	179,019	238,692	59,673	1,193,461	1,670,845	596,730	2,267,576
Kansas	1,854,000	1,097,718	164,658	219,544	54,886	1,097,718	1,536,805	548,859	2,085,663
Kentucky	2,760,000	1,409,744	211,462	281,949	70,487	1,409,744	1,973,642	704,872	2,678,514
Louisiana	3,109,000	1,529,940	229,491	305,988	76,497	1,529,940	2,141,915	764,970	2,906,885
Maryland	3,533,000	1,675,965	251,395	335,193	83,798	1,675,965	2,346,351	837,983	3,184,334
Missouri	3,854,000	1,786,518	267,978	357,304	89,326	1,786,518	2,501,125	893,259	3,394,383
Nevada	833,000	1,090,600	163,590	218,120	54,530	1,090,600	1,526,840	545,300	2,072,140
New Hampshire	828,000	1,090,600	163,590	218,120	54,530	1,090,600	1,526,840	545,300	2,072,140
New York	13,600,000	4,592,000	688,800	918,400	229,600	4,592,000	6,428,800	2,296,000	8,724,800
North Carolina	4,929,000	2,103,423	315,513	420,685	105,171	2,103,423	2,944,792	1,051,712	3,996,504
North Dakota	481,000	1,090,600	163,590	218,120	54,530	1,090,600	1,526,840	545,300	2,072,140
Ohio	8,090,000	3,010,630	451,595	602,126	150,532	3,010,630	4,214,882	1,505,315	5,720,197
Oklahoma	2,371,000	1,275,772	191,366	255,154	63,789	1,275,772	1,786,081	637,886	2,423,968
Oregon	2,123,000	1,190,361	178,554	238,072	59,518	1,190,361	1,666,506	595,181	2,261,686
Pennsylvania	9,199,000	3,328,913	499,337	665,783	166,446	3,328,913	4,660,478	1,664,457	6,324,935
South Carolina	2,558,000	1,340,175	201,026	268,035	67,009	1,340,175	1,876,245	670,088	2,546,333
South Dakota	519,000	1,090,600	163,590	218,120	54,530	1,090,600	1,526,840	545,300	2,072,140
Utah	1,076,000	1,090,600	163,590	218,120	54,530	1,090,600	1,526,840	545,300	2,072,140
Vermont	425,000	1,090,600	163,590	218,120	54,530	1,090,600	1,526,840	545,300	2,072,140
Washington	3,545,000	1,680,098	252,015	336,020	84,005	1,680,098	2,352,137	840,049	3,192,186
Wisconsin	3,612,000	1,703,173	255,476	340,635	85,159	1,703,173	2,384,442	851,586	3,236,028
Total	134,200,000	62,172,408	9,325,861	12,434,482	3,108,620	62,172,408	87,041,371	31,086,204	118,127,576

TABLE 6.—1998 ELECTION COSTS UNDER THE BOREN-MITCHELL SUBSTITUTE—WHEN BOTH MAJOR PARTY CANDIDATES ARE ELIGIBLE

State	1990 voting age population	General election expenditure limit	Mail subsidy	Voter communication voucher	Independent expenditure amount	Excess expenditure amount	Taxpayer subtotal	Half-price broadcast rates (private sector)	Totel cost
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Alabama	3,010,000	$1,495,844	$448,753	$598,338	$149,584	0	$1,196,675	$1,495,844	$2,692,519
Alaska	362,000	1,090,600	327,180	436,240	109,060	0	872,480	1,090,600	1,963,080
Arizona	2,575,000	1,346,030	403,809	538,412	134,603	0	1,076,824	1,346,030	2,422,854
Arkansas	1,756,000	1,090,600	327,180	436,240	109,060	0	872,480	1,090,600	1,963,080
California	21,350,000	6,314,000	1,894,200	2,525,600	631,400	0	5,051,200	6,314,000	11,365,200
Colorado	2,453,000	1,304,013	391,204	521,605	130,401	0	1,043,211	1,304,013	2,347,224
Connecticut	2,479,000	1,312,968	393,890	525,187	131,297	0	1,050,374	1,312,968	2,363,342
Florida	9,799,000	3,501,113	1,050,334	1,400,445	350,111	0	2,800,890	3,501,113	6,302,003
Georgia	4,639,000	2,020,193	606,058	808,077	202,019	0	1,616,154	2,020,193	3,636,347
Hawaii	825,000	1,090,600	327,180	436,240	109,060	0	872,480	1,090,600	1,963,080
Idaho	710,000	1,090,600	327,180	436,240	109,060	0	872,480	1,090,600	1,963,080

TABLE 6.—1998 ELECTION COSTS UNDER THE BOREN-MITCHELL SUBSTITUTE—WHEN BOTH MAJOR PARTY CANDIDATES ARE ELIGIBLE—Continued

State	1990 voting age population	General election expenditure limit	Mail subsidy	Voter communication voucher	Independent expenditure amount	Excess expenditure amount	Taxpayer subtotal	Half-price broadcast rates (private sector)	Total cost
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Illinois	8,678,000	3,179,386	953,816	1,271,754	317,939	0	2,543,509	3,179,386	5,722,895
Indiana	4,133,000	1,874,971	562,491	749,988	187,497	0	1,499,977	1,874,971	3,374,948
Iowa	2,132,000	1,193,461	358,038	477,384	119,346	0	954,769	1,193,461	2,148,229
Kansas	1,854,000	1,097,718	329,315	439,087	109,772	0	878,174	1,097,718	1,975,892
Kentucky	2,760,000	1,409,744	422,923	563,898	140,974	0	1,127,795	1,409,744	2,537,539
Louisiana	3,109,000	1,529,940	458,982	611,976	152,994	0	1,223,952	1,529,940	2,753,891
Maryland	3,533,000	1,675,965	502,790	670,386	167,597	0	1,340,772	1,675,965	3,016,737
Missouri	3,854,000	1,786,518	535,955	714,607	178,652	0	1,429,214	1,786,518	3,215,732
Nevada	833,000	1,090,600	327,180	436,240	109,060	0	872,480	1,090,600	1,963,080
New Hampshire	828,000	1,090,600	327,180	436,240	109,060	0	872,480	1,090,600	1,963,080
New York	13,600,000	4,592,000	1,377,600	1,836,800	459,200	0	3,673,600	4,592,000	8,265,600
North Carolina	4,929,000	2,103,423	631,027	841,369	210,342	0	1,682,738	2,103,423	3,786,161
North Dakota	481,000	1,090,600	327,180	436,240	109,060	0	872,480	1,090,600	1,963,080
Ohio	8,090,000	3,010,630	903,189	1,204,252	301,063	0	2,408,504	3,010,630	5,419,134
Oklahoma	2,371,000	1,275,772	382,732	510,309	127,577	0	1,020,618	1,275,772	2,296,390
Oregon	2,123,000	1,190,361	357,108	476,144	119,036	0	952,289	1,190,361	2,142,650
Pennsylvania	9,199,000	3,328,913	998,674	1,331,565	332,891	0	2,663,130	3,328,913	5,992,043
South Carolina	2,558,000	1,340,175	402,053	536,070	134,018	0	1,072,140	1,340,175	2,412,315
South Dakota	519,000	1,090,600	327,180	436,240	109,060	0	872,480	1,090,600	1,963,080
Utah	1,076,000	1,090,600	327,180	436,240	109,060	0	872,480	1,090,600	1,963,080
Vermont	425,000	1,090,600	327,180	436,240	109,060	0	872,480	1,090,600	1,963,080
Washington	3,545,000	1,680,098	504,029	672,039	168,010	0	1,344,078	1,680,098	3,024,176
Wisconsin	3,612,000	1,703,173	510,952	681,269	170,317	0	1,362,538	1,703,173	3,065,711
Total	134,200,000,000	62,172,408	18,651,722	24,868,963	6,217,241	0	49,737,927	62,172,408	111,910,335

TABLE 7.—1994 MINOR PARTY ELECTION COSTS UNDER THE BOREN-MITCHELL SUBSTITUTE—WHEN ONE MAJOR PARTY CANDIDATE IS NOT ELIGIBLE

State	1990 voting age population	General election expenditure limit	Qulifying threshold	Mail subsidy	Voter communication voucher	Independent expenditure amount	Excess expenditure amount	Taxpayer subtotal	Half-price broadcast rates (private sector)	Total cost
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Arizona	2,575,000	$1,172,500								
California 1	21,350,000	5,500,000	$550,000	$825,000	$550,000	$275,000	$1,100,000	$2,750,000	$1,100,000	$3,850,000
California 2	21,350,000	5,500,000	550,000	825,000	550,000	275,000	1,100,000	2,750,000	1,100,000	3,850,000
California 3	21,350,000	5,500,000	550,000	825,000	550,000	275,000	1,100,000	2,750,000	1,100,000	3,850,000
Connecticut	2,479,000	1,143,700								
Delware	504,000	950,000								
Florida	9,799,000	3,049,750	304,975	457,463	304,975	152,488	609,950	1,524,875	609,950	2,134,825
Hawaii	825,000	950,000								
Indiana	4,133,000	1,633,250								
Maine	917,000	950,000								
Maryland	3,533,000	1,459,900								
Massachusetts	4,576,000	1,744,000	174,000	261,600	174,400	87,200	348,800	872,000	348,800	1,220,800
Michigan	6,829,000	2,307,250	230,725	346,088	230,725	115,363	461,450	1,153,625	461,450	1,615,075
Minnesota	3,224,000	1,367,200								
Mississippi	1,852,000	955,600								
Missouri	3,854,000	1,556,200								
Montana	588,000	950,000								
Nebraska	1,187,000	950,000								
Nevada	833,000	950,000								
New Jersey	5,903,000	4,932,100	493,210	739,815	493,410	246,605	986,420	2,466,050	986,420	3,452,470
New Mexico	1,074,000	950,000								
New York 1	13,600,000	4,000,000	400,000	600,000	400,000	200,000	800,000	2,000,000	800,000	2,800,000
New York 2	13,600,000	4,000,000	400,000	600,000	400,000	200,000	800,000	2,000,000	800,000	2,800,000
North Dakota	481,000	950,000								
Ohio	8,090,000	2,622,500	262,250	393,375	262,250	131,125	524,500	1,311,250	524,500	1,835,750
Pennsylvania	9,199,000	2,899,750	289,975	434,963	289,975	144,988	579,950	1,449,875	579,950	2,029,825
Rhode Island	767,000	950,000								
Tennessee	3,685,000	1,505,500								
Texas	12,038,000	3,609,500	360,950	541,425	360,950	180,475	721,900	1,804,750	721,900	2,526,650
Utah	1,076,000	950,000								
Vermont	425,000	950,000								
Virginia	4,615,000	1,753,750								
Washington	3,545,000	1,463,500								
West Virginia	1,394,000	950,000								
Wisconsin	3,612,000	1,483,600								
Wyoming	339,000	950,000								
Total			4,566,485	6,849,728	4,566,485	2,283,243	9,132,970	22,832,425	9,132,970	31,965,395

TABLE 8.—1994 MINOR PARTY ELECTION COSTS UNDER THE BOREN-MITCHELL SUBSTITUTE— WHEN BOTH MAJOR PARTY CANDIDATES ARE ELIGIBLE

State	1990 Voting age population	General election expenditure limit	Qualifying threshold	Mail subsidy	Voter communication voucher	Independent expenditure amount	Excess expenditure amount	Taxpayer subtotal	Half-price broadcast rates (private sector)	Total cost
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Arizona	2,575,000	$1,172,5000								
California 1	21,350,000	5,500,000	$550,000	$825,000	$550,000	$275,000		$1,650,000	$1,100,000	$2,750,000
California 2	21,350,000	5,500,000	550,000	825,000	550,000	275,000	0	1,650,000	1,100,000	2,750,000
California 3	21,350,000	5,500,000	550,000	825,000	550,000	275,000	0	1,650,000	1,100,000	2,750,000
Connecticut	2,479,000	1,143,700								
Delaware	504,000	950,000								
Florida	9,799,000	3,049,750	304,975	457,463	304,975	152,488	0	914,925	609,950	1,524,875
Hawaii	825,000	950,000								
Indiana	4,133,000	1,633,250								
Maine	917,000	950,000								
Maryland	3,533,000	1,459,900								
Massachusetts	4,576,000	1,744,000	174,400	261,600	174,400	87,200	0	523,200	348,800	872,000
Michigan	6,829,000	2,307,250	230,725	346,088	230,725	115,363	0	692,175	461,450	1,153,625
Minnesota	3,224,000	1,367,200								
Mississippi	1,852,000	955,600								
Missouri	3,854,000	1,556,200								
Montana	588,000	950,000								

TABLE 8.—1994 MINOR PARTY ELECTION COSTS UNDER THE BOREN-MITCHELL SUBSTITUTE— WHEN BOTH MAJOR PARTY CANDIDATES ARE ELIGIBLE—Continued

State	1990 Voting age population	General election expenditure limit	Qualifying threshold	Mail subsidy	Voter communication voucher	Independent expenditure amount	Excess expenditure amount	Taxpayer subtotal	Half-price broadcast rates (private sector)	Total cost
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Nebraska	1,187,000	950,000								
Nevada	833,000	950,000								
New Jersey	5,903,000	4,932,100	493,210	739,815	493,210	246,604	0	1,479,630	986,420	2,466,050
New Mexico	1,074,000	950,000								
New York 1	13,600,000	4,000,000	400,000	600,000	400,000	200,000	0	1,200,000	800,000	2,000,000
New York 2	13,600,000	4,000,000	400,000	600,000	400,000	200,000	0	1,200,000	800,000	2,000,000
North Dakota	481,000	950,000								
Ohio	8,090,000	2,622,500	262,250	393,375	262,250	131,125	0	786,750	524,500	1,311,250
Pennsylvania	9,199,000	2,899,750	289,975	434,963	289,975	144,988	0	869,925	579,950,000	1,449,875
Rhode Island	767,000	950,000								
Tennessee	3,685,000	1,505,500								
Texas	12,038,000	3,609,500	360,950	541,425	360,950	180,475	0	1,082,850	721,500	1,804,750
Utah	1,076,000	950,000								
Vermont	425,000	950,000								
Virginia	4,615,000	1,753,750								
Washington	3,545,000	1,463,500								
West Virginia	1,394,000	950,000								
Wisconsin	3,612,000	1,483,600								
Wyoming	399,000	950,000								
Total			4,566,485	6,849,728	4,566,485	2,283,243	0	13,699,455	9,132,970	22,832,425

TABLE 9.—1996 MINOR PARTY ELECTION COSTS UNDER THE BOREN-MITCHELL SUBSTITUTE—WHEN ONE MAJOR PARTY CANDIDATE IS NOT ELIGIBLE

State	1990 voting age population	General election expenditure limit	Qualifying threshold	Mail subsidy	Voter communication voucher	Independent expenditure amount	Excess expenditure amount	Taxpayer subtotal	Half price broadcast rates (private sector)	Total cost
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Alabama	3,010,000	$1,525,813								
Alaska	362,000	1,017,450								
Arkansas	1,756,000	1,017,450								
Colorado	2,453,000	1,216,549								
Delaware	504,000	1,017,450								
Georgia	4,639,000	1,884,692								
Idaho	710,000	1,017,450								
Illinois	8,678,000	2,966,135	$296,613	$444,920	$296,613	$148,307	$593,227	$1,483,067	$593,227	$2,076,294
Iowa	2,132,000	1,113,412								
Kansas	1,854,000	1,024,090								
Kentucky	2,760,000	1,315,188								
Louisiana	3,109,000	2,626,752								
Maine	917,000	1,017,450								
Massachusetts	4,576,000	1,867,824	186,782	280,174	186,782	93,391	373,565	933,912	373,565	1,307,477
Michigan	6,829,000	2,471,065	247,106	370,660	247,106	123,553	494,213	1,235,532	494,213	1,729,745
Minnesota	3,224,000	2,694,751								
Mississippi	1,852,000	1,883,488								
Montana	588,000	1,017,450								
Nebraska	1,187,000	1,017,450								
New Hampshire	828,000	1,017,450								
New Jersey	5,903,000	5,282,279	528,228	792,342	528,228	264,114	1,056,456	2,641,140	1,056,456	3,697,595
New Mexico	1,074,000	1,017,450								
North Carolina	4,929,000	1,962,340								
Oklahoma	2,371,000	1,190,202								
Oregon	2,123,000	1,110,520								
Rhode Island	767,000	1,017,450								
South Carolina	2,558,000	1,250,285								
South Dakota	519,000	1,017,450								
Tennessee	3,685,000	1,612,391								
Texas	12,038,000	3,865,775	386,577	579,866	386,577	193,289	773,155	1,932,887	773,155	2,706,042
Virginia	4,615,000	1,878,266								
West Virginia	1,394,000	1,017,450								
Wyoming	339,000	1,017,450								
Total			1,645,308	2,467,962	1,645,308	822,654	3,290,615	8,226,538	3,290,615	11,517,154

TABLE 10.—1996 MINOR PARTY ELECTION COSTS UNDER THE BOREN-MITCHELL SUBSTITUTE—WHEN BOTH MAJOR PARTY CANDIDATES ARE ELIGIBLE

	State1990 voting age population	General election expenditure limit	Qualifying threshold	Mail subsidy	Voter communication voucher	Independent expenditure amount	Excess expenditure amount	Taxpayer subtotal	Half-price broadcast rates (private sector)	Total cost
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Alabama	3,010,000	$1,525,813								
Alaska	362,000	1,017,450								
Arkansas	1,756,000	1,017,450								
Colorado	2,453,000	1,216,549								
Delaware	504,000	1,017,450								
Georgia	4,639,000	1,884,692								
Idaho	710,000	1,017,450								
Illinois	8,678,000	2,966,135	$296,613	$444,920	$296,613	$148,307		$889,840	$593,227	$1,483,067
Iowa	2,132,000	1,113,412								
Kansas	1,854,000	1,024,090								
Kentucky	2,760,000	1,315,188								
Louisiana	3,109,000	2,626,752								
Maine	917,000	1,017,450								
Massachusetts	4,576,000	1,867,824	186,782	280,174	186,782	93,391		560,347	373,565	933,912
Michigan	6,829,000	2,471,065	247,106	370,660	247,106	123,553		741,319	494,213	1,235,532
Minnesota	3,224,000	2,694,751								
Mississippi	1,852,000	1,883,488								
Montana	588,000	1,017,450								
Nebraska	1,187,000	1,017,450								
New Hampshire	828,000	1,017,450								
New Jersey	5,903,000	5,282,279	528,228	792,342	528,228	264,114		1,584,684	1,056,456	2,641,140
New Mexico	1,074,000	1,017,450								
North Carolina	4,929,000	1,962,340								

TABLE 10.—1996 MINOR PARTY ELECTION COSTS UNDER THE BOREN-MITCHELL SUBSTITUTE—WHEN BOTH MAJOR PARTY CANDIDATES ARE ELIGIBLE—Continued

	State1990 voting age population	General election expenditure limit	Qualifying threshold	Mail subsidy	Voter communication voucher	Independent expenditure amount	Excess expenditure amount	Taxpayer subtotal	Half-price broadcast rates (private sector)	Total cost
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Oklahoma	2,371,000	1,190,202								
Oregon	2,123,000	1,110,520								
Rhode Island	767,000	1,017,450								
South Carolina	2,558,000	1,250,285								
South Dakota	519,000	1,017,450								
Tennessee	3,685,000	1,612,391								
Texas	12,038,000	3,865,775	386,577	579,866	386,577	193,289		1,159,732	773,155	1,932,887
Virginia	4,615,000	1,878,266								
West Virginia	1,394,000	1,017,450								
Wyoming	339,000	1,017,450								
Total			1,645,308	2,467,962	1,645,308	822,654		4,935,923	3,290,615	8,226,538

TABLE 11.—1998 MINOR PARTY ELECTION COSTS UNDER THE BOREN-MITCHELL SUBSTITUTE—WHEN ONE MAJOR PARTY CANDIDATE IS NOT ELIGIBLE

State	1990 voting age population	General election expenditure limit	Qualifying threshold	Mail subsidy	Voter communication voucher	Independent expenditure amount	Excess expenditure amount	Taxpayer subtotal	Half-price broadcast rates (private sector)	Total cost
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Alabama	3,010,000	$1,495,844								
Alaska	362,000	1,090,600								
Arizona	2,575,000	1,346,030								
Arkansas	1,756,000	1,090,600								
California 1	21,350,000	6,314,000	$631,400	$947,100	$631,400	$315,700	$1,262,800	$3,157,000	$1,262,800	$4,419,800
California 2	21,350,000	6,314,000	631,400	947,100	631,400	315,700	1,262,800	3,157,000	1,262,800	4,419,800
California 3	21,350,000	6,314,000	631,400	947,100	631,400	315,700	1,262,800	3,157,000	1,262,800	4,419,800
Colorado	2,453,000	1,304,013								
Connecticut	2,479,000	1,312,968								
Florida	9,799,000	3,501,113	350,111	525,167	350,111	175,056	700,223	1,750,557	700,223	2,450,779
Georgia	4,639,000	2,020,193								
Hawaii	825,000	1,090,600								
Idaho	710,000	1,090,600								
Illinois	8,678,000	3,179,386	317,939	476,908	317,939	158,969	635,877	1,589,693	635,877	2,225,570
Indiana	4,133,000	1,874,971								
Iowa	2,132,000	1,193,461								
Kansas	1,854,000	1,097,718								
Kentucky	2,760,000	1,409,744								
Louisiana	3,109,000	1,529,940								
Maryland	3,533,000	1,675,965								
Missouri	3,854,000	1,786,518								
Nevada	833,000	1,090,600								
New Hampshire	828,000	1,090,600								
New York 1	13,600,000	4,592,000	459,200	688,800	459,200	229,600	918,400	2,296,000	918,400	3,214,400
New York 2	13,600,000	4,592,000	459,200	688,800	459,200	229,600	918,400	2,296,000	918,400	3,214,400
North Carolina	4,929,000	2,103,423								
North Dakota	481,000	1,090,600								
Ohio	8,090,000	3,010,630	301,063	451,595	301,063	150,532	602,126	1,505,315	602,126	2,107,441
Oklahoma	2,371,000	1,275,772								
Oregon	2,123,000	1,190,361								
Pennsylvania	9,199,000	3,328,913	332,891	499,337	332,891	166,446	665,783	1,664,457	665,783	2,330,239
South Carolina	2,558,000	1,340,175								
South Dakota	519,000	1,090,600								
Utah	1,076,000	1,090,600								
Vermont	425,000	1,090,600								
Washington	3,545,000	1,680,098								
Wisconsin	3,612,000	1,703,173								
Total			4,114,604	6,171,906	4,114,604	2,057,302	8,229,208	20,573,021	8,229,208	28,802,229

TABLE 12.—1998 MINOR PARTY ELECTION COSTS UNDER THE BOREN-MITCHELL SUBSTITUTE—WHEN BOTH MAJOR PARTY CANDIDATES ARE ELIGIBLE

State	1990 voting age population	General election expenditure limit	Qualifying threshold	Mail subsidy	Voter communication voucher	Independent expenditure amount	Excess expenditure amount	Taxpayer subtotal	Half-price broadcast rates (private sector)	Total cost
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Alabama	3,010,000	$1,495,844								
Alaska	362,000	1,090,600								
Arizona	2,575,000	1,346,030								
Arkansas	1,756,000	1,090,600								
California 1	21,350,000	6,314,000	$631,400	$947,100	$631,400	$315,700	0	$1,894,200	$1,262,200	$3,157,000
California 2	21,350,000	6,314,000	631,400	947,100	631,400	315,700	0	1,894,200	1,262,200	3,157,000
California 3	21,350,000	6,314,000	631,400	947,100	631,400	315,700	0	1,894,200	1,262,200	3,157,000
Colorado	2,453,000	1,304,013								
Connecticut	2,479,000	1,312,968								
Florida	9,799,000	3,501,113	350,111	525,167	350,111	175,056	0	1,050,334	700,223	1,750,557
Georgia	4,639,000	2,020,193								
Hawaii	825,000	1,090,600								
Idaho	710,000	1,090,600								
Illinois	8,678,000	3,179,386	317,939	476,908	317,939	158,969	0	953,816	635,877	1,589,693
Indiana	4,133,000	1,874,971								
Iowa	2,132,000	1,193,461								
Kansas	1,854,000	1,097,718								
Kentucky	2,760,000	1,409,744								
Louisiana	3,109,000	1,529,940								
Maryland	3,533,000	1,675,965								
Missouri	3,854,000	1,786,518								
Nevada	833,000	1,090,600								
New Hampshire	828,000	1,090,600								
New York 1	13,600,000	4,592,000	459,200	688,800	459,200	229,600	0	1,377,600	918,400	2,296,000
New York 2	13,600,000	4,592,000	459,200	688,800	459,200	229,600	0	1,377,600	918,400	2,296,000
North Carolina	4,929,000	2,103,423								
North Dakota	481,000	1,090,600								
Ohio	8,090,000	3,010,630	301,063	451,595	301,063	150,532	0	903,189	602,126	1,505,315

TABLE 12.—1998 MINOR PARTY ELECTION COSTS UNDER THE BOREN-MITCHELL SUBSTITUTE—WHEN BOTH MAJOR PARTY CANDIDATES ARE ELIGIBLE—Continued

State	1990 voting age population	General election expenditure limit	Qualifying threshold	Mail subsidy	Voter communication voucher	Independent expenditure amount	Excess expenditure amount	Taxpayer subtotal	Half-price broadcast rates (private sector)	Total cost
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Oklahoma	2,371,000	1,275,772								
Oregon	2,123,000	1,190,361								
Pennsylvania	9,199,000	3,328,913	332,891	499,337	332,891	166,446	0	998,674	665,783	1,664,457
South Carolina	2,558,000	1,340,175								
South Dakota	519,000	1,090,600								
Utah	1,076,000	1,090,600								
Vermont	425,000	1,090,600								
Washington	3,545,000	1,680,098								
Wisconsin	3,612,000	1,703,173								
Total			4,114,604	6,171,906	4,114,604	2,057,302	0	12,343,813	8,229,208	20,573,021

The PRESIDING OFFICER. Who yields time?

The time of the junior Senator from Oklahoma [Mr. NICKLES] has expired.

Mr. BOREN. How much time is remaining to this side, Mr. President?

The PRESIDING OFFICER. Ten minutes.

Mr. BOREN. Mr. President, I yield myself 5 minutes.

Mr. President, we have in essence debated the very same issue earlier when we debated the amendment of the Senator from Kentucky [Mr. MCCONNELL] when we consider that we have a Supreme Court decision which says, in Buckley versus Valeo, that for us to have any system of spending limits, that system must be voluntary. The only way that we have been able to craft a system which is of voluntary spending limits is to have a system of inducements, a series of incentives or benefits, if we want to call it that, for people to enter into a system to voluntarily accept spending limits.

What this amendment really means, if we are to strip out all of the incentives, all of those things which would lead a candidate to accept voluntary spending limits, we are really going to strike at the very heart of the bill; we are going to strike at the concept of spending limits itself.

So while this vote is framed by the authors in terms of being something that affects taxpayer financing, taxpayer financing is not really the issue. It is not really the issue, for two reasons.

First of all, as we have said in our sense-of-the-Senate resolution adopted earlier as a part of this bill, it is not the intention of those on this side of the aisle to impose additional taxes on individual taxpayers, or general tax increases, to pay for any of the incentives which are provided in this bill, be it the lower mailing costs, vouchers that are provided in this bill, or any other incentives which are provided. There are all sorts of alternatives which we have listed and which we have discussed as methods for financing any benefits that are provided.

For one thing, we can have a voluntary checkoff with taxpayers making voluntary contributions over and above what they owe in taxes. We could, for example, as some have suggested, put a tax on political action committees. That is another potential option that has been urged by some.

Each year, we allow a subsidy for lobbying expenses. We allow those organizations which are paying lobbyists, which have lobbying expenses in the Nation's Capital, a tax deduction. That chalks up $100 million a year of tax subsidies which the Government is now providing for lobbying activities; $500 million over 5 years, according to the CBO.

You could put some sort of limitation on that. The average small business or small farms are not going to spend millions of dollars lobbying the Congress of the United States. The average citizen who comes up here just wanting to talk about an issue of interest to them cannot deduct the expenses of coming to Washington to talk to their Members of Congress.

Perhaps some limit should be put in place. Do we want to give tax subsidies to organizations that are spending $5 million a year to lobby the Congress of the United States? Where are their special interests? That is something that certainly would be worthy of our consideration. The Senator from Oklahoma, my good friend and colleague, on several occasions—and I joined him in this as a cosponsor; I agree with what he has done—has attempted to curtail the mass mailings of the Members of the Senate, costs still remaining, in terms of newsletters and mass mailings, even with the adoption of the Nickles amendment. By the way, we have included a good portion of it in this bill. I commend my colleague for offering this in our deliberations previously on the Senate floor in previous years. We could save another $25 million, perhaps, out of the expenses that we are now paying to subsidize incumbents in essence by allowing continued mass mailing in newsletters. We could do away with those altogether in certain instances.

So there are all sorts of options that we could utilize to pay for the benefits in this bill that would not be what we call taxpayer financing.

But I go back to this point: We must have a system that works. Earlier today I quoted a distinguished business leader from the State of Texas, Mr. Ross Perot, who is a great American patriot, a person that speaks very bluntly and plainly. He is a keen analyst of the American political scene, and one of his favorite sayings is: Do you want to talk about something or do you want to do something about the problem? He said there are all too many times in which American politicians talk about problems. We talk about solving problems. The street commissioner comes on television and deplores the potholes in the street, the 30-second sound bite. But nobody does anything about it. We do not take action.

What we must do here is take action. If we are serious about doing something to stop the money chase which is eating away at the core of American politics, then we must come up with a system that will work. We must come up with a system that will pass muster in the Supreme Court. You take away the incentives from a voluntary system of spending limits and you will not have any spending limits. That is what this debate is all about, whether or not we are going to have spending limits. So if you strike out all the incentives, all the inducements for candidates to accept voluntary spending limits, they will not accept it.

The Supreme Court says it has to be voluntary. That is the issue. Are we going to do something about the money chase or are we going to talk about it? Are we going to have an effective way to limit spending or are we going to talk about it? Are we going to sit here year after year? I have now been in this body for 13 years, and for almost 10 of those years I have been trying to do something about the spiraling costs of campaigns.

The first effort I began was with the then distinguished Senator from Arizona, the former Member of the Senate, Barry Goldwater, who had the same kind of view about what was wrong. The Senator from Mississippi at that time, John Stennis, one of the senior Members, joined us in that effort. Why were they concerned? Because, over the time that I have been in the Senate, the average cost of winning a Senate seat has gone from $600,000 in the average State to $4 million. How can that

be good for America? How can it be good that we are deciding more and more elections not on the basis of the qualifications of the candidates, not on the bases of their ideas to solve American problems but on the basis of who can raise the most money?

How is it good for America that the Members of this Senate have to spend more and more of their time out raising that money? How is it good for America that more and more of that money is not coming from the people back home, the small contributors at the grass roots; more and more and more of that money is coming from special interests out of State?

How is it good for this Senate, how is it good for this country, if Members of the Senate and Members of the House, have to go into places where they barely know the people to have huge fundraisers to raise thousands of dollars in order to raise this $4 million that it takes to run, when they cannot possibly know the reputations of the individuals involved?

So embarrassment comes when these individuals prove to be less than credible, prove to have less than sterling characters. It casts a cloud and a doubt over all the institution. No wonder the poll that I cited yesterday from the Louisville Courier-Journal that approximately three-fourths of the people in the State, for example—I am sure it would be the same in my State—feel that the presence of too much money in campaigns creates the effect or the image that Members of Congress are obligated to special interests, that they have been bought and paid for, instead of being responsive to the American people.

It creates an image that this Government in this Capitol does not belong to all the people but only to those people that supply the money necessary to run a campaign.

Mr. President, that cannot be good for America. We ought to do something about it. We ought not just talk about it. We ought to stop this money chase. We ought to stop the undue influence of money in American politics, and we ought to restore politics to a competition on ideas and qualifications where it belongs.

If we are going to do more than just talk about it, we have to have an effective system that will pass muster with the Supreme Court decisions. It has to be a voluntary system of spending limits. And to have a voluntary system that will work, there must be sufficient incentives to get people to accept those spending limits.

So, Mr. President, 85 percent of the American people have said to us, in poll after poll, enough, stop this, do something to clean up the mess, clean up the campaign system. Bring Government back to the people again. Stop all of this money chase. Give some competition in politics. We want the challengers to have a chance.

We know that incumbents can outraise them 8 to 1, for example, in the House of Representatives. If the competition is going to be on the basis of who can raise the most money, we all know the present system is not working. We are all victimized by it. Those that give the money, those who accept the money, the Members of Congress themselves, have to go out and feel that they are accepting money under unwholesome circumstances. And, above all, the American people are being victimized by the present system because we are taking power away from the grassroots of others.

Let us count votes again in American politics and activity by voters and care and concern of individual citizens, and stop allowing money to have such an influence. Let us open up the system to a fair and even playing field of competition between incumbents and challengers.

So, Mr. President, I appeal, let us not talk about it. We have talked about it for 10 years. Let us do something about it. I urge my colleagues to join in voting for a motion which I will make in just a moment to table this amendment. I do this with all due respect to my friend and colleague from Oklahoma. Let us join in tabling this motion so that we can keep a system in place that will really work, that will stop the money chase in American politics and set us back on the right path.

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

The PRESIDING OFFICER. The Chair informs the Senator that the time has just expired.

Mr. BOREN. I move to table the Nickles amendment 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. Under the previous order the vote on the amendment is agreed to follow the action taken by the Senate on the conference resolution, which is approximately 8:45.

Mr. MITCHELL. Mr. President, am I correct in my understanding that the debate on the Nickles amendment has now been completed, all time having been used?

The PRESIDING OFFICER. The majority leader is correct.

Mr. MITCHELL. Mr. President, I believe the chairman and ranking member of the Budget Committee will be momentarily prepared to begin consideration of the budget conference report. I note the chairman of the committee is here. We will now proceed to that under the previous agreement with the maximum 2 hours to be used. If less than 2 hours is used for the budget conference report, then I hope that the managers of the pending bill could arrange for another amendment to be debated during that interim time.

The next vote will be no sooner than 8:45. Under the previous order there will be two votes, one on the budget conference report, one on the Nickles amendment, possibly a third if another amendment on the campaign finance bill can be worked in in the interim.

I yield the floor.

CONCURRENT RESOLUTION ON THE BUDGET—CONFERENCE REPORT

Mr. SASSER. Mr. President, I submit a report on the committee of conference and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the concurrent resolution (H. Con. Res. 121) revising the congressional budget for the United States Government for the fiscal year 1991, and setting forth the congressional budget for the United States Government for fiscal years 1992, 1993, 1994, 1995, and 1996 having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of May 21, 1991.)

The PRESIDING OFFICER. The Senator from Tennessee, Mr. SASSER, has the floor.

Mr. SASSER. Mr. President, the distinguished ranking member of the committee, Mr. DOMENICI, of New Mexico, is on his way to the floor, I am advised. I have also been advised by Senator DOMENICI's staff that we should proceed with opening statements in anticipation of his arrival, which will take place very shortly I am sure.

Mr. President, I might say that I had the pleasure just last week of participating in the most agreeable budget conference that I have known since becoming chairman of the Budget Committee 3 years ago. The position of chairman of the Senate Budget Committee is indeed an embattled position. I do not think there is any question about that. But this conference was the most harmonious that we have had in all of my years on the Budget Committee.

The conference report that we bring to the Senate this evening reflects that agreement. It is a document, I think, that is rich in shared priorities and in common vision. The budget conference report is an affirmation of the principles and accords in the budget sum-

mit last year, most centrally the principle of fiscal responsibility. And that principle of fiscal responsibility is enforced by the restraints of spending caps on the discretionary programs and pay-as-you-go constraints on the so-called entitlement for mandatory programs.

This conference report achieves spending discipline, Mr. President, without being rigid, or without being hidebound. It responds to the issues we all agree are vital to our Nation's future. It responds to the desperate need for improving education in this country. It responds to the need of caring for the health and nutrition of the most vulnerable in our population—the children of this Nation.

It responds by providing for family security during these very difficult economic times that American families find themselves. Moreover, this budget conference report provides the room for this Congress to consider, if it wishes to do so, a number of additional issues that may require action in the near future; actions that range from combating a recession, which is now 11 months old and shows few signs of abating, to improving our Nation's health care system, and also to expanding investments on the roads and highways of this Nation which are desperately in need of repair and refurbishing.

This conference report allows for all of those crucial issues to be addressed. On its merits, I believe it has fulfilled all of our expectations as the first offspring of the budget summit last year.

This conference report, in my view, deserves nothing less than the full support of the United States Senate. That is not to say that consensus came without a substantial measure of compromise. Compromise is always a necessary ingredient of the legislative process. It is in the nature of conferences to compromise. If both Houses stuck dogmatically to their positions, then the legislative process would be deadlocked and nothing would ever be produced. There is compromise in this conference report, as there is in every conference report that is brought back for final affirmation by this body.

We have worked with our colleagues in the House of Representatives to improve our standing in some crucial areas, including increases in the functions dealing with the administration of justice, energy, and transportation in the domestic discretionary accounts. We have done so, Mr. President, without doing violence to our goal of making some bold strides in the area of education, moving forward in the areas of child and family security. But I must emphasize, we have taken these initiatives within the boundaries of deficit neutrality and in full compliance with the very crucial pay-as-you-go mechanism that was incorporated into the summit agreement last year. No more borrowing, no more borrowing to enlarge programs, to initiate new programs, and no more putting it on the cuff for future generations to pay.

Mr. President, the spirit of our multiyear summit agreement pervades every aspect of this conference report. It is evidenced not only by the spending caps and the pay-as-you-go constraints, but also in the reserve fund language as well.

With regard to these reserves, we returned to the original intention of the summit agreement. They exist in full measure to provide the committees of the Senate, and the full Senate itself, the flexibility to, at the appropriate time, work our will on a number of deficit-neutral initiatives, if the appropriate committees and if the full Senate chooses to do so.

Reserves will allow us to respond to this recession, which I said earlier is now 11 months old. They will allow us to respond to the decay that afflicts our roads and highways and bridges, and the reserves will allow us to respond to the health care needs of our citizens.

I want to make it very clear that the reserve language gives us the flexibility to act, or not to act, as the appropriate committees and as the Senate as a whole sees fit. It goes without saying that no initiative is mandated in this conference report. The reserves are there for the same reason we have had them in budget resolutions even since 1986, to allow the Senate to work its will at the appropriate time.

Certainly, our range of choice is more narrow than in the past. Everything we do is bound by the unbending principle of deficit neutrality, the single principle that guided our hand in the enforcement mechanism that we work under today. Those mechanisms were designed to ensure that Government would address this country's problems in a fiscally responsible way. Certainly, they were not put in place to immobilize the Government altogether, to hamstring the operations of the legislative branch of government, indeed, to put the legislative branch into such a lock that it simply could not address the urgent issues of the day.

Mr. President, this budget says to the American people that we can make astute judgments and investments in our own people and in the future of our Nation. We can make those investments that are completely compatible with fiscal responsibility. The price of doing so is to merely choose wisely and to pay as we go. I believe this budget does that.

As I said earlier, it moves education and families to the top of our Federal budget agenda; it provides for the economic security of working men and women and their families. We must not forget that this budget is coming at a time of real hardship for many Americans. I do not believe that we can allow our commitment to fiscal restraint to blind us to the realities of American life. Our economy continues to slide. More than 8 million of our fellow countrymen are out of work as I speak in this Chamber tonight.

The unemployment rate stands at 6.6 percent, and the talk of a quick recovery offers little comfort to the one-half million people who stood in the unemployment lines last week for the first time and joined that swelling rank of the unemployed. The bell now tolls on the 11th month of this recession. We have a responsibility with this budget to clear the way for the Federl Reserve to continue to ease interest rates as a means of helping move us out of this economic recession. We also have a responsibility to structure an anti-recession policy on the fiscal side.

It goes without saying that the unemployment insurance system is one of the most important economic stabilizers that we have, and we have to insure that it is working effectively both in the macro-sense of lifting us out of the recession and at the human level of alleviating hardships for working families. Much has been said that one reason we can anticipate this recession to be short and shallow, although it certainly has not been short, and some will say it has not been swallow, would be because of the economic stabilizers that are built into the system, and one of these economic stabilizers is unemployment compensation or the unemployment insurance system.

We find that this economic stabilizer is not working as it should. I believe that this conference report is structured in such a way as to put some new impetus into the economic stabilizer known as the unemployment insurance system. This conference report offers the discipline of the summit and the flexibility of reserve language that the present circumstances require.

This conference report stands as a solid definition of priorities and a reflection of the desires of the American people. It is fiscally disciplined, and where it takes initiative it does so in a targeted effective and deficit-neutral way. It focuses the limited resources that we have now on family and economic security issues that matter so much to all Americans.

Mr. President, I urge the swift adoption of this budget conference report so that we can move on with the business of the Senate, move in the appropriations bills and, most importantly, work to guide this Nation out of a recession and back to economic health.

Mr. President, I note that the distinguished ranking member, Senator DOMENICI, has now arrived on the floor. At this time I yield the floor.

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

Mr. DOMENICI. Mr. President, I might say to my fellow Senators on

this side, I have inquired as to whether any of them desired to speak either in favor or in opposition to this resolution. I hope that even if they are not currently on the floor they would accommodate the Senate by letting us know as quickly as possible when they can be here.

I would like to not use our entire hour and be able to say to the chairman that we could be finished in a half-hour or so. I am going to try. I do not have a lot to say tonight. So why do I not start by just taking 10 minutes. I yield myself 10 minutes.

Mr. President, exactly a year ago this month, 21 Congressional Members and 5 administration officials sat down together to see—in the face of increasing deficit projections at that time—if the administration and the Congress could come to an agreement to reduce the deficit, with no preconditions.

After nearly 7 months of meetings and deliberations here on the floor, a historic budget agreement was reached.

I should note for the record that at that time last year the OMB and CBO estimate of the budget deficit for this year ranged between $196 and $227 billion.

This budget estimates the deficit for this year at $308.9 billion.

Now Mr. President, we are here today, proposing to adopt a budget resolution for 1992 that comports to the agreement pounded out last fall.

Mr. President, except for one significant issue, the conference report does follow through with the agreement of last fall.

It funds discretionary spending in the three categories—defense, international affairs, and domestic programs—at the levels agreed to in the summit.

And while I do not agree with how the budget conference agreement proposes to distribute the discretionary pot among the various domestic functions, that would not be reason alone for me to oppose the conference report.

As the Senate knows, the decision as to how the discretionary spending is allocated will be decided by the committee of jurisdiction—the Appropriation Committee.

But for the record, I ask unanimous consent to print in the RECORD at the conclusion of my remarks a table that compares the distribution of the discretionary spending in this resolution to the 1991 level and President's request.

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

(See exhibit 1.)

Mr. DOMENICI. These tables will show that this conference report assumes that the Congress will reduce funding for science, space, and technology below the President's request by nearly $1.8 billion in budget authority.

This conference report also assumes that we will reduce the President's requested funding for natural resources by nearly $400 million. This is the function that supports the Environmental Protection Agency and other programs supporting research into global warning and the environment.

This conference report assumes we will cut the President's request for the administration of justice programs by nearly $1.2 billion. This is the function that supports the war on drugs, State and local crime assistance grants, prison construction, and enforcement of the Americans With Disabilities Act.

Mr. President, I ask unanimous consent that a letter from the Attorney General and the Secretary of the Treasury outlining what this level of funding would mean for national law enforcement efforts in this country printed in the RECORD at the conclusion of my remarks.

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

(See exhibit 2.)

Mr. DOMENICI. I also must note that this conference report assumes we will cut the President's request for discretionary transportation by nearly $1.1 billion.

But again, all this is somewhat irrelevant, since the Appropriations Committee will make the real decisions on how to allocate the discretionary spending, and alone is not reason to vote against this conference report.

The real issue in this conference report is the issue of the reserve fund language.

This issue only affects Senate procedure and while the original Senate language was adopted on a bipartisan basis in the Budget Committee and remained unchanged here on the floor, the conference has yielded to the House and fundamentally changed the Senate language.

Unfortunately Mr. President, I think there has been a great deal of confusion on this issue.

I take a back seat to no one in this Chamber or the other, in my efforts to enact that budget agreement last fall.

So it disturbs me when I hear that the Senate passed budget resolution somehow broke that agreement.

Nothing could be further from the truth.

The Budget Enforcement Act of 1990 is very clear. And those who take the time to read it will find that the Senate passed budget resolution carefully followed the law.

The issue the reserve fund language addresses was discussed at some length last fall.

In order to maintain the role of the Budget Committee in setting broad fiscal policies on spending and taxes, I and Chairman SASSER refused to be dictated to by the House Ways and Means chairman.

In the House, on the other hand, an exception to the Budget Act was provided for pay-go procedures. No restraint was placed on committees that reported deficit neutral legislation after April 15, even if the spending or taxing levels were not included in the budget resolution.

We chose here in the Senate to authorize through the budget resolution a procedure for implementing pay-go.

That procedure was not mandatory, it was discretionary.

And exercising our rights under the law the Senate Budget Committee voted for this year to establish a procedure in the Senate that simply says that in five high priority areas, we support spending increases so long as they are paid for with spending cuts.

Let's be clear, this procedure cuts both ways. A number on this side would like to cut taxes, the Senate provision would have required that tax cuts be paid for with tax increases.

So Mr. President, having adopted a procedure specific to the Senate and clearly authorized by the budget agreement from last year, I cannot simply then turn around and support this resolution that undoes the one thing that probably matters most.

I support pay as you go. I simply want to pay for new initiatives by first attempting to cut spending.

I think this resolution sends the wrong signal to the American public—that we want to raise taxes to pay for new initiatives.

Already the Democratic leadership is preparing to release this week a major spending package that will need taxes to make it deficit neutral.

This budget resolution will make it possible to consider tax increases later this year to fund that package.

I think we should first look to spending cuts for new initiatives and only after we have exhausted that search should we then consider increasing revenues.

For this one fundamental reason, I will not support this resolution, and if it is defeated I will move to insist on the Senate reserve fund language and request a further conference with the House.

Mr. President, let me just say to the Senate if you look at the discretionary priorities as set up in the various functional accounts of this budget, some of which were alluded to by my good friend, the chairman, the first thing that everyone should know, and I hate to say this every time a budget resolution is on the floor, but it is in the nature of budget resolutions from the very beginning, from the first time we had them under a statute that is now about 14 years old, those numbers are not the binding priorities for domestic programs. They are at best a wish list, a hope for.

As a matter of fact, the prioritization of the domestic discretionary accounts, this year $210 billion, spread over hundreds and hundreds of programs and accounts, that set of priorities is accom-

plished by the appropriations committees. That is the way it always was. People somehow think this has all been changed dramatically by the economic summit but quite to the contrary it always was that way.

Nonetheless, the Senate insists on talking about these priorities as if they are real. Here is what it would look like if you had it all in front of you and divided up the way the Budget Committee recommends. But we never gave the budget resolution that kind of power and we never gave this committee that kind of authority.

So that $210 billion which our distinguished chairman has talked about here tonight in terms of priorities that are in this resolution—I do not choose to argue with him, but I do choose to say that Senators who vote for this budget resolution thinking that those are the priorities that we are going to end up with and they are therefore going to run here to the floor so they can vote for them because they are what they want, they are going to be sadly mistaken because they are not what we are going to spend our money for.

How do I know that? First I told the Senate and that is the law. That is the way it is. But believe it or not, the $210 billion has already been allocated. In other words, the subcommittees of appropriations already got their money, that portion of that $210 billion not yet in the Senate they will get in the few days but in the House they already got it. So if anyone wants to know where the function with education is going please do not vote on this budget resolution and say we are going up $2.5 billion dollars in education. Go see what the U.S. House Appropriations Committee has already done. And the Senate's will not be far off when they are finished, 1 percent, 2 percent,

So, this is not an issue tonight of where the discretionary funding is going to go. There may be some who would say we sure wish this is the way we would do it. There may be even some who will say someday we will do it this way. But we are not, and the law does not say it, and the Appropriations Committee still will do it, they are going to do it this year and this resolution is not going to do it. It is just the total of $210 billion in program authority for discretionary appropriations including the programs that the chairman speaks of. They are within it. That is the way it really is.

Now, Mr. President, I will say that for those who want to look at those numbers and look at those priorities for every good, for every plus there is a negative. That is in the nature of budget limitations. We set a cap. So obviously if you are going up dramatically somewhere you have to open your eyes and say where are we going down, and that is the way it is.

If you like the resolution because it goes up in education you will not like it very much when it comes to drugs and alcoholism treatment, and law enforcement, and the FBI, because that is down dramatically. So if anyone wants to vote against it on these premises we will give you a piece of paper and show you the ones, again not binding on anyone, but that if that is how you choose to vote we will give you a list of three or four functions that are down that you can use for your particular political speeches because clearly you are going to be voting to reduce the War on Drugs and all of the crime prevention in the country dramatically under the same premise that you are increasing some of these other things dramatically.

So I do not choose to vote for or against this budget resolution on that basis because the economic summit conference did a very good job. It broke the budget into three pieces and they are all binding; the defense number is now binding, and if you save money in defense it goes to deficit reduction.

If you save money in discretionary appropriations, it goes to deficit reduction. If you save money in foreign assistance, it goes to deficit reduction. But you do not mix the accounts. You do not take money from defense to spend on discretionary and vice versa. That is the way we should have been doing it for a long, long time. But that is not the way the budget resolution was done in the past nor the way the law was written until this economic summit and now it is written for the next 5 years.

So the important thing is we have met those targets and we have given you an example of how we might live within them and it is going to be tight. The next 2 or 3 months the appropriators are going to find if they want to go up in some area, some other one has to come down, because this cap does not even allow for full inflationary increase and, obviously, defense is coming down, not up; foreign assistance is almost frozen for a very, very rigid fiscal policy. I believe that is what you are voting on if you want to vote for this budget resolution on all the appropriated accounts, a rather rigid fiscal policy.

Why would one vote against it? Certainly not on what I have just described. There is a provision within the economic summit that many have called the pay-as-you-go provision of this new law—dramatic for the Senate.

Some who were looking back on the economic summit are going to find that while the whole country was talking about cigarette taxes and gasoline taxes and Medicare restraint, they really got sidetracked because what really happened is that Congress voted in and put in place with this administration a 5-year fiscal policy plan that is about as tough as we have ever had. And it is enforceable. And that gets to the pay-as-you-go.

Anyone that wants a new entitlement program, whether it is for child nutrition, whether it is for unemployment compensation, whatever the case may be, some new health care program on the Medicare side or the Medicaid side, any of those, those are new entitlement initiative areas and the pay-as-you-go said it will be budget neutral. You will not increase the deficit even. When you are finished you must pass a bill that creates a zero effect on the deficit. That is a pay-as-you-go approach.

How do you pay as you go? There really are not a lot of ways. There are two principal ways: One, if you increase an entitlement program, student aid, a new one, you want to pay for it, $50 million a year, then $200 million, then $400 million, you cut some program in each of those years by that amount in the same law. So you might cut farm subsidies. End product: neutral, no deficit effect. Pay as you go.

Or you may put the new program in, the one I just described, and you might pay for it with taxes. Some taxes, who knows what? Whatever the committee would choose to put in—pay as you go, new child nutrition program, or health care program, as I just described it, pay for it with taxes, an equal amount to the new increase in the deficit that would have occurred for the program increase. Those are both pay as you go and you might have a mix of the two—some taxes, some program restraints.

Now, actually, what happened—and it is very, very simple—the U.S. Senate and the U.S. Senate Budget Committee said, well, the economic summit and the laws that came forth from it said that the budget resolution in the Senate, not in the House, but in the Senate, would have to provide for these new kinds of programs in some kind of reserve fund, or they need a supermajority; if they find their way through here, they need 60 votes.

So contrary to what the House wanted, the Senate wanted to leave that prerogative with this budget resolution. The Senate budgeteers in markup on this resolution weeks ago agreed with the chairman, who wanted some reserve authority in the areas that have been alluded to—unemployment compensation, child nutrition, some health care initiatives, and the like. But, interestingly enough, the committee itself voted to only allow for pay-as-you-go there in those cases, thus not needing 60 votes, just 50 votes to get it passed.

The committee said, OK, but no taxes to make the pay-as-you-go work, only budget program cuts. So you can have enough programs with new cuts, but no new taxes.

We came to the floor of the Senate. The Senate adopted that resolution. In fact, there was not even any opposi-

tion. It passed one evening. It went over to the House, went to conference. And, essentially, we came back tonight and the resolution comes out of conference with the House with the tax provision put back in.

So for those reserve funds, this resolution, contrary to what we passed a few weeks ago, contrary to what the committee passed, it now says those reserve funds, new programs, as I have described them here, some example, it now says you can pay for them under the pay-as-you-go with program cuts or tax increases.

Frankly, that is an issue that is significant even in these times, even with tight fiscal policy. It is a very simple, not profound, very simple forthright issue. Do you want to permit new programs, additional programs, to be paid for with taxes or do you want to say if you do it with taxes, you have to have 60 votes to pass it? In other words, giving it an impediment, giving it less than full faith, require more than a simple majority or not.

That is an issue worthy of a vote yea or nay. I voted in committee for this year, not for every year of this summit, I voted no taxes this year. When it went to conference, the majority decided to the contrary and that is the prerogative of this place. I am in a minority and they are in a majority. They put it back to where the chairman had it some weeks ago. And that is what we have before us.

So I regret I cannot vote for it. I will vote again. I would have voted yes. Everything else is all right in this budget resolution. I have told the Senate why I would vote for it even though these priorities are not what I want because, essentially, appropriators are going to decide that and we will have our day in court, and it is the economic summit cap that governs. But on this issue, I think it is a very simple one, pay as you go for new programs.

Now how do you pay as you go? Program cuts versus program increases singularly, or program increases can be paid for with new taxes. I think that is the issue. And I do not know that it needs anymore detail.

The budget process is complicated and the reserve funds are kind of arcane sort of things. But, essentially, I think the explanation that I have given is just about right.

With that, I yield the floor.

EXHIBIT 1

DISCRETIONARY APPROPRIATIONS LEVELS FOR 1992

[In millions of dollars]

	Defense	International	Domestic	Total
Caps as adjusted by OMB:[1]				
Budget authority	291,361	20,917	198,400	510,678
Outlays	295,800	19,177	211,070	526,047
Caps used for Budget Resolution:[2]				
Budget authority	291,361	22,165	199,979	513,505
Outlays	295,800	19,751	211,907	527,458
President's Request:				
Budget authority	291,351	21,773	196,841	509,965
Outlays	295,626	19,614	211,432	526,672
Housed-passed Budget:				
Budget authority	291,361	21,773	199,979	513,113
Outlays	295,800	19,751	211,907	527,458
Senate-passed Budget:				
Budget authority	291,361	22,165	199,978	513,504
Outlays	295,800	19,751	211,910	527,461
Conference Report on Budget:				
Budget authority	291,361	21,773	199,979	513,113
Outlays	295,800	19,751	211,907	527,458
Levels compared to caps used for Budget Resolution				
President's Request:				
Budget authority	−10	−392	−3,138	−3,540
Outlays	−174	−137	−475	−786
Housed passed Budget:				
Budget authority		−392		−392
Outlays				
Senate-passed Budget:				
Budget authority			−1	−1
Outlays			3	3
Conference Report on Budget:				
Budget authority		−392		−392
Outlays				

[1] The law allows the President to make adjustments to the caps in his budget submission for changes in economics, concepts and definitions, and implementation of credit reform. These are the adjusted caps presented in the FY 1992 Budget, which also includes the special BA allowance.

[2] These caps were further modified, according to law, due to passage of supplemental appropriations which increased the special AB allowance.

DOMESTIC DISCRETIONARY PROPOSALS BY FUNCTION

[Fiscal year 1992, dollars in billions]

Function	1991 level	CBO baseline	BA freeze	President's request	Conference agreement
250: General science, space and technology:					
Budget authority	$16,353	$17.075	$16.353	$18.913	$17.077
Outlays	15.745	16.453	16.003	17.520	16.485
270: Energy:					
Budget authority	5.300	5.753	5.536	5.293	6.385
Outlays	4.743	5.247	5.157	5.278	5.326
300: Natural resources:					
Budget authority	19.562	20.719	19.595	20.121	19.767
Outlays	19.109	20.404	19.691	20.270	19.704
350: Agriculture:					
Budget authority	2.985	3.632	3.428	3.076	3.481
Outlays	2.943	3.594	3.439	3.120	3.459
370: Commerce and housing credit:					
Budget authority	2.854	3.836	3.648	2.727	3.582
Outlays	3.828	3.430	3.290	2.552	3.221
400: Transportation:					
Budget authority	13.449	14.463	13.659	15.634	14.507
Outlays	30.943	33.381	32.712	33.055	33.410
450: Community and regional development:					
Budget authority	5.828	6.029	5.880	5.379	5.948
Outlays	6.679	6.098	6.022	6.081	6.072
500: Education, training, employment, and social services:					
Budget authority	33.500	34.745	33.505	32.847	37.793
Outlays	30.624	33.237	32.896	32.317	34.088
550: Health:					
Budget authority	18.118	18.992	18.118	18.294	19.503
Outlays	16.877	18.321	17.856	17.897	18.521
570: Medicare:					
Budget authority	2.580	2.758	2.580	2.598	2.758

DOMESTIC DISCRETIONARY PROPOSALS BY FUNCTION—Continued

[Fiscal year 1992, dollars in billions]

Function	1991 level	CBO baseline	BA freeze	President's request	Conference agreement
Outlays	2.541	2.744	2.581	2.415	2.744
600: Income security:					
Budget authority	28.935	29.746	29.093	30.916	31.865
Outlays	26.147	29.425	29.278	29.416	29.801
650: Social Security:					
Budget authority	.....	.....	.....	.....	.....
Outlays	2.273	2.450	2.295	2.540	2.540
700: Veterans benefits and services:					
Budget authority	14.408	15.470	14.491	15.311	15.530
Outlays	13.856	15.447	14.633	15.203	15.405
750: Administration of Justice:					
Budget authority	12.480	13.336	12.480	14.550	13.388
Outlays	12.082	13.452	12.757	14.549	13.375
800: General government:					
Budget authority	12.197	12.865	12.029	11.319	10.428
Outlays	10.765	11.829	11.027	11.763	10.898
920: Allowances:					
Budget authority	.....	−.233	−.233	−.136	−.233
Outlays	.....	−2.642	−2.642	−2.545	−2.642
950: Undistributed offsetting receipts:					
Budget authority	.....	.....	.....	.....	−1.800
Outlays	.....	.....	.....	.....	−.500
Total domestic discretionary:					
Budget authority	188.549	199.186	190.162	196.842	199.979
Outlays	199.155	212.870	206.995	211.431	211.907
Domestic discretionary cap:					
Budget authority	N/A	199.978	199.978	199.978	199.978
Outlays	N/A	211.909	211.909	211.909	211.909
Total compared to domestic cap:					
Budget authority	N/A	−.792	−9.816	−3.136	.001
Outlays	N/A	.961	−4.914	−.478	−.002

Note.—CBO revised baseline totals for 1991 are not adjusted for credit reform.
Prepared by SBC Minority Staff, May 22, 1991.

CONFERENCE AGREEMENT COMPARED TO OTHER PROPOSALS: DOMESTIC DISCRETIONARY

[Fiscal year 1992, dollars in billions]

Function	1991 level	CBO baseline	BA freeze	President's request
250: General science, space and technology:				
Budget authority	$0.7214	$0.002	$0.724	−$1.836
Outlays	.740	.032	.482	−1.035
270: Energy:				
Budget authority	1.085	.632	.849	1.092
Outlays	.583	.079	.169	.048
300: Natural resources:				
Budget authority	.205	−.952	.172	−.354
Outlays	.595	−.700	.013	−.566
350: Agriculture:				
Budget authority	.496	−.151	.053	.405
Outlays	.516	−.135	.020	.339
370: Commerce and housing credit:				
Budget authority	.728	−.254	−.066	.855
Outlays	−.607	−.209	−.069	.669
400: Transportation:				
Budget authority	1.058	.044	.848	−1.127
Outlays	2.467	.029	.698	.355
450: Community and regional development:				
Budget authority	.120	−.081	.068	.569
Outlays	−.607	−.026	.050	−.009
500: Education, training, employment, and social services:				
Budget authority	4.293	3.048	4.288	4.946
Outlays	3.464	.851	1.192	1.771
550: Health:				
Budget authority	1.385	.511	1.385	1.209
Outlays	1.644	.200	.665	.624
570: Medicare:				
Budget authority	.178	.....	.178	.160
Outlays	.203	.....	.163	.329
600: Income security:				
Budget authority	2.930	2.119	2.772	.949
Outlays	3.654	.376	.523	.385
650: Social Security:				
Budget authority	.....	.....	.....	.....
Outlays	.267	.090	.245	.....
700: Veterans benefits and services:				
Budget authority	1.122	.060	1.039	.219
Outlays	1.549	−.042	.772	.202
750: Administration of Justice:				
Budget authority	.908	.052	.908	−1.162
Outlays	1.293	−.077	.618	−1.174
800: General government:				
Budget authority	−1.769	−2.437	−1.601	−.891
Outlays	.133	−.931	−.129	−.865
920: Allowances:				
Budget authority	−.233	.....	.....	−.097
Outlays	−2.642	.....	.....	−.097
950: Undistributed offsetting receipts:				
Budget authority	−1.800	−1.800	−1.800	−1.800
Outlays	−.500	−.500	−.500	−.500
Total domestic discretionary:				
Budget authority	11.430	.793	9.817	3.137
Outlays	12.752	−.963	4.912	.476

Note.—Details may not add to totals due to rounding.
Prepared by SBC Minority Staff, May 22, 1991.

EXHIBIT 2

OFFICE OF THE ATTORNEY GENERAL,
Washington, DC, May 7, 1991.

Hon. PETE DOMENICI,
Ranking Minority Member, Committee on the Budget, U.S. Senate, Washington, DC.

DEAR SENATOR DOMENICI: I am writing to express my grave concern over significant cuts in the levels of funding for federal law enforcement, recently adopted in the House and Senate Budget Resolutions for FY 1992.

Regrettably, the levels for the Administration of Justice of $13.2 billion adopted by the Senate and $14.2 billion by the House will jeopardize important national law enforcement efforts found in the President's program.

The President proposed that $14.8 billion be spent for the Administration of Justice. Within this sum, the President has earmarked new funds for expanding the war on drugs to rural America, identifying and prosecuting violent career felons, and attacking emerging criminal enterprises such as Asian gangs, Jamaican posses, and heavily armed motorcycle gangs. Addtional funds are also included to intensify our efforts against white collar and environmental crimes. Of particular importance is the increase in the Civil Rights Division to meet the Department of Justice's responsibilities to 43 million citizens with disabilities under the Americans with Disabilities Act.

The eleven percent funding cut embodied in the Senate bill is sadly misconceived. Now is no time for the federal government to flinch in its resolve to attack criminal activity on all fronts. Our recent successes in convicting nearly 500 savings and loan executives and prosecuting large numbers of drug traffickers should not blind us to dimensions of the remaining challenges and the resources that will be required to free America's streets and neighborhoods from the fear which haunts all too many of our citizens.

Even the more modest cut in the House Resolution, which translates into approximately a four percent reduction in effort from the President's recommendation, poses substantial risks to our ongoing law enforcement programs.

Accordingly, on behalf of not only the federal law enforcement community, but all law enforcement efforts across America, I urge you to consider adoption of the President's proposal.

Sincerely,

DICK THORNBURGH.

THE SECRETARY OF THE TREASURY,
Washington, May 6, 1991.

Hon. PETE V. DOMENICI,
Ranking Republican, Committee on the Budget, U.S. Senate, Washington, DC.

DEAR SENATOR DOMENICI: As you deliberate on the FY 1992 budget, I want to take this opportunity to offer our perspective on the impacts associated with the reductions to the President's request for the Treasury Department now being considered. We understand that the House Budget Resolution would, at most, hold FY 1992 appropriations for Treasury bureaus to FY 1991 levels. The major exception affecting Treasury is in our drug enforcement initiatives, which would be funded.

For the Internal Revenue Service (IRS), there are significant unavoidable expenditures which must be funded. Of the highest priority, and in order to simply maintain a current level of operations as well as process non-discretionary increases in tax return volume, IRS requires a net $313 million over FY 1991 budget authority. This is by itself $134 million over the maximum amount contemplated in the resolution, and already takes into consideration substantial cost offsets for productivity savings and one-time expenditures. It would pay for inflationary costs and statutory pay increases and continue the FY 1991 compliance initiatives as intended by the proposed budget resolution.

Many of the Tax System Modernization (TSM) projects are nearing the stage where development and installation is about to begin. Funding deferrals for these projects would cause many procurements to be delayed or canceled, further increasing the costs for eventual development of TSM and the risk of a catastrophe in tax processing. Modernization of IRS' tax processing system simply must continue at a cost of $162 million in FY 1992.

As the TSM systems come on line, they will replace current operating systems. These systems are operating using outmoded technology and cannot last much longer. While TSM is under development, it is of crucial importance for us to maintain these systems to avoid unreasonable risk of failure. The $79 million funding requirement for this purpose may be subject to some adjustment if we are willing to let certain services to the public remain marginal. However, once again, we are increasing the potential of system collapse during a filing season.

The above requirements for inflation and information systems, which total a range of $296 to $375 million over the resolution allocation, would require substantial offsetting adjustments to selected areas of the program base in compliance and taxpayer service. These reductions, which could be finalized only after evaluating our FY 1991 program performance, would unavoidably be applied to the direct revenue producing enforcement functions and the Taxpayer Service program.

I would quickly acknowledge the futility of trying to preserve the FY 1991 compliance initiatives while at the same time reducing the very base programs which these initiatives would enhance, but there is no other option available within the Commissioner's professional assessment of the priorities for long term health of tax administration.

As for Taxpayer Service, any sizeable reduction would quickly throw the program into an unresponsive level of service well below 60 percent. Although not quantifiable by any recognized standards, there is nearly universal belief that substantial amounts of voluntary compliance revenue are at risk when taxpayers are not provided with minimum levels of competent service.

In addition to these program reductions, there are a variety of other initiatives for personnel and systems in the President's Budget which also would be forfeited. These include more work on accounts receivable and increased audit coverage of large tax returns, improvements to financial management and revenue projections, achievement of minimum GAO standards of internal audit, and better internal security approaches to narcotics crime and bribery.

As you can see, the implications of the House Budget Resolution on IRS operations are serious indeed. However, the impacts on the other Treasury bureaus are also of concern.

For the non-drug enforcement programs in Treasury's enforcement bureaus, the House Budget Resolution would result in significant problems in our view. For example:

Secret service efforts to protect the nominees and candidates in the primaries and the Presidential election could be disrupted.

The Customs initiative to hire 240 new import specialists, regulatory auditors and inspectors in the area of Commercial Services would be reduced or eliminated. This initiative was proposed to reverse a decline in service provided to the importing community in the face of growing workload.

Deficiencies identified by the House Ways and Means Subcommittee on Oversight and by the GAO have focused on the need to improve Customs internal controls. Reduced funding could delay development of a critical cost accounting system and cause Customs to forego planned improvements to its cash collection efforts.

Reductions in the budget for ATF will diminish the impact of the Armed Career Criminal program by reducing or completely eliminating additional funds for this program. This program is perhaps the Federal Government's most effective tool in combatting violent crime in the inner cities and in dealing with the problem of gun violence.

Critical equipment initiatives in all Treasury law enforcement agencies would be reduced or eliminated. These initiatives include much-needed replacement equipment for Customs inspectors, mobile x-ray vans, replacement weapons and cars, and other items. Construction projects at the Federal Law Enforcement Training Center and at Customs' Canine Training facility could be eliminated.

In addition, since it would be necessary to bear much of the normal inflationary costs within the base, we also could expect to see a general erosion in the level and effectiveness of enforcement programs, including drug programs.

Finally, I must also point out that reductions to the Financial Management Service, the Bureau of Public Debt, and other Treasury bureaus would mean the deferral of critical improvements to financial systems in Treasury and throughout the Government. Such an action ignores solutions to problems in an area of recognized high-risk, and undermines our joint efforts to improve the management of the Nation's financial resources.

I appreciate the difficulties you are facing in reaching agreement on an overall budget plan within the framework of the mandatory spending caps, and I emphasize the Administration's commitment to operating within these caps. However, I did believe it important to apprise you of our concerns regarding the current budget resolutions and encourage you to provide Treasury the resources proposed by the President in his FY 1992 request.

Sincerely,

NICHOLAS F. BRADY.

Mr. DOMENICI. I state to the distinguished chairman of the Budget Committee, I think we only need 10 more minutes on our side.

Mr. SASSER. Mr. President, just let me make one statement.

With regard to the reserve language that my distinguished friend from New Mexico has alluded to, a careful reading of the conference report indicates that there is no reference whatsoever to taxes.

The conference report states—and I read from page 17, section 9, "Deficit-Neutral Reserve Fund for Family and Economic Security Initiatives in accordance with Provisions of the Summit Agreement." Section 9(a) simply says that the enactment of such legislation will not increase the deficit in this resolution for fiscal year 1992.

Now that is what pay as you go is all about, that if you want to enlarge a program or if you want to start a program, it has to be deficit neutral. That is what the summit agreement was all about.

Nobody ever contemplated to my knowledge in the summit agreement that the Senate Budget Committee could simply say the Finance Committee will be deprived of its jurisdiction to close tax loopholes, to raise revenues, or that other committees will be deprived of jurisdiction to raise civil fines, some of which have not been raised for over 30 years. That is the reason we see mine operators violating the mine safety laws, because it is cheaper to violate the law and pay the fine than it is to lose the accelerated production you can get from unsafe practices.

Nobody contemplated that the Senate Budget Committee could simply, by a one-vote margin, which is precisely what occurred, emasculate the jurisdiction of these other committees and say the distinguished chairman of the Senate Finance Committee has to have 60 votes, a supermajority, to carry out some of the basic work of his committee, or that the distinguished chairman of the Environment and Public Works Committee has to have 60 votes, a supermajority, if he wishes to increase fines in the field of mine safety, for example, that have not been increased for 30 years.

Certainly nobody contemplated that. Had that been contemplated, would I have supported this budget summit agreement? Would the distinguished chairman of the Senate Finance Committee have supported it? Would the chairman or ranking members on both sides of the committees of competent jurisdiction have supported it? I think not. I think not.

They had no idea they would be allocating this type of jurisdiction to the Budget Committee.

I am just as jealous of the prerogatives of my committee and its jurisdiction as any other chairman in this body. But I do understand there is a certain degree of comity that must prevail here, and if we on the Senate Budget Committees are to do our job, fulfill our responsibilities, and our requirements under the rules of the U.S. Senate, then certainly we should not be encroaching and diminishing the jurisdiction and responsibility of other committees. And that is precisely what this supermajority would do.

So, no, it was not contemplated that would ever be done, as we were debating the budget-summit agreement. And there is not a word in this conference report I bring to the Senate this evening for its approval about taxes. All it says is it shall be deficit neutral.

In layman's language it is simply saying you have to pay for it. No more of this borrow and spend that has raised the national debt of this country by almost $2 trillion in a scant decade; no more of this business of passing it on to future generations and saying they have to pay for it, and then running out and campaigning for public office saying, "Oh, I am for all the programs, I am for all the programs but, by the way, I am not going to raise your taxes. I don't want to pay for them." No more of that.

That is what this budget-summit agreement was all about. If you want a program, if you want to expand it, if you want to meet the needs of this country, then you have to pay for it. That is why we entered into this budget agreement. That is why I supported it.

If I thought that was not what it was about, I would have been the first to take this floor and denounce it, Mr. President—denounce it—and ask every colleague on my side of the aisle to vote against it.

Mr. President, I see the distinguished chairman of the Finance Committee has arrived. I will yield to him 10 minutes.

Mr. BENTSEN. Mr. President, this report I think deserves the support of the Senate. I listened to my friends talk about the budget summit meeting last year. I think that is the most difficult set of negotiations I have ever been involved in. I can recall the year before, when they had a meeting down at the White House, talking about an agreement on the budget then, and then the President said, "Let us go out in the Rose Garden and let us take photographs."

I said, "Mr. President, I do not want to rain on your parade, but I am not going out there because I do not think this does the job." And it did not.

But the last time, to see what we went through, to see the tempers, to see the tantrums, to see people giving in on this point or that—I do not think anyone walked away from that summit meeting thinking they had won their point of view totally. No one.

It was trying to set the priorities for the country and understanding we had to turn these deficits around, and we put together one, a 5-year one, almost $500 billion. And up to this point we have been able to hold to that.

As I looked at what the President proposed and what the Senate Budget Committee proposed and the House Budget Committee proposed, I do not suppose there was a 1-percent variance in the overall totals. There was a different order of priorities. I understand that. That is the way it is supposed to be. And, as chairman of the Finance Committee, in the 4 to 5 years I have been there, I have not reported out one bill—not one—that was not deficit neutral, because of my strong feelings that we should not add to the deficit and to the national debt. So I have been totally committed to that as chairman of the Finance Committee.

We also committed in that deficit reduction to put in place procedures that would protect it. On the discretionary appropriations side we adopted annual caps and agreed to live with them. In the area of mandatory spending and revenues we put in place pay-as-you-go procedures, and I was delighted to do that because it so followed the philosophy I have had as chairman of the Finance Committee.

So any changes in these areas would have to be offset in a way that avoids eating into the deficit reduction in the budget agreement.

The pay-as-you-go procedures are, therefore, part and parcel of last year's budget agreement. Indeed, they are the essence of that agreement, and the parties to that agreement were very careful about how these procedures were put together.

I do not see how there can be any doubt in the mind of any participant in last year's budget agreement that the pay-as-you-go rules were designed to give Congress the flexibility to develop packages which would involve both spending and revenue items, both of them.

But I even went so far, in trying to work with the Budget Committee, as saying in addition to that we will settle for three reserve clauses for the Finance Committee: on health, on children, on unemployment compensation. That would be a part of the deal.

We then took it to the Finance Committee and it was debated, discussed, and endorsed. Not one Senator objected to it, Democrat or Republican. There was bipartisan support for it.

If there is any doubt in the mind of any participant that the pay-as-you-go rules were designed to give Congress the flexibility to develop packages which would involve both spending and revenue items—if there is any doubt about it—the language of the Budget Enforcement Act is clear on its face.

An attempt to establish new procedural rules which would restrict that flexibility is clearly an attempt to destroy last year's budget agreement. And once you do that, where do you stop? Where else do we go?

I do not think that is in the interest of the parties to the agreement. But I sure do not think it is in the interests of the Nation. I therefore congratulate the conferees on the budget resolution on restoring the full reserve clause language which implements the spirit and the letter of last year's budget agreement.

These reserve clauses will give the committees of the Senate the flexibility to address several pressing needs faced by our country, and three of those were the ones I recited for the Finance Committee. Those were developed with full bipartisan support on either side. They will permit the com-

mittee to undertake to develop, on a deficit neutral basis—the basis I have followed for 5 years—measures to protect children, and strengthen families, to improve the ongoing health programs.

Of course, the budget resolution does not spell out the details of the legislation which may be developed under those reserve clauses.

That is the jurisdiction of the specific committees. It is not the purpose of the budget resolution to do otherwise. Its function is rather to give a broad budgetary framework within which the Congress can work out its legislative agenda, and within that framework and within the deficit neutrality, which the budget resolution and the budget agreement both mandate, the committee will have the flexibility to construct more detailed legislation. That is the way it is supposed to work.

Obviously, whatever legislation comes out of that committee will have to be brought before the Senate. Obviously, the Senate will have the chance to modify it, or even reject the committee's product. Finally, it is turned over to the President, and he decides whether he is going to sign it or whether he is going to veto it. That is the way the budget procedure should work.

It is the function of the budget process and resolution to provide broad budgetary parameters within which each committee can operate. It is not its function to create new procedural barriers aimed at shutting down the ability of the committee even to bring a proposal before the Senate for consideration.

The conference agreement is fully consistent with the purposes of the budget process, within the rules and the requirements and the understandings of the budget agreement. I intend to vote in favor of it, and I certainly urge my colleagues to do likewise.

Thank you very much. I yield back the remainder of my time to the chairman.

Mr. SASSER. Mr. President, may I inquire how much time is remaining on my side?

The PRESIDING OFFICER. Thirty-two minutes and fifty-five seconds.

Mr. SASSER. I thank the Chair.

Mr. DOMENICI. How much time remains on my side, Mr. President?

The PRESIDING OFFICER. Forty-four minutes and forty seconds.

Mr. DOMENICI. My friend from Texas, Senator GRAMM, is here and wants to speak. I am going to yield him as much time as he wants in a moment. But I yield myself 4 minutes, Mr. President.

Mr. President, I do not think I would have risen to speak again had I not heard a couple of things that I really believe—in fairness to those who were in the economic summit and to what this conference report says—deserve, if not an answer, at least deserve the version of how things are and how things were.

First, I do not think it is fair for the chairman of the Budget Committee to say that the language which is now before us, because it does not use the words "revenues" or "taxes," is not a reserve clause, in each instance, which permits taxes. He is not going to stand up and say the Senator from New Mexico is wrong, because I am right; it does permit taxes.

I said tonight I will let the Senate work its will, and I am. We are not going to take a lot of time. But that is what the facts are, not reading some words and saying this is not use of taxes in this language. The truth of the matter is we changed the resolution from where it was when it left here to where it is now, and the prohibition against taxes and revenues is out. That is point No. 1.

Point No. 2: When the economic summiteers agreed that there would be provisions made in budget resolutions for pay-as-you-go programs, unless the proponents of pay-as-you-go wanted to get 60 votes for their proposals, we all agreed that we would use reserve provisions for this approach.

I am just going to ask a question: If that is the case, how could it be a breach or usurpation of the Budget Committee's prerogative if they had no obligation to grant any reserve clauses in this resolution? That is totally optional to the Budget Committee and the U.S. Senate in adopting a budget resolution.

It is clear that if some committee asked that we permit a reform in ERISA to pay for Head Start, and they phrased it that way, did we have to do that? Of course not. We do not have to give them a reserve clause.

What does it mean? It is not the end of the world. If the committee wants to do that, they can do it. They just have to have 60 votes. So this committee did listen to the Finance Committee. They wanted three reserve provisions, as described by the chairman.

But the committee decided—not the Senator from New Mexico, the committee decided—if we are going to do that for this year—for this year—we are going to have to cut programs and not raise taxes. That is the essence of it.

I do not know that anybody broke any commitment, broke any economic summit conference commitments, but I close by saying clearly, with all respect to every committee, the budget resolution does not have to grant any reserve provisions. If 10 were asked for and you give them 1, were the other 9 that did not get permission to do that—they need 60 votes if they want to do it—but has any committee denied another committee its flexibility or its rights? I believe unless the authority to put it in, the privilege to put it in is meaningless, then the committees acted within their prerogative.

And if the committee does not want to agree with their prerogative, that is fine. Then we go back to where we were tonight, where we were when the chairman of the committee asked that it include the right to pay for programs with revenues and taxes.

I say to my friend, I yield 10 minutes to the junior Senator from Texas.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mr. GRAMM. I thank my colleague from New Mexico for yielding.

Mr. President, every Member on the floor tonight was part of the budget summit. I think all of us would agree that probably the most important thing in the summit was our effort to set out constraints on spending.

In addition to the budget that was the initial part of the summit we took the extraordinary action of setting out 4 years where we established caps on individual spending categories. These caps cannot be breached without triggering an extraordinary process where the coverage is sheared off 15 days later. That was the glue that put the agreement together.

Mr. President, we recognized in making that agreement that we still had the problem of what are you going to do about entitlements, since they were not subject to appropriation in terms of providing the money, and could not be capped. We set out an auxiliary rule as it applied to entitlements, and that rule was pay as you go.

So far as I am aware, every Member on the floor is totally committed to the concept of pay as you go, and it certainly was at the very heart of the budget summit. The question is not pay as you go; the question is whether or not we want to go. That is the question.

What we agreed to as part of the summit was this: If you add a new entitlement benefit, or if you cut a tax, you have to offset those actions, which in and of themselves raise the deficit, by doing one of two things.

One was to cut another program somewhere else to pay for it. This is one way to pay as you go. The other way was raising taxes. We can get into semantics about what the conference report says, but everybody knows that that is basically what we are talking about. Pay as you go means either cutting something or raising taxes to pay for it.

Mr. President, we debated this in the Budget Committee. We held a vote on it, and members of the Budget Committee, in the clear exercise of our jurisdiction, clearly within the constraints of the budget agreement, decided that we wanted to allow increases in entitlement spending or reductions in revenues to be paid for only by cutting other programs.

We limited the pay-as-you-go option so that new spending required cutting spending somewhere else.

That was adopted. In fact, the chairman's position was defeated in the Budget Committee. The budget came to the floor of the Senate. It was adopted. So far as I am aware the subject was not debated on the floor of the Senate, but certainly there was no vote to reverse the committee's position.

Now, Mr. President, I want to make another point. It is a point that has been raised by those who support the budget, and I feel it has to be answered. To say that you cannot ride the train without buying a ticket, which is pay as you go, is not to say you have to ride the train. Our dear chairman stands up and says no more borrowing and spending. I rejoice in that. But I also say no more taxing and spending. We are in the midst of a recession. The economy is still declining. We are about to adopt a budget that sets out not one, or two, or three, or four, but five so-called reserve funds—a code word for tax and spend—which, according to minority staff calculations could add up to $42 billion of taxing and spending this year. It seems to me, Mr. President, we ought to think a long time before we talk about raising taxes to increase spending in the midst of a recession.

So, Mr. President, I support the spending constraint measures in the budget agreement. I am opposed to raising entitlement spending without paying for it. I support the position the Senate took, which states that in the midst of a recession, if Congress feels that it has to raise benefits to somebody or that it has to create a new program, then cut another program. Do not pass the bill on to the American taxpayer.

What we are being asked for is not a reserve fund, since there are no reserves. What we are being asked for is a blank check where we write a budget that is made out of elastic so that if a committee like the Finance Committee decides to raise taxes to pay for new health care benefits by $120 billion over 5 years, the budget is automatically adjusted to accommodate that.

Mr. President, my basic position is a very simple one. I support pay as you go, but I do not want to go. I do not want any new spending programs that have to be funded by raising taxes, period. None. And so the proposal which I support is that we stay with what the Budget Committee decided and with what the Senate originally decided and reject this conference report and these five blank checks which in essence authorize the raising of taxes to increase spending.

In my whole political career there has been great political rhetoric about tax and spend. It often gets confused because when you get down to specific programs and you get down to specific revenues, you always get the argument that this is not really a tax, it is a user fee, and this is a great benefit.

But, Mr. President, tonight we are voting on a concept that is as clear as any concept can get. That concept is do we want to set out in the budget the basic agreement that will allow taxes to be raised to increase spending? I do not know, in my 13 years in Congress, that we have ever had a clearer vote on tax and spend.

So I am not here proposing that we raise spending and that we not pay for it. I support the Senate position, which is either do not spend it or, if you are going to raise spending in one program, take it away from another. Every family in America has to do that. Only the Government has these other options.

What I am opposed to is setting out in our budget the tacit approval and the clear mechanism to raise taxes in five different areas to increase spending and in the process to be raising taxes on the working men and women of America in the midst of a recession.

So I ask my colleagues to abide by both the letter and the spirit of the budget summit: Pay as you go. But what we said in the Senate was, if you go, pay for it by cutting spending. If you are not going to do that, do not go. I do not think we ought to write into the budget agreement an approval of taxes that could range into the tens of billions of dollars on the working men and women of America who are already heavily burdened by taxes.

So I urge my colleagues to reject this conference report, which will send us back into conference and which will give us the ability to bring back a provision that says to the Finance Committee or to any other committee, you can raise spending all you want, but we do not want to raise taxes to fund more spending. That is what this vote is about. It is a very clear issue: Are you for tax and spend or not? I am not for tax and spend.

I reserve the remainder of our time.

The PRESIDING OFFICER. Who yields time?

Mr. SASSER. Mr. President, I yield such time as he may consume to the distinguished chairman of the Appropriations Committee, Senator BYRD.

The PRESIDING OFFICER. The Chair recognizes the Senator from West Virginia.

Mr. BYRD. Mr. President, I rise in strong support of this budget resolution conference agreement. The distinguished chairman of the Budget Committee, Mr. SASSER, has worked very hard to bring back from conference an agreement that deserves the support of the Senate. This conference agreement is in conformance with the Budget Enforcement Act that this Senate and the House enacted last October and to which the President affixed his signature. It provides the necessary 602(a) allocations for the Appropriations Committee to begin its work on the fiscal year 1992 appropriations bills. While there is not enough funding for domestic discretionary programs to meet the critical needs facing this Nation, the amounts of budget authority and outlays were negotiated with the administration, and the Appropriations Committee is prepared to live up to its end of the bargain.

The adoption of this conference report is essential if we are serious about living up to the commitments that we made in last year's summit agreement. This is the first opportunity in the first full year of living under that agreement to demonstrate that we are serious about reducing the Federal deficit. This conference report is a blueprint that lives up to the commitment of reducing the deficit by nearly $500 billion over the next 5 years. It also delivers on the commitment made in the budget summit, the pact made in the budget summit, the compact that was agreed to in the budget summit by Republicans and Democrats, by the administration, and by Representatives and leaders from the House and the Senate, that new spending programs must be paid for one way or another.

Mr. President, as a participant in the summit, I can assure Senators that this question of pay as you go was debated at length in the summit. It is my clear recollection that all parties in the negotiations understood that new entitlement spending had to be paid for in either of two ways: by reducing existing entitlements or by raising new revenue.

In fact, everyone understood that neither the administration nor the Congress should be hamstrung in their ability to bring forth new initiatives for health care, for children's needs, for infrastructure, for economic stimulus in order to battle the effects of inflation or recession or for whatever eventuality, unforeseen at that time perhaps, might occur. The only requirement was that these new programs should be paid for one way or another. We would reduce other entitlement programs or we would raise revenues or both.

This conference agreement conforms to that requirement. This conference agreement is not a tax bill. It is not an appropriations bill. It contains no new entitlement programs. This conference agreement does not raise one thin dime in revenue, nor does it spend one thin dime of the taxpayers' money.

Those Senators who are working to defeat this conference report are attempting to use the vote to paint Democrats as "tax and spenders." I have heard the term used already this afternoon. They are attempting to use the budget resolution conference report to make political points. If they succeed in defeating this conference report, the Senate will be right back in the position that it was in last year at

this time. The Budget Act requires the adoption of the budget resolution conference report before the Appropriations Committee makes its 602(b) allocations.

So if Senators do not think that the defeat of this conference report will impact upon any committees in this Senate or the work of the Senate in getting the business of the people done, they have another think coming. For example, it will seriously interfere with the work of the Appropriations Committee.

As chairman of the Appropriations Committee, I think I know whereof I speak, and I cannot forget last year, when the Senate was unable to complete action on the budget resolution. We had to pass a "deeming" resolution to allow the Appropriations Committee to proceed with its allocations. But that deeming resolution took unanimous consent. If there had been one objection, it could not have been called up.

Some Senators may take the view that if this conference report is defeated the Senate and House Budget Committees will quickly reconvene their conference and work out a new agreement. I have just heard it stated here on this floor that that is what would happen. "Let us defeat the conference report, and go back to conference," it was said.

Well, to those Senators, I ask why? How can that be guaranteed? How can they be so sure in asserting that it will be that easy? Why would Mr. PANETTA and his committee in the House be anxious to reconvene a conference?

They were not all that anxious last year to go to conference on the budget resolution. I spoke with the Speaker, I spoke with the majority leader of the House, I spoke to our own leaders, and I urged that the House leadership be importuned to appoint conferees and go to conference last year. The conference did not occur until after the deeming resolution was adopted. Why should we think they would any more quickly go to a conference if this conference report were now to be rejected?

The House will not be hamstrung by the failure of the Senate to adopt the conference report.

They have no responsibility to go to conference again if this conference report is rejected. The House Appropriations Committee is allowed by the Budget Act to make its allocations to subcommittee even without a budget resolution. The Senate committee is not permitted to do so. The House Appropriations Committee has already marked up four appropriations bills in subcommittee—energy and water, military construction, defense, VA-HUD and independent agencies. And by the close of business tomorrow, they will have marked up two more bills—the legislative and Treasury-Postal.

When the Senate reconvenes on June 4, we will undoubtedly have several of these House-passed appropriations bills before our committee. But in order to be able to mark up these House-passed bills and bring them to the Senate in conformance with the cap set forth in the Budget Enforcement Act, it is essential, Mr. President, that this budget resolution conference report first be agreed to. I do not want to be around here all summer waiting on a deeming resolution that will make it possible for the Appropriations Committee in the Senate to get its allocation. Without a budget conference report, we will have no 60-vote points of order to use as disciplinary measures, and the Senate will just go wild with all kinds of amendments on appropriation bills, but with no 60-vote points of order available.

Some Senators may not care about that. I do. I want to get appropriations bills up, passed, and sent to conference expeditiously. I want to have this disciplinary mechanism—60-vote points of order—to use against amendments that would add here and add there and add somewhere else.

If Senators really are concerned about fiscal responsibility, and are concerned about reducing the deficit, they ought first to be concerned about maintaining discipline in the Senate. Anybody can offer amendments. And there will be plenty of them offered to bust the budget caps if we do not have those points of order that require 60 votes to waive. Here is where we start. Today. Reject this resolution, and we will not have those points of order.

Failure to agree to this conference report will not only create a gridlock on appropriations bills. It will also signal to the American people that the Senate is not serious about living up to the constraints of the Budget Enforcement Act.

At the budget summit I often deplored green-eyeshade thinking. Senator DOMENICI was there, Senator SASSER was there. They heard me use those immortal words—"green-eyeshade thinking." I meant by that phrase, the unfortunate tendency of many in our Government to see only numbers and procedures and balance sheets, but to be blind to the blueprint for the future of this Nation that ought to be of primary importance in our policy decisions.

What is being attempted here on this budget resolution, in the effort to defeat it—and I speak respectfully of all Senators, those who intend to vote against it—what is being done in reality represents green-eyeshade thinking at its worst. Again and again in recent years we have seen attempts to create a process or to skew procedure so as to hamstring legislative options. Again and again, there have been attempts to build elaborate process mazes that effectively take away any possibility for real political debate on the choices we face as political leaders charged with determining, in some measure, the future of millions of Americans.

Now we see that attempt again. The budget summit aimed to keep spending down by placing caps on domestic discretionary, foreign, and defense-related programs.

That discipline was necessary; that discipline was needed; that discipline was discussed for days and nights, Saturdays and Sundays, agreed upon and signed into law by the President of the United States, and it is perfectly adequate to do the job. To construct a further blockade now to legitimate legislative options, to attempt to bias policy through procedural manipulation, makes a travesty of the tradition of debate and deliberation in this Senate and reduces human judgment to a postscript, or to an afterthought.

These shortsighted, politically motivated, mechanistic solutions pit one citizen against another, one program against another, one worthy goal against another, and ultimately limit the options possible for this great Nation.

I urge that we not resort to this Chicken-Little, myopic approach yet again. Let us not continue to construct these process labyrinths for ourselves with the hope that somehow we can avoid tough political choices by hiding in those labyrinths. We owe this Nation more than that for the privilege of serving it.

This Nation is in trouble. It has problems that range from inadequate health care to crumbling infrastructure. Let us not, by a vote here today, admit that we are so intellectually stunted or so politically cowed that we have to preclude in a budget resolution a fair discussion of how best to meet this Nation's needs.

We in this Chamber purport to be leaders. If we claim that mantle, we have to be willing to step up to our responsibilities. We are called upon to exercise our judgment and, to the best of our abilities, address the needs of those who sent us here. An attempt to preclude or limit a debate about how to best pay for the needs of our people belies a basic mistrust of the democratic process and of the wisdom of the people who elect us.

So if we want to cut entitlements, let us step up to the plate, offer amendments, and vote. Let us debate them. We do not have enough debate. Let us meet the subject matter head on. Let us not devise a structure here that we can hide behind. Let us have the courage to offer the amendments to cut the entitlements. I will vote for some of them. I will not vote for all of them. But I think that there are some entitlements that ought to be cut.

There comes a time when the Nation needs courage in its leaders. If there

needs to be a new entitlement program, if there need to be new bridges, highways, mass transit, railways, waterways, and whatever, and if other entitlements are not there that can or should be cut, then the Nation expects us to act courageously and provide those roads, mass transit systems, and highways—by more revenues if necessary.

So let us go at it head on. The people will judge us when we vote for or against taxes. They will judge us, and they will judge whether or not the subject matter, and the purpose, and the object are worthy. Let us not defeat a budget resolution which lives up to the summit agreement that provided for budget neutrality, and provided that new programs should be paid for one way or another, which the people may want in order to allow for infrastructure improvement or expanded health care or investments in a finer education for our youth. Let us not pretend that these can only come at the sacrifice of other equally needed programs.

If they are not equally needed, cut them. If they are equally needed, then we should use the other alternative and raise the revenues to provide for this country the roads, bridges, and infrastructure that are so important to its economy and to its national security. Otherwise, we are cheating the American people of options which are rightfully theirs, through their elected representatives, to select.

Mr. President, Pericles was chosen to deliver the funeral eulogium with respect to the Athenians who had fallen in the Peloponnesian War. He said, "You cannot decline the burdens of empire and still expect to share its honors."

So if we expect that our country shall continue to grow, that its economy shall be strong, that its young people shall be educated, that its infrastructure shall be rebuilt, that is all well and good. But we have to also be prepared to share the burdens, whatever burdens are required, to keep our country going forward and our people happy and prosperous.

As Pericles also said, "Our ordinary citizens, though occupied with the pursuits of industry, are still fair judges of public matters." So, too, will the American people be the judges, in the final analysis, of matters affecting them. We who are Senators have a responsibility here to make decisions and to step up to the plate and offer our amendments, if we do not like certain entitlement programs, and to vote for or against revenues to pay for what is needed.

Let us not hide behind this shallow barrier and pretend that, by voting for this conference report, we are writing a "blank check." We are not writing a blank check in this legislation. The check will be written when the bills come to the floor, and then will be the time to stand up and be counted one way or the other.

This budget resolution would deprive, by setting up an internal mechanism—a 60-vote point of order—the Finance Committee of its jurisdiction to raise revenues. The Constitution of the United States in Article I, Section 8, in the very first paragraph, says that the Congress shall have power to levy and collect taxes and to provide for the common defense and the general welfare of the country.

No budget resolution is going to repeal that Constitution of the United States; nor is it going to repeal the rules of the Senate, if I can keep it from doing so.

I again congratulate the chairman, Senator SASSER. As he said earlier, his is truly an embattled position. Yet, oftentimes he who occupies an embattled position demonstrates the kind of courage that this country cries out for.

Fame is a vapor;
Popularity an accident;
Riches take wings,
And those who cheer today may curse tomorrow.
Only one thing endures—character!

Sometimes we see character in those who occupy embattled positions. We have seen it in the Senate today. I urge the Members of this body to support this resolution. As chairman of the Appropriations Committee, I plead with Senators to do that so that the Appropriations Committee can get on with its work, the work of the people.

The PRESIDING OFFICER. The Senator from Tennessee has 9 minutes.

Mr. SASSER. Mr. President, I thank the distinguished Senator, the distinguished President pro tempore, for his remarks here this evening, and for his very essential support of this budget conference report.

I hope all of our colleagues who were not on the floor this evening were listening carefully to his speech on the television.

Mr. President, the distinguished Senator from Illinois [Mr. SIMON] is on the floor, and I yield him 4 minutes of time.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. SIMON. Mr. President, I agree with Senator BYRD'S description of the chairman of the Budget Committee, a person of courage and character.

And I do not question the motivation of those who offer the amendment that said any increase in any program has to come out of current revenue. But, my friends, it would be devastating. If we do not approve this and we go back to the amendment that was adopted 11 to 10 without careful consideration by the Budget Committee, we are going to paralyze the Government of the United States of America, and that is it.

We are talking about the need for Head Start—the President of the United States is doing that. We are reaching one-fifth of the young people who need it. Are we not going to be able to do anything about that?

Higher education. The Presiding Officer taught at Carleton College. Pell grants 10 years ago paid for 47 percent of the cost of higher education. Today, it is 25 percent. We are slipping in the area of higher education. Are we just going to continue to slip and say we cannot do anything about it?

Highways. Senator BYRD talked about highways. Every other day in this Nation right now a bridge is either closed or collapses. Are we not going to do anything about that in this body?

I happen to believe one of the great needs—and as you look at those demographic figures it is very clear—one of the great needs in this country is for long-term care. But we cannot have long-term care unless we have some mechanism to pay for it.

I am going to be introducing legislation very shortly that would call for a half percent increase in Social Security so that we can have a long-term care program so that we do not devastate families. Only two industrial nations do not take care of their parents and their grandparents if they need long-term care, and that is South Africa and the United States of America.

Make no mistake about it. If we do not accept this budget resolution and if we go back to the amendment that was accepted in the Budget Committee by an 11 to 10 vote, if we go back to that, you are dooming any possibility of providing Head Start to all the young people of America. You are dooming any possibility of really doing something constructive in the area of higher education. You are dooming any possibility that we do what we should be doing in terms of the highways and bridges of our country, and you are dooming any possibility of moving ahead in long-term care. There is just no question about it.

The budget process was designed to provide some restraint. We have not done very well. We are facing a deficit this year now of $372 billion. But the budget process was not designed to paralyze the Government of the United States. That is what we would do if we were to go back to the amendment that was adopted in the committee.

I hope we will back this conference report and adopt it. I am not in love with the budget agreement that was made last year. I voted against that. But that is history. Now we have to do the best we can within those constraints and I hope we will do so.

The PRESIDING OFFICER (Mr. FORD). The Senator's time has expired.

The Senator from Tennessee.

Mr. SASSER. Mr. President, how much time is remaining on our side?

The PRESIDING OFFICER. Three minutes and 45 seconds.

Mr. SASSER. May I inquire how much time the distinguished Senator from New Mexico has?

The PRESIDING OFFICER. Four minutes and 53 seconds.

Mr. SASSER. Mr. President, did you say 3 minutes?

The PRESIDING OFFICER. Three minutes and 30, 29, 28, 27 seconds.

Mr. SASSER. Mr. President, could I yield 2½ minutes to the distinguished Senator from Minnesota?

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

The Senator from Minnesota.

Mr. WELLSTONE. Thank you, Mr. President; 2½ minutes is going to be tops.

I spoke out against the budget resolution, and in a voice vote, voted against it. Since that time, I have heard from many of my colleagues and I really appreciate what they have had to say to me. I think that is the way we work as a body. We listen to one another and we try to reach what we believe are the right decisions. But, most importantly, I have heard from some groups and organizations, like the Children's Defense Fund, the Center for Budget and Policy Priorities, the Coalition for Human Needs, the superintendent of schools in Rochester, and they said to me—groups and organizations, Mr. President, who have been down there in the trenches with people who are willing to defend our citizens who are most vulnerable, who are willing to fight for children—that we must accept this conference report, that we need these reserves so that we can move forward the appropriate level of funding to make sure that we respond to the needs and circumstances of many of our citizens, many of them our most vulnerable citizens. These groups and organizations say to me this is the best we can do.

I want to say to them it cannot be the best we can do. I want to say to these groups and organizations that we, in the U.S. Senate, need to listen to you more carefully. And I want to say to these groups and organizations keep on doing what you are doing, do not give up, continue to be a voice in the U.S. Senate, and for myself, as a U.S. Senator from Minnesota, and most important of all, as a U.S. Senator having a chance to speak on this floor to people in this country, I believe we have to support this conference report. That is why I finally decided to support it, and I think that we can do much better.

Thank you.

The PRESIDING OFFICER. Who yields time?

The Senator from New Mexico.

Mr. DOMENICI. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. Twenty-four minutes and 50 seconds.

Mr. DOMENICI. And running.

The PRESIDING OFFICER. Yes, sir.

Mr. DOMENICI. Mr. President, I think the distinguished Republican leader wants to speak, and when he finishes, I think we will be finished. I assume, unless Senator DOLE speaks an inordinately long period of time, we will be out over here on our side very soon.

Might I make a couple of comments not with reference to the substance. But, essentially, there is not anyone that I respect more in this body than the chairman of the Appropriations Committee, and he spoke here a while ago. I do not think he spent a lot of time talking about the substance of these reserve clauses. If he did, I do not want to address that. I will in a moment.

(Mr. WELLSTONE assumed the chair.)

Mr. DOMENICI. The distinguished chairman of the Appropriations Committee, the Senator from West Virginia, said something about supporting this budget resolution so we could get on with the process of appropriating and not setting some kind of procedural—I am going to use my own word—"gimmicks" in the way of committees using their jurisdiction and letting us work our will.

From the standpoint of the Senator from New Mexico, I just want to explain, if for no other reason than for my good friend from West Virginia, Senator BYRD, how the Senator from New Mexico sees this and how he finds himself. I want a budget resolution and I hope we get one. If this budget resolution is defeated, I hope we do not give up, and I hope we go back to conference and we get one.

Frankly, here is how things work. The U.S. Senate adopted a budget resolution. Granted it was late in the evening, but there was not even a dissenting vote.

I correct that. Even though it was a voice vote, the occupant of the Chair at that point indicated he wanted the RECORD to show he did not support it.

Now, essentially that budget resolution said the U.S. Senate took the economic summit conference at its word and chose to put five reserve clauses in, but then chose to say, as to those reserve clauses, if you adopt new programs you do not pay for them with new taxes.

Now, we all supported that. The House of Representatives does not even have this kind of approach in its budget resolution. They did not reserve the right to use reserve clauses in the House budget resolution. It is not in the law. They did not want it. They wanted their committees to have full latitude without mention in the budget resolution so long as their proposals were neutral.

Now that was their decision in the House; not ours. So we go to conference with the House that cannot restrict itself in terms of pay-as-you-go because there is no authority to do that. We go to conference. We were given the authority and we support a budget resolution and we go to conference with the language agreed to by the U.S. Senate.

Now we come back and we have changed it. I do not know why we changed it. The House of Representatives could have nothing to say about it. Some say the House made us change it. How could the House make us change it? They did not even have such a reservation of authority in their budget resolution.

So something else happened on the way over there and on the way back, and it is very clear what happened. The Senator from New Mexico had all these Republican Senators saying OK to the budget resolution. On your side you had all your people saying OK. How do you expect us to wholeheartedly support this when on the way over and the way back you decide we are going to change it, even though the U.S. Senate voted the other way and the House of Representatives does not even have anything to say about it?

So why did it get changed? Some will say, well, because the House did not like it. Well, that cannot be the case. We do not go to conferences and, because the House does not like something that only the Senate has the prerogative to do, we say the House does not like it and we say we will get rid of it.

What happened is somewhere, somehow, in this body somebody said it ought to be changed. I just say to my good friend from West Virginia, who is not here, it was not the Senator from New Mexico who decided to change it. It was not the Senator from New Mexico on behalf of Republicans who decided to change it.

So should we vote for it because we want a budget resolution, we want to be good guys? We did not want to change that.

So essentially I believe we are now in the position where those who want to provide all of these wonderful things that have been alluded to here on the floor, and if we had more time there would be more people talking about the wonderful things we ought to do for our people. But in each case they want the right to pay for them with new taxes. Fine. Fine. That is all right.

But it does not seem to me one ought to say Senators like Senator DOMENICI, who has worked on budgets many times—voted for many of them, even if he did not like them wholeheartedly—that he ought to vote for it so we can keep a budget resolution running through here so we can do other things in this institution, when the Senator from New Mexico was not in favor of doing it. It sort of happened.

Now, having said that, let me suggest one other procedural matter, because I have been at it for awhile. I would like to cite a little history about things

like reserve clauses; the one we have here, a very different kind of budget beast, animal, new instititution, sort of, in the process.

Frankly, before we had the economic summit, before we had pay-as-you-go, if you wanted new programs in the year of the budget, if you wanted to adopt new programs and pay for them with new taxes, you put the program dollars and the tax dollars in the budget resolution. When it came here the money was there, and the program increase was there, not with specificity, but the dollar numbers and the tax numbers. And, interestingly enough, if you did not do that and later you chose to do it, guess what? You were right back where you would have been under the first budget resolution; you need 60 votes to pass it.

Everything changed and nothing changed. It is not that the world fell down. We just decided we put reserve clauses in for pay-as-you-go and the U.S. Senate decided this year we will go along with them.

I close by saying how could we be doing anything in violation of the summit when we had the prerogative of putting none in, and no one will deny that. We did not have to have any of these reserve clauses. The Senate could have voted and said we did not want any of them or we want one or we asked for 10 and we gave you 2. So I think it is within the prerogative of the Senate to decide this and they will decide in a little while which way they want to go.

Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time be charged to us.

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

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SASSER. 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. SASSER. I ask unanimous consent that the distinguished Senator from Minnesota be yielded 5 minutes.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

Mr. DURENBERGER. Mr. President, I thank my colleague from Tennessee. I rise in support of the conference report on the budget resolution. The budget resolution reflects, in large measure, the budget summit agreement that was reached last October which sets us on a course toward real reductions in the Federal budget deficit over the next 5 years.

Mr. President, there has been a great deal of controversy surrounding the conference report. The issue is not the spending priorities set forth in the resolution. Instead, the issue appears to be a matter of Senate procedure, points of order, and ultimately the issue of how the Senate should be able to finance expansions of domestic social programs, especially health programs within the purview of the Senate Finance Committee of which I am a member.

For many years, those of us who have wanted to expand health services for the uninsured, for low-income Americans have been hampered in our ability to craft appropriate legislative changes because we have been hamstrung by the strict rules of budget reconciliation. Over the past several years we have not reported separate health care bills from the Finance Committee with one exception that I can recall, and that was catastrophic. Instead, we have wrapped many of the changes into an omnibus budget reconciliation bill which usually demanded that health care spending priorities had to be offset by cuts in other health care programs in order to meet our reconciliation instructions.

I make the observation that since 1985, in particular, those of us who have been engaged in trying to improve the quality of access to health care in this country by spending some money up front in order to save money in the long term, for example, in preventive health care and wellness and switching to different modes of health care delivery, have always been hampered when it comes to reconciliation by the demand in reconciliation that health care spending had to be offset by some other health care program cut.

This budget resolution holds open the possibility that expansions in one health care program will not come solely at the expense of another health care program. The resolution allows the Finance Committee to expand children's health programs, national health programs, and early childhood development programs without necessarily cutting other important domestic programs. Instead, the Finance Committee will now have the option of paying for these expansions by increasing revenues without having to confront a 60 vote point of order on the Senate floor.

Mr. President, I will support the budget resolution, but I want to make it clear I do not favor increasing taxes, as the preferred method of financing any programs. I believe we can find sufficient revenues through programmatic reforms to pay for any expansion of these important health programs. However, I do not believe that all revenue changes should be off the table when it comes to such issues as improving access for health care.

For example, I will soon be introducing legislation that will cap the tax exclusion for employer-provided health insurance. The revenue that will be generated from that proposal will be used to expand access to Medicaid and to encourage small businesses to purchase health insurance for their employees which, in the long run, is the less expensive way to provide access for people in this country. I do not believe that such a proposal will have to garner a 60-vote supermajority. It should be treated like any other legislative initiative. If 50 of my colleagues would support such a measure, I believe it should pass this body.

For that reason, Mr. President, I urge my colleagues to support this budget resolution, and I yield the floor.

Mr. KASTEN. Mr. President, today I cast my vote in opposition to the conference report on the budget resolution. Federal spending is out of control. In both nominal and inflation adjusted dollars, the budget is at an all time high. Federal spending this year will consume more than 25 percent of America's gross national product [GNP], up sharply from 22.3 percent of GNP just 2 years ago. With the exception of World War II, the Federal Government has never controlled more of the Nation's resources.

An affirmative vote for this conference report is an endorsement of the policy of tax and spend with absolutely no discipline. The conference has even gone so far as to eliminate the Brown-Domenici amendment. That amendment, which I supported in the Senate Budget Committee, allows Congress to increase spending in select areas but requires that those increases be offset by reductions in another area. The amendment thus precludes further tax increases in the coming year to expand spending beyond limits in the budget resolution. This language passed the Senate several weeks ago.

The House of Representatives defeated a move to instruct the conferees to include the Brown-Domenici amendment in the conference report and the conferees removed the amendment. The absence of this modest form of discipline will permit the Democratic majorities in both Houses of Congress to raise taxes again this year. This is merely the latest example of the high tax policies made possible by the 5 year budget agreement enacted this past fall.

Mr. BROWN. Mr. President, I welcome this rare opportunity to vote against raising taxes. Make no mistake, the issue of this budget resolution conference report is whether or not we pay for additional new spending by raising taxes or by setting priorities and reducing funds elsewhere in the budget. A vote for this conference report is a vote for tax increases—up to $206 billion over the next 5 years.

The Brown-Domenici amendment, which was successful in the Senate Budget Committee and on the Senate floor, was dropped quietly in conference. This provision discourages tax increases in the coming year to expand spending beyond the budget resolution's limits. Without additional tax hikes proposed by some, revenues will

increase $76.4 billion in fiscal year 1992 given current law.

This provision is not only in keeping with the spirit of last year's budget summit, it is a wise course of action considering our $300 billion plus deficit and the present state of the economy. Discipline, not reckless new taxes and spending, is what we need in order to get the economy back on track.

It is important to remember that, as part of the agreement, the Budget Enforcement Act already allows for increases in entitlement and mandatory programs due to inflation and increased beneficiaries resulting from changes in the economy. Increases beyond this are required by the act to pay for themselves. This can be achieved either by trimming other entitlements or by raising revenues above and beyond the revenues specified in the budget resolution.

Mr. President, I have letters written in support of the Brown-Domenici amendment which I would like to submit for the RECORD.

These letters of support come from several business associations and tax and budget groups concerned with controlling Federal spending. These groups urge a "no" vote on the budget resolution conference report and some are classifying it as a key vote.

I have a joint letter from: U.S. Business and Industrial Council, National Tax Limitation Committee, The Seniors Coalition, Consumers Alert Advocate, Americans for a Balanced Budget and also letters from National Taxpayers Union, Citizens for a Sound Economy, American Farm Bureau Federation, Council for Citizens Against Government Waste, Americans for a Balanced Budget, National Federation of Independent Business.

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

BUSINESS AND INDUSTRIAL COUNCIL,
Washington, DC, May 22, 1991.

DEAR SENATOR: The full Senate recently approved the Budget Resolution with Senator Hank Brown's amendment that would strengthen current budget law and require that new spending undertaken under the authority of new "reserve funds" be financed by cuts in other Federal spending, rather than new taxes. Unfortunately, the ensuing conference committee elected to omit Sen. Brown's amendment.

Senator Brown inserted this language to prevent the "reserve funds" from becoming magnets for new taxation. Now that the Brown amendment has been stripped, we are convinced that the "reserve funds" will guarantee future tax increases. Since the conferees saw fit to remove the Brown amendment, we urge you to oppose the budget resolution, and that you vote to disapprove the conference committee report.

In representing the U.S. Business and Industrial Council, a national business organization dedicated to maintaining American economic pre-eminence, I join with the undersigned citizens groups and other organizations in urging you to take a strong stand against tax increases. This is a true test of the resolve of Congress to endorse fiscal restraint, rather than to continue to embrace a tax-spend-borrow philosophy. For my organization, as well as the distinguished groups signed below, the vote on the conference report will be a "key vote."

Sincerely yours,

John P. Cregan, U.S. Business and Industrial Council; Jake Hansen, The Seniors Coalition; Al Cors, Jr., National Tax Limitation Committee; Scott Pattison, Consumers Alert Advocate; David Miner, Americans for a Balanced Budget.

NATIONAL TAXPAYERS UNION,
Washington, DC, May 20, 1991.

DEAR SENATOR: The vote on the Budget Conference Report could be the most important indication of your position on new taxes this year. Because of the massive tax and spend loophole contained in the Conference Report, we are urging its defeat. We urge you to vote "no".

The budget conferees have left the so called "reserve funds" intact, and stripped the provisions that would have prevented new spending from being financed by tax increases. This means that spending and taxes can be raised through reserve fund authority by a simple majority.

Unlike the conference report, the budget resolution approved by Senate protected taxpayers from tax hikes by prohibiting any reserve fund program from being financed through a tax increase. Absent that provision, the conference report you will vote on this week contains a serious tax and spend loophole that the Senate did not approve. The Conference should be reconvened, and the Senate should insist on its provision. By voting "no", you will force new conferees to leave that crucial taxpayer protection intact.

More importantly, by voting "no", you will assure your constituents that you oppose irresponsible new taxes.

Some Senators have already indicated several new programs they would like to make mandatory under the reserve fund authority, without identifying a spending cut to pay for them. It seems certain that huge new tax increases are imminent, unless the budget resolution conference report is rejected.

Please cast the responsible vote against the budget resolution conference report.

Sincerely,

JAMES D. DAVIDSON,
Chairman.

CITIZENS FOR A SOUND ECONOMY,
Washington, DC, May 10, 1991.

Hon. HANK BROWN,
U.S. Senate, 717 Hart Senate Office Building, Washington, DC.

DEAR SENATOR BROWN: On behalf of the 250,000 members of Citizens for a Sound Economy, I ask you to use your influence to retain the budget resolution's Brown-Domenici amendment for closing Senate tax-and-spend loopholes. If the Brown-Domenici amendment is dropped in conference, CSE will favorably record your "no" vote on the budget resolution as one of our KEY VOTES of the year.

The budget resolution already allows for an extra $61 billion in spending over last year; the Brown-Domenici amendment would force any new spending above that level to be paid for by spending cuts elsewhere in the budget.

The Brown-Domenici amendment does this by addressing Senate "reserve funds." "Reserve funds" can serve as loopholes to fund new programs initiated after the adoption of the budget resolution, by bypassing the Senate's points of order which require a ⅗ supermajority to violate the budget resolution.

Any new spending program that could be construed as fitting under the rubric of the "reserve funds" could be adopted without violating the budget resolution if it were in the guise of an entitlement and funded by tax increases. This loophole permits technical dodging of the budget resolution. These leaks need to be plugged before a massive hemorrhage of new spending gushes out.

CSE strongly supports the Brown-Domenici amendment to the budget resolution. If this key amendment is dropped by the conferees, we will work to defeat the budget resolution. If you would like any additional information on this important matter, please feel free to contact Marc Wheat at CSE.

Sincerely,

PAUL BECKNER,
President.

AMERICAN FARM BUREAU FEDERATION,
Washington, DC, May 20, 1991.

Hon. ELEANOR HOLMES NORTON,
U.S. House of Representatives, Washington, DC.

DEAR REPRESENTATIVE NORTON: Farm Bureau urges you to vote "no" on the conference report to H. Con. Res. 121, the FY 1992 budget resolution.

Conferees had the opportunity to adopt a Senate provision that would have required new entitlement spending be offset by reductions in existing entitlement programs, rather than by tax increases. Conferees failed to take this bold step that would have led to much needed spending restraint on the part of each senator and representative. Instead, they chose to pave the way for higher taxes that will worsen the current recession, and for the enactment of new entitlement programs that will place even more federal programs beyond the reach of any meaningful attempts to restrain the growth of spending and reduce the deficit.

No doubt, good intentions led to the call for more entitlement spending, but Congress fails to consider that the price for these programs is surpassing the means of individuals and businesses to pay for them. Entitlement programs account for 50 percent of federal spending. If defense and interest payments are excluded, only 12 percent of federal revenues remain to fund the rest of the government. Approval of the conference report would only worsen the situation as the entitlement sector would continue to grow.

We urge you to vote against the conference report on H. Con. Res. 121.

Sincerely,

DEAN KLECKNER,
President.

COUNCIL FOR CITIZENS AGAINST GOVERNMENT WASTE,
Washington, DC, May 21, 1991.

DEAR SENATOR: On behalf of the Council for Citizens Against Government Waste (CCAGW), I am writing to express the outrage of our members over the stripping of the Brown-Domenici language from the FY 1992 Budget Resolution.

The Brown-Domenici amendment, which required that any increases in spending on entitlements be offset by spending cuts, was the only hope that taxpayers might be spared an unnecessary tax increase.

With more than $720 billion in mandatory spending in the FY 1992 budget, it is ludicrous to argue that the federal government must take more of citizens' scarce resources

to finance new spending. The programs slated for mandatory status in the Budget Resolution may cost $50 billion over the next five years—about $10 billion a year, or 1.4% of all mandatory spending in FY 1992. It is simply not credible to argue that these savings cannot be achieved from among current programs.

In addition, last year's budget deal provided for $164 billion in new taxes over the next five years. The 60-vote supermajority required for a tax increase in the Brown-Domenici amendment would rightly discourage Congress from coming forward with a new package of taxes to place upon the backs of an already over-burdened taxpaying population.

Due to the exclusion of the Brown-Domenici language, fiscally responsible Senators will have no other choice but to oppose the budget resolution. CCAGW urges you to defeat the budget resolution and demonstrate your commitment to protecting the interests and pocketbooks of the American people.

A vote in favor of the budget resolution is a vote in favor of tax increases. We urge you to vote NO! CCAGW will follow this vote and record it as a key anti-waste vote for the 102nd Congress.

Sincerely,

ALAN L. KEYES,
President.

AMERICANS FOR A BALANCED BUDGET,
Falls Church, VA, May 17, 1991.

Hon. HANK BROWN,
HSOB 717, Washington, DC.

DEAR SENATOR BROWN: This week you will vote on whether to adopt a conference report on the FY 1992 Budget Resolution that does not contain the Brown-Domenici amendment.

A vote to adopt the conference report is a vote for more government spending to be paid for with higher taxes.

The issue presented by this vote is simple and stark: Will you fight to offset increased spending in one area with reduced spending in other areas? Or will you allow a simple majority in each body to finance increased spending with higher taxes?

The American people's overall (federal, state and local) tax burden has never been so great. And what are they getting for their money? Has government solved the problems that concern our citizens? Is it even on the right road toward solving those problems? The vast majority of Americans think not; they think Congress is Squandering their hard-earned tax dollars.

Vote to restrain federal spending; vote down any Budget Resolution conference report that does not include the Brown-Domenici amendment.

Sincerely,

TERRY COOPER,
Legislative Director.

NATIONAL FEDERATION OF INDEPENDENT BUSINESS,
Washington, DC, May 22, 1991.

Hon. HANK BROWN,
United States Senate, Washington, DC.

DEAR SENATOR BROWN: On behalf of the over 500,000 members of the National Federation of Independent Business (NFIB), I urge you to vote against the conference report on H. Con. Res. 121, the FY92 budget resolution.

NFIB is opposed to the budget resolution conference report because it does not contain the Senate-passed language requiring a 60 vote super-majority in order to increase taxes to pay for spending increases in the so-called "reserve funds." The Senate passed budget resolution would have required that spending increases in the five reserve funds be offset by spending cuts elsewhere in the budget unless a super majority voted to offset them with tax increases. Such a requirement is a long overdue correction of Congress's institutional dislike of cutting spending.

The time has long since passed for Congress to set its spending priorities. Last year, Congress enacted legislation that increased taxes by almost $140 billion over five years. This legislation was heralded by its supporters as being absolutely necessary to bring the deficit under control and to restore fiscal responsibility. It is hard to conceive of any reason why Congress would need to increase taxes again this year. Yet once again, dozens of new programs accompanied by billions of dollars in new taxes have already been proposed. The tax and spend spree must stop. The budget resolution passed by the Senate would have forced Congress to make tough but responsible choices on how tax dollars are spent.

In poll after poll, NFIB members have repeatedly declared their opposition to new taxes to pay for new spending. In their eyes federal spending is completely out of control. Small business owners are understandably concerned that new and larger federal programs paid for by increasing taxes will slowly drive them out of business. The federal government already collects over 20% of GNP in taxes. That is more than enough.

NFIB encourages you to oppose the budget resolution conference report because of its failure to keep spending under control.

Sincerely,

JOHN J. MOTLEY III,
Vice President,
Federal Governmental Relations.

Mr. MCCAIN. Mr. President, this budget resolution conference report is tax and spend, pure and simple. I have a strong and consistent record of opposing tax and spend budgets. I believe our budget process is bankrupt. I am going to vote against this budget resolution conference report.

In taking this vote, however, I would like to reiterate a serious concern that I have mentioned on a number of occasions. That is, I have long been concerned about the effect that our budget process has had on the Medicare Program. Congress has consistently picked the pockets of the elderly and robbed the Medicare Program, on which they rely for their health care—including payments to hospitals and physicians.

Some have indicated that a vote against this conference report, is a vote against Medicare or against our senior citizens and our unemployed. Those making this argument, suggest that the notion of requiring any new entitlement program to be offset by an entitlement cut is somehow a move to cut Medicare. That simply is not so. The only way a Medicare cut would occur is if those in Congress made the decision to cut Medicare in order to put a new entitlement program in place. Mr. President, we are in tough economic times and the health of our Nation's budget process needs a transfusion. To be creating new entitlement programs at this time is simply irresponsible unless there is a way to pay for them.

My vote tonight has nothing to do with Medicare or other entitlement programs. It does, however, have everything to do with a deep and heartfelt concern for the broken nature of our budget process and America's economy. My record on Medicare, and opposition to Medicare cuts, is very clear. The reason for my vote is the fact that this conference report is a reflection of our Nation's bankrupt budget process.

In addition, I am very concerned about the fact that this conference report contains language paving the way for national health insurance—an issue on which I believe there is no consensus in our country. How we can best resolve our national health care crisis deserves serious and deliberate consideration. It makes no sense to one that we would begin the process of funding such a system without having had the necessary debate.

Mr. ROCKEFELLER. Mr. President, I am here to express my support for the conference report on the budget resolution. More importantly, I rise to take issue with the attack being waged on the report. It's an attack without a leg to stand on. And if we succumb to it, which I believe will not be the case, we will allow rhetoric and scare tactics to triumph over the real and pressing needs of the American people.

My colleagues, including the junior Senators of Colorado and Texas, are simply not painting a true picture of this debate. They say the supporters of the so-called reserve funds provisions in the conference report are proposing new taxes and spending. But they know that is totally false. They know, and we know, that all we want to do is to make sure that the U.S. Congress can take action to answer the vital needs of Americans in a fiscally responsible, effective manner. In other words, to make sure we can do our job.

It amazes me that some Members of this body are so eager for us to tie both our hands behind our backs. Why were we elected? To erect more hurdles and more barriers to dealing with the Nation's problems and securing its future? To come up with more excuses and more procedural straitjackets to rule out any chance whatsoever to stand up for Americans—for our children, for families, for working people and the unemployed?

Why are we seeing this charade again today?

Because, Mr. President, the tide is turning. Because the public is asking us, their elected leaders, to listen to their needs and respond to their concerns. Because there is fear that those who said "do nothing" will be held responsible for the record of neglect. What we are seing is an attempt by the opponents of the conference report to avoid that responsibility, by shouting

"boo" in the face of the American people.

The opponents think that just saying the words "tax and spend" will cause us all to run back into the shadows. We are all supposed to be struck dumb so that we forget about children, health care, people thrown out of work, folding businesses, and hard pressed Americans trying to make ends meet.

The point—the truth—is that the conference report does not require new taxes to pay for spending.

New initiatives to tackle America's problems could be based on closing of loopholes created by special interests. Are the report's opponents opposed to that? Or new initiatives could be based on user fees—that means paying for what you use—often reasonable common sense. Are the opponents of the report opposed to that?

And never mind the Grassley sense of the Senate language, which is part of the Senate-passed resolution. That resolution confirms a millionaire's tax as an option to provide increased tax credits for children.

Yes, the millionaire's tax is a tax. I don't know whether the Congress will enact such a tax, but I can tell you this: The American people are not frightened when the opponents of this report say to the American people—"boo," they might tax the very wealthy to give kids a better chance and a better deal.

Hiding behind the mask of "tax and spend" isn't going to work. It didn't work last year, when we were debating a 5-year budget plan, and the American people figured out that one side was standing up for the privileged, and the other for working families and Americans of ordinary means.

Now, let's look at who is on whose side. Apparently, the opponents are ready to put Medicare back on the chopping block. How else will the extension of unemployment compensation be funded if the reserve clauses in the budget resolution are gutted?

On the other hand, if the intention is to prevent extension of unemployment compensation, let that be told to the American people today. Or just tell the American people that the plan is to cut Medicare. I, for one, am telling the American people that we should leave Medicare alone.

Tax and spend, their saber rattles. What about borrow and spend? Where was the worry for a decade as the national debt tripled? Didn't we finally, last fall, reach an agreement to start unwinding the leveraging of America?

The deal was pay-as-you-go. We didn't decide then, and we are not deciding now, how to pay for the investments we want to make in America's future. It might be with user fees, or closing of tax loopholes, or with penalties for law violations, or with taxes on the wealthy. But in no uncertain terms, we agreed to pay up, to reduce the deficit, to end the ocean of debt. And what do they want now? They are back here to shred the agreement.

The opponents of the conference report may think there is advantage in continuing to ignore the problems, to protect the privileged, and to attack Medicare. They are wrong They are trying to undermine our ability to act—even our ability to think about acting.

Mr. President, the American people want us to both maintain a responsible budgetary policy, and tackle the neglected problems that cry out for public action. That is what the conference report allows us to do. It does this by embodying pay-as-you-go and preserving options so that later in the year, we can make decisions based on proper deliberation.

It is a good thing to have this debate out in the open. The choice is between a policy of inaction in the interests of the few, and a nation ready to get moving again on the needs of the American people. This is a choice as old as the country, but one that we confront anew in each generation. However today's vote is decided, and I believe it will be decided in favor of the conference report, I have no doubt how the underlying issue will be resolved. The country will move. The policy of inattention and neglect will not stand.

Mr. KOHL. Mr. President, I cannot support this budget. I have one, clear reason: I cannot vote for a deficit of over $300 billion.

Today, most of the debate has centered on the so-called Brown amendment. There has been a lot of talk about tax increases versus spending cuts, Democrats versus Republicans, entitlements versus tax expenditures, big government versus small government. This is useful debate. It is important debate. It has nothing to do with my vote or, really, what we are all voting on tonight.

The vote tonight is to accept or reject a budget plan that results in a deficit well over $300 billion. I reject it, and I believe we will continue to rack up deficits of this record size until a majority of my colleagues join me.

We are all partners in the sham that has led to today's record deficit number. We let our untouchable entitlements balloon to over one-half of all spending, and no one has been willing to talk about cutting them. We let tax breaks eat away at our revenue base, but it is political suicide to suggest raising taxes—even on the rich. We let our colleague's wasteful—but locally popular—spending project go through as long as they support our wasteful—but locally popular—spending project.

Well, it is time we stopped. It is time we said no. No more record deficits. No more convoluted explanations of how this record deficit truly is progress. No more tolerance for spending money we do not have.

I am saying no tonight, and I urge my colleagues to do the same. If this conference report comes back to us with the same level of deficit—I will say no again, with or without the Brown amendment. When a majority of the Congress joins me, we will have a real chance of moving this Government toward fiscal reeponsibility.

THE COVERUP CONTINUES

Mr. SANFORD. Mr. President, I want to take a moment to bring attention to a few of the numbers included in the conference report on the fiscal year 1992 budget resolution. During the 101st Congress, I introduced budget reform legislation, S. 101, that requires a more accurate accounting of the Federal budget. This legislation was reported from the Senate Budget Committee last year, but never reached the Senate floor for further consideration. I reintroduced S. 101 earlier this year.

S. 101 requires that the Federal budget account for Federal retirement programs clearly and apart from the operating programs in the budget. It also requires the use of gross interest, not net interest, in calculating our annual deficits. And, most important, it requires our annual deficits to be the annual increase in the public debt subject to the statutory limit. S. 101 stops concealing the annual piling up of debt.

Last year's summit agreement included a requirement that S. 101 numbers be included in our budget resolutions each year. These numbers were included fully in last year's conference report on the fiscal year 1991 budget for the first time. In the conference report on the fiscal year 1990 budget, these numbers were only footnotes.

So I am pleased that annual debt increase, gross interest, and retirement account balances are prominently displayed in our budgets now and are no longer simply footnotes that require a magnifying glass to read. But this is not enough. These are not the commonly used budget numbers. We still need an "honest" budget.

For the record, we will add $415 billion to the Federal debt in fiscal year 1992, but the official deficit as currently defined is only estimated to be $351 billion. We are still covering up $64 billion in deficit spending in fiscal year 1992. This coverup is hidden away in our interest numbers. The net interest number used in calculating this official but misleading deficit amount is $235 billion. Yet our total interest obligation for that same year, the gross interest figure, is $313 billion.

We need to wake up to the fact that our real deficits are much larger than we claim, and our interest obligations have totally consumed our deficits. Let me repeat this. Our interest obligations on the Federal debt have totally consumed our annual deficits.

Mr. President, I urge my colleagues to take a very careful look at these numbers. We need an honest budget.

Mr. HARKIN. Mr. President, I rise today in support of this measure before the Senate. I do not, however, lend this report my wholehearted endorsement. This budget resolution is flawed. It is flawed because it conforms to last year's budget agreement and, thereby, the restrictions of Gramm-Rudman-Hollings. Because of that fact, this budget resolution does not sufficiently deal with the Nation's current policy needs. I say that because this budget resolution again attempts to hit artificial budget targets drawn up in the late hours of an evening last October, targets that do not allow us to deal with the real demands and needs of our Nation. At what point are we going to arrive at the conclusion that measures such as this are not going to solve our deficit problems?

Our deficit problems, Mr. President, are only partly a function of spending too much money. To be sure, we spend too much money for defense. To be sure, we pay too much in interest on a debt that was generated by the profligate spending and tax breaks handed out by the previous administration. But these are not the only sources of deficit spending. Our deficit is also a function of our unwillingness to invest in America.

I am encouraged to see that my colleagues on the other side of the aisle are finally getting concerned about the recession. But where do they think this recession comes from? For years they have been talking about reducing the deficit by contracting Government spending. In reality, the administration has refused to do even that.

The major thrust of deficit reduction in this and the last administration has been to cut out of the hides of the needy and give tax breaks to the rich. Well, the result was predictable. Our failure to invest in America has finally caught up with us.

Entitlement spending is high because this administration's policies have created more needy people. The suggestion that we now go further to forbid the adjustment of entitlement programs in this time of need is to add insult to injury. That is why I am supporting this budget resolution, Mr. President. To send this resolution back for reconsideration where it could pick up the Brown amendment that would further restrict our ability to deal with many of our Nation's real needs would be unconscionable. I do not know what my friends from the other side of the aisle propose to do when their limitations further increase the very large problems that our Nation faces. How much longer do they intend to travel down this path? How bad are our roads, schools, public hospitals, sewers, and all the rest of our public facilities supposed to get before they are going to be willing to act?

It is unfortunate that there are those who still believe that by ignoring poverty, the disabled, and the educationally disadvantaged, those problems will simply go away. Were it so simple. Were it so easy.

Mr. BIDEN. Mr. President, the budget resolution conference report adopted by the Senate today is woefully inadequate to our national needs in the fight against crime and drugs. Important anticrime and antidrug programs would not be adequately funded were the terms of this budget outline adhered to strictly. My vote in favor of the conference report should in no way be interpreted as support for the anticrime and antidrug funding levels it assumes.

Budget resolutions set broad spending outlines, but do not bind us to exact funding levels for specific programs. While last year's budget agreement makes it more difficult to provide necessary and adequate funds for antidrug and anticrime initiatives, there is still sufficient flexibility to do so. I remain confident that the appropriators will fix the inadequacies in anticrime and antidrug funding when they draft their specific spending bills.

Mr. RIEGLE. Mr. President, like many of my colleagues, I have deep reservations about the summit budget agreement enacted last fall. There are many reasons for this concern—the lack of real progress in reducing the deficit, the constraints that would make it difficult to address many of the critical problems facing our country, and the complex new layers of legislative procedures adopted under the guise of process reform.

But while the budget resolution we are considering tonight meets the requirements of that law, it also establishes some important priorities for Federal spending and retains the flexibility needed to address critical national needs.

We urgently need to invest in productivity and capital growth, including strengthening education and training programs. On the discretionary side, this resolution recommends that we make education and investment in infrastructure a priority within the constraints of the caps. This is an important step toward building the long-term strength of our economy. The resolution also retains increased funding for the new housing programs enacted last year by the National Affordable Housing Act as provided by an amendment I offered on the Senate floor and adopted by the Senate.

Perhaps more importantly, this resolution restores the so-called reserve fund language contained in the original budget resolution introduced by the distinguished chairman of the Budget Committee. This language is significant for a number of reasons, but primarily because it retains the flexibility to target our resources on several areas of critical need. It will facilitate an expansion of unemployment insurance benefits in response to growing unemployment in this country. It will also make it possible, if it is the will of the Senate, to enact legislation to phase in a comprehensive approach to provide universal health insurance for the uninsured and to control health care costs.

As the chairman of the task force on the U.S. economy in the 1990's, I have been working with my colleagues to develop a response to the recession. Specifically, we are concerned that the unemployment insurance system is not performing adequately. Fewer than half of all unemployed workers in this country received unemployment benefits in an average month in 1990—a record low. Immediate action is needed to help those who are suffering as a result of the current recession. We also believe that steps are needed to combat the effects of the recession and to stimulate the economy. We are discussing a number of options with the majority leader and hope to present a package to the Senate in the very near future.

I am also cochairman, with Senator KENNEDY, of a working group that is in the final stages of developing a comprehensive proposal to reform our health care system. There are currently as many as 37 million people in this country who have no health insurance—one-third of whom are children. The uninsured span all ages, income levels, employment status, ethnic groups, and geographic regions. We will soon introduce legislation to provide universal access to health care and to control rising health care costs.

The reserve fund language as amended by the Brown amendment would have made it very difficult to address these critical needs. In its views and estimates letter to the Budget Committee, the Senate Finance Committee noted that the economic outlook is very uncertain. The language as it now stands retains some flexibility to react to the economic slowdown and increasing unemployment, and to address a limited number of high priority needs in this country, including the need to reform our health care system.

I believe this budget resolution does as much as is possible, given the difficult budgetary and economic circumstances we find ourselves in, to establish some priorities for Federal spending, while maintaining the flexibility needed to address the urgent needs of our Nation. I strongly urge my colleagues to support this conference report.

Mr. AKAKA. Mr. President I rise tonight in support of House Concurrent Resolution 121, the fiscal year 1992 budget, which is the blueprint for Federal Government activities next year.

I support this budget because it moves us towards significant reduction of the Federal budget deficit. The budget we are voting on today will help us achieve the deficit reduction goals we established last year as part of the 5 year budget agreement.

I also support this budget proposal because it refocuses our attention on solving domestic problems. Now that our military conflict with Iraq has ceased, we need to improve our educational system, provide greater access to health care for our children, and build more affordable housing.

The budget measure we have before us would increase funding in fiscal year 1992 for the Women, Infants, and Children Program [WIC], Head Start, education services for disabled children, student financial aid programs, and programs to reduce infant mortality. The resolution also includes funds for the new programs provided for in the National Affordable Housing Act, which was enacted last year. in addition, the budget rejects spending cuts proposed by President Bush in programs such as Medicare and food stamps. Most importantly, during these tough fiscal times, these budget improvements are being done within the spending and revenue limits set last fall which were designed to contain the Federal deficit.

Mr. President, some of my colleagues argue that voting for this budget resolution is effectively a vote for higher taxes. That's just not true. There is no way that a budget resolution conference report can be viewed as a tax bill. The only similarity between a concurrent resolution and a revenue measure is that both are considered by Congress. And neither the House Budget Committee nor the Senate Budget Committee recommends a tax increase.

What the budget does do is create reserve funds to address five pressing domestic needs: First, expanding access to early childhood education; second, improving the transportation infrastructure; third, enhancing health care programs and phasing in health care for all Americans; fourth, improving children's nutrition and health, and providing services to protect children and strengthen families; and fifth, promoting economic recovery through unemployment compensation or related programs.

These reserve funds would implement the pay-as-you-go process required under last year's Budget Act and enable the appropriate committees to increase spending for needed programs in a deficit neutral way.

The budget is only a blueprint for later action. A reserve fund does not presuppose how Congress will pay for this new spending. Any vote on financing of reserve fund expenditures, whether through spending cuts or tax increases, will be considered and voted on by both Houses.

I am voting for the budget resolution today because it reflects a commitment to solve important domestic problems and to improve the quality of life of the American people.

Mr. SASSER. Mr. President, this conference report is the product of many dedicated and capable minds. I want to thank those who have worked many long hours to put it together.

Larry Stein, staff director of the Senate Budget Committee; Dr. John Callahan, deputy staff director; Dr. Alan Cohen, assistant director for budget priorities and review; William Dauster, chief counsel; G. William Hoagland, minority staff director; and the entire staff of the Senate Budget Committee.

My gratitude also goes out to the majority leader's tireless and dedicated floor staff, in particular, I would like to thank:

Charles Kinney, counsel and floor staff; Lula Davis and Arthur Cameron, floor staff; Martin Paone, assistant secretary for the majority.

I also want to thank Bill Jensen, Legislative Counsel's Office; Bob Keith and Sandy Davis, Congressional Research Service; and the Senate Parliamentarian's Office for their very sage advice.

Without a first-rate staff, work on a resolution of this nature just would not get done. Thank you all.

The PRESIDING OFFICER. Do the Senators yield back their time?

Mr. SASSER. Is the distinguished Senator from New Mexico prepared to yield back all time?

Mr. DOMENICI. If the distinguished Republican leader does not desire to speak, I do not think I need any more time. I am prepared to yield back the remainder of my time.

Mr. SASSER. Mr. President, I am prepared to yield back the remainder of my time, and 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 on agreeing to the conference report to accompany House Concurrent Resolution 121, the concurrent resolution on the budget for fiscal year 1992. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Arkansas [Mr. PRYOR] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. HELMS] is absent due to a death in the family.

The PRESIDING OFFICER (Mr. AKAKA). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 57, nays 41, as follows:

[Rollcall Vote No. 75 Leg.]

YEAS—57

Adams	Durenberger	Lieberman
Akaka	Exon	Metzenbaum
Baucus	Ford	Mikulski
Bentsen	Fowler	Mitchell
Biden	Glenn	Moynihan
Bingaman	Gore	Nunn
Boren	Graham	Packwood
Breaux	Harkin	Pell
Bryan	Hatfield	Reid
Bumpers	Heflin	Riegle
Burdick	Inouye	Robb
Byrd	Jeffords	Rockefeller
Chafee	Johnston	Sanford
Cohen	Kassebaum	Sarbanes
Cranston	Kennedy	Sasser
Danforth	Kerrey	Simon
Daschle	Lautenberg	Wellstone
Dixon	Leahy	Wirth
Dodd	Levin	Wofford

NAYS—41

Bond	Gramm	Pressler
Bradley	Grassley	Roth
Brown	Hatch	Rudman
Burns	Hollings	Seymour
Coats	Kasten	Shelby
Cochran	Kerry	Simpson
Conrad	Kohl	Smith
Craig	Lott	Specter
D'Amato	Lugar	Stevens
DeConcini	Mack	Symms
Dole	McCain	Thurmond
Domenici	McConnell	Wallop
Garn	Murkowski	Warner
Gorton	Nickles	

NOT VOTING—2

Helms	Pryor

So the conference report was agreed to.

Mr. MITCHELL. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

SENATE ELECTION ETHICS ACT

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. The Senate will now continue with the consideration of S. 3.

AMENDMENT NO. 261

THE PRESIDING OFFICER. Under the previous order, the question occurs on the motion to table amendment No. 261 of the Senator from Oklahoma.

The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Arkansas [Mr. PRYOR] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. HELMS] is absent due to a death in the family.

THE PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 55, nays 43, as follows:

[Rollcall Vote No. 76 Leg.]

YEAS—55

Adams	Biden	Breaux
Akaka	Bingaman	Bryan
Baucus	Boren	Bumpers
Bentsen	Bradley	Burdick

Byrd	Inouye	Pell
Conrad	Johnston	Reid
Cranston	Kennedy	Riegle
Daschle	Kerrey	Robb
DeConcini	Kerry	Rockefeller
Dixon	Kohl	Sanford
Dodd	Lautenberg	Sarbanes
Exon	Leahy	Sasser
Ford	Levin	Shelby
Fowler	Lieberman	Simon
Glenn	Metzenbaum	Wellstone
Gore	Mikulski	Wirth
Graham	Mitchell	Wofford
Harkin	Moynihan	
Heflin	Nunn	

NAYS—43

Bond	Gramm	Packwood
Brown	Grassley	Pressler
Burns	Hatch	Roth
Chafee	Hatfield	Rudman
Coats	Hollings	Seymour
Cochran	Jeffords	Simpson
Cohen	Kassebaum	Smith
Craig	Kasten	Specter
D'Amato	Lott	Stevens
Danforth	Lugar	Symms
Dole	Mack	Thurmond
Domenici	McCain	Wallop
Durenberger	McConnell	Warner
Garn	Murkowski	
Gorton	Nickles	

NOT VOTING—2

Helms	Pryor

So the motion to table the amendment (No. 261) was agreed to.

Mr. MITCHELL. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

Mr. AKAKA. Mr. President, a little over a year ago today, I stood in this Chamber to be sworn in as a U.S. Senator. Today, I am here to support meaningful Senate campaign reform.

I am supporting S. 3, the Senate Election Ethics Act and leadership substitute, because both would establish voluntary, flexible limits on Senate campaign expenditures for both incumbents and challengers. Senate candidates would be able to spend between $950,000 to $5,500,000 depending on the size of the voting age population of their States. These sums are more than adequate to run competitive and informative campaigns.

Senate campaigns cost too much. As a Member of the House of Representatives serving Hawaii's Second Congressional District for 13 years, I only needed to spend approximately $100,000 for my elections. When I was appointed to the Senate upon the death of Senator Spark Matsunaga and chose to campaign for the remainder of his term, I found I needed to raise nearly $1.8 million. My opponent spent more.

Mr. President, competitive elections are crucial to this body's continued ability to respond to the Nation's many problems. Elections should enable our citizens to express their political preferences and to turn out of office those who have violated the public trust. Throughout my years in Congress, I witnessed the defeat of colleagues whose actions displeased their voters—thus proving the strength of our electoral system.

At the present time, however, the high cost of campaigns are deteriorating the trust in this institution. The decline in trust is reflected in low voter turnout, nationwide, at all levels of government. In my own recent election, a little over 354,000 people voted or less than one-third of the population of Hawaii. These numbers show that something is wrong.

The high cost of campaigns has discouraged qualified individuals from accepting the financial challenge of seeking public office. It has also kept incumbents too busy raising funds. The money chase diminishes the amount of time that we, as Senators, spend on the people's business.

Mr. President, we must reassert that votes are the most important political currency. We need to reinvigorate the democratic ideal that all citizens have an equal opportunity to participate in this country's governance.

Most of my Republican colleagues argue that by limiting spending we would limit political speech. I disagree. I would never support inhibiting any candidate's ability to communicate his or her ideas or a voter's ability to question the views of the people who want to be leaders. This communication is essential to retaining our vibrant democracy and is protected under our Constitution.

Moreover, I believe that the Republican view is extremely cynical. It ignores the reality that high cost campaigns have already reduced the competitiveness of elections. Last year, 68 congressional seats went unopposed: 4 in the Senate and 64 in the House. Regardless of how much money is spent, the reduced competitiveness of elections causes there to be less political discussion.

The Republican argument also ignores the reality that there are significant unpaid forums for political speech. Town meetings, radio call-in shows, media interviews, and casual meetings with voters are all effective opportunities to communicate, and with minimal if any financial cost to candidates.

Paid political advertising has crowded out some of these unpaid forums. Time to raise funds to pay for the paid advertising takes time away from talking to potential voters. Paid advertising has increased voters, cynicism and decreased their willingness to create and participate in unpaid forums. As we try to limit the growth of paid advertising, I anticipate there will be an increase in the availability of unpaid forums.

Moreover, adherence to these spending limits will communicate to the voters that a candidate wants to revive the integrity of the political system. Perhaps if we speak a little more quietly during campaigns, people will listen harder and true communication will increase.

The voluntary, flexible spending limits contained in this legislation will increase the competitiveness of our campaigns. Adherence to these limits will be encouraged by the availability of certain public benefits: Lower broadcast media rates, reduced postage rates, communication vouchers and payments, in certain circumstances, from the Senate election campaign fund. The availability of these benefits will level the playing field between challengers and incumbents. They will further reduce the time Senators have to spend raising funds.

Granted these benefits will cost money; it will be money well spent. Let us not forget that our Government spends millions of dollars around the world to promote democracy and encourage fair elections. The President's fiscal year 1992 budget has requested that the American people give $30 million to the National Endowment for Democracy, a nonprofit corporation established to encourage and strengthen the development of democratic institutions and processes internationally. I will support that request because I believe that democracy abroad is worth supporting, just as democracy at home is worth supporting.

The legislation before us would eliminate campaign practices that could be used to circumvent the proposed spending limits, such as soft money expenditures—those funds that are not regulated under Federal law, independent expenditures and bundling of contributions. The legislation would attempt to bring all campaign spending out into the sunshine, so to speak.

Mr. President, I am proud to serve in the Senate. My colleagues are people of integrity, who hold a deep commitment to public service. Fundamentally, the integrity of this institution depends upon each Senator's moral compass. The legislation before us cannot substitute for that. But, the legislation can change the context in which each individual makes his or her personal decisions. Our current campaign finance process forces good people to make seemingly bad choices in order to serve the public. Hopefully, a new system will permit people to run for and serve in Congress with integrity and the complete trust of the voters.

I will vote against the McConnell amendment because it will eliminate the voluntary spending limits from this legislation—the very reform that will reinvigorate the integrity of our campaigns.

Mr. President, I yield the floor.

Mr. RUDMAN. Mr. President, I rise in opposition to S. 3, the partisan, Democratic campaign finance bill now pending before the Senate.

Mr. President, the Senate has debated the issue of campaign finance reform many times. This is one of the

most important issues facing Congress, an issue that deals with the public's poor perception of honor and integrity in this institution. I strongly believe that real campaign finance reform is necessary to deal with this crisis of confidence.

Regrettably, the bill we are debating today will not offer the American public real reform. Nor will it restore the confidence of the American people. Instead, this bill will raise public expectations, and then dash them with a system which encourages more undisclosed campaign spending and locks in strong incumbent advantages. While failing to bring about real reform, this bill will come to taxpayers at great cost. At a time when Americans are being forced to cut back due to recessionary pressures and the country is facing continued massive Federal budget deficits, this Democratic bill proposes to take millions of dollars out of taxpayers' pockets and into the hands of congressional candidates. This is simply not right.

My first major area of concern with S. 3 revolves around its proposed spending limits. Under S. 3, voluntary spending limits would be established for Senate races, based on a State's voting age population, ranging from $950,000 to $5.5 million for general elections. Supporters of this bill allege that these limits will help to make the system work more fairly for incumbents and challengers alike. However, the reality is that these limits will actually hurt challengers and hinder their ability to mount a credible campaign against incumbents.

Long before the election year arrives, incumbents are able to gain an advantage over challengers. By virtue of holding office, incumbents are able to build a support staff, media contacts, and most importantly, name recognition. As a result, challengers usually find themselves behind the eight ball at the outset of a campaign. These inevitable incumbent advantages can be overcome, but only if challengers are given the opportunity to do so.

Contrary to the impression being fostered by Common Cause and other supporters of this bill, this does not mean that spending by challengers must equal or exceed that of incumbents. It does mean that challengers must be able to spend a certain threshold amount in order to run a competitive race. The spending limits proposed by the Democrats in this bill, should they prove to be enforceable, are so low that challengers will be unable to compete effectively. This of course suits the Democratic Party, the party with the most incumbents, just perfectly.

A few simple facts demonstrate the effect of S. 3's proposed spending limits. In the 1988 Senate elections, 95 percent of the challengers who spent under the limits set by S. 3 lost. In 1986, when campaign costs were much lower than they are now, 90 percent of the challengers who spent within the limits lost, while 63 percent of those exceeding the limits won. In my State of New Hampshire, it costs over $300,000 for a challenger to get his or her name recognition up to 40 or 50 percent—not enough to win a race but sufficient to begin to appear credible. However, under S. 3, a candidate would only have a total $950,000 for the general election. If incumbents and challengers are forced to abide by these spending limits, the incumbent will almost always win.

The sponsors have added one provision which I believe significantly improves the bill from last year. Candidates who comply with the spending limits will be eligible to buy broadcast advertising time at one-half of the lowest unit rate, rather than the actual lowest unit rate. While this provision is embedded into a fundamentally flawed campaign financing bill, it helps to ameliorate the effect of excessively low limits and it recognizes that the cost of television advertising is the single most significant reason for the explosion in campaign spending.

In the Senate today, at least 50 to 70 percent of the cost of a campaign goes toward advertising. Democratic media consultant Frank Greer believes the figure is even higher,

> In any competitive campaign, 75 to 80 percent of the budget is going to go into television. There is one overwhelming factor in the growing cost, * * * and that is the increased rates of radio and television advertising.

In my own State of New Hampshire, we must purchase time on Boston television markets to get our message out to the public. The National Journal published statistics last year on the cost of a 30-second commercial spot as measured by cost per rating point [CRP] in prime time. In 1982, the cost per rating point of a 30-second ad in prime time was $350. In 1986, the same ad cost $414, an 18.2-percent increase. More startling still is that in 1990, the cost per rating point has risen to $610, 47.3 percent more than the 1986 price and 74.3 percent over the 1982 cost.

One year ago, a 30-second commercial in the CBS prime time show "Jake and the Fatman," which was then, on a ratings basis, exactly the average of all prime time programming, cost almost $5,000. In New York City and Los Angeles, the same commercial cost almost $10,000. Ten thousand dollars for one 30-second spot. Mr. President, this is the reason that more money is being raised year after year. The money is being raised because it simply must be raised to pay for the costs of contacting our constituents to get our message out.

In fact, political candidates pay more for commercial time than any other advertiser. Congress tried to address this problem in 1971 by establishing a broadcast discount for candidates. It was intended to provide candidates the lowest unit rate for advertising during the 45-day period prior to the primary election and 60 days before the general election.

Broadcasters, however, quickly found a way around this rule by establishing different classes of time. The broadcasters now sell time in two forms—preemptible and nonpreemptible. Candidates, who must get their message to specified groups of voters at specific times, must purchase nonpreemptible or fixed time. This nonpreemptible time is three to five times more expensive than preemptible time. It is sold almost exclusively to political advertisers. Rather than getting a break on advertising, candidates currently pay more than virtually any other advertiser.

A one-half of lowest unit rate provision, along the lines found in this bill, would alleviate a tremendous financial strain on campaigns, particularly those of underfunded challengers. This, more than any other simple step, could help make races more competitive. It would affect only a small portion of the three-fourths of 1 percent of broadcasters' revenue that is attributable to political advertising. Moreover, it is important to remember that this revenue is made possible by the Government grant of a scarce public resource: the airwaves.

The Senate could be debating legislation which reduces the political advertising rate in its own right. Such a bill need not provide the right to unlimited advertising at a reduced rate. I am mindful of the concerns expressed by some that reducing the rate would only lead to more advertising, not reduce the pressure on candidates to raise money. Instead, this reform is embedded in a partisan bill containing a flawed system of spending limits and public financing. That precludes it from being considered on its own merits and, because this partisan measure will not become law, prevents reduced advertising rates from becoming law.

To return to the issue of spending limits, it is not at all clear that limits of this nature are workable. The sponsors of S. 3 continually cite the Presidential election spending limits in support of this bill. However, any serious student of Presidential elections knows that millions of dollars above the limits are being filtered into those campaigns from sources that do not legally have to be disclosed. In fact, although non-Federal spending in general election campaigns for the Presidency is illegal, both parties exploited loopholes in the law to such an extent that more private than public money was spent on the 1988 campaigns.

The pending measure proposes to take the same kind of deceptive system that now exists for Presidential campaigns and extend it to congressional campaigns, misleading the American

public into believing private contributions to campaigns have been disclosed.

The problem is that S. 3, while limiting candidate spending and attempting to control party spending, makes no effort to control soft money expenditures by labor unions and other tax-exempt organizations. Moreover, the controls on independent expenditures are likely to prove ineffective and are probably unconstitutional. As a result, S. 3 has the same effect on campaign spending as a person does when squeezing a balloon—push in one place and the balloon pops out in another.

Soft money, referred to as sewer money by one newspaper, is the type of money which sneaks into the system and turns it rotten. There are no disclosure requirements, no limits on the size of contributions, and it is estimated that over $100 million in soft money is filtered into each election. Yet, Republican efforts to regulate these expenditures are unacceptable to the Democrats who control the Congress.

Worse still, while rejecting controls on soft money, some supporters of S. 3 engaged in egregious false advertising by invoking the special interest contributions made by Charles Keating as grounds to support this bill. To limit candidate spending while not touching soft money is to drive more contributions into this hidden, uncontrolled area of political activity.

Finally, this bill would force the American taxpayers to pay excessive costs in support of the political activities of candidates. As reported by the Senate Rules Committee, S. 3 was estimated by the Congressional Budget Office to cost between $82 and $103 million in 1994, and between $226 and $283 million over a 6-year Senate election cycle for Senate elections alone. All candidates would receive vouchers to buy television advertisements, in an amount equal to 50 percent of the general election limit or $475,000 in my State of New Hampshire, and reduced mail rates. Candidates would also be eligible for additional dollars to offset certain independent expenditures and when one candidate has refused to comply with the limits.

The Democrats apparently decided that this was too much to expect the public to buy. Thus, they have offered a substitute amendment which would reduce the broadcast subsidy from 50 percent of the general election limit to 20 percent.

Even so, when House elections are added to this bill as everyone expects and assumes the House of Representatives to do, this bill could cost $1 billion over 6 years. My colleague from Kentucky, Senator MCCONNELL, referred to this bill as "food stamps for politicians." I am not sure I agree with that characterization; but, when the people of New Hampshire talk about campaign finance reform, I know they are not volunteering to give political candidates $1 billion every 6 years.

Parenthetically, S. 3 would expand public financing of campaigns at the same time that the existing system for Presidential campaigns is falling apart. Under current law, individual taxpayers have the right to authorize $1 to be pulled from general revenues to be used to finance Presidential campaigns. Only 17 percent of all taxpayers, less than one out of five, are currently willing to have this happen, even though it does not affect their tax liability. There can be no more graphic evidence of the fact that most Americans oppose public campaign financing. And yet, in the name of saving the public, this bill arrogantly proposes to geometrically increase use of their money for that purpose.

Mr. President, I am deeply concerned about establishing a campaign finance system in which the American public can place their trust and which will not come at great personal expense to them. S. 3 fails to address the issue of soft money contributions and creates an inadequate system of spending limits and public financing. This bill does not offer the American taxpayer real reform and, therefore, regrettably, I cannot support it.

The PRESIDING OFFICER. The majority leader.

UNANIMOUS-CONSENT AGREEMENT

Mr. MITCHELL. Mr. President, I will momentarily propound a request for a unanimous-consent agreement that will identify the remaining amendments with time limitations to the pending bill. If this agreement is accepted, there will be no further rollcall votes this evening. We will debate on one further amendment this evening, with a series of amendments tomorrow with votes stacked to begin at 1:30 p.m.

I now ask unanimous consent that the following amendments, on a list I will momentarily read, be the only amendments remaining in order to the Boren-Mitchell substitute amendment to S. 3; that they be considered under the time limitations so noted, to be equally divided in the usual form; that, except for the listed Roth amendment, they be considered tomorrow, Thursday, May 23, when the Senate resumes consideration of this bill beginning at 10 a.m. in the order listed; that the votes on, or in relation to the amendments that have been debated prior to 1:30 p.m., as well as on the Roth amendment, be stacked to occur beginning at 1:30 p.m.; that there be 1 hour remaining for debate on the bill, including the Boren-Mitchell substitute, equally divided in the usual form; that motions to recommit be in order; and that the time allocated to each Senator for his amendment begin running upon the completion of the time on the previous amendment on the list, regardless of whether or not that Senator has yet offered his amendment, and that the time thus charged be subtracted equally from both sides on the amendment.

The list is as follows:

An amendment by Senator ROTH striking the funding and limits and providing free TV time, 40 minutes equally divided, to be debated tonight and voted on first in the list of stacked votes beginning at 1:30 p.m.;

An amendment by Senator EXON regarding limitations on vouchers, 30 minutes equally divided;

An amendment by Senator NICKLES regarding broadcast subsidy, 40 minutes equally divided;

An amendment by Senator HATCH regarding the Beck decision, 30 minutes equally divided;

An amendment by Senator LOTT regarding sense-of-the-Senate language that both bodies are equal, 20 minutes equally divided;

An amendment by Senator BOREN regarding point of entry for filings, 10 minutes equally divided;

An amendment by Senator DOLE regarding congressional contacts with Federal agencies, 10 minutes equally divided;

An amendment by Senator DOLE regarding telephonic voting, 10 minutes equally divided;

An amendment by Senator DOLE regarding challenger's seed money, 30 minutes equally divided;

An amendment by Senator DANFORTH regarding lowest unit rate, 10 minutes equally divided;

An amendment by Senator MCCONNELL regarding soft money, 30 minutes equally divided;

An amendment by Senator MCCONNELL regarding cut of convention money, 30 minutes equally divided;

An amendment by Senator DOMENICI regarding out-of-State money, 40 minutes equally divided;

An amendment by Senator MCCONNELL regarding campaign subsidies and budget, 30 minutes equally divided; and

An amendment by Senator GRAMM of Texas regarding full disclosure of soft money, 30 minutes equally divided.

Mr. DOLE. Mr. President, reserving the right to object, and I shall not object, I just want to make an inquiry with reference to the statement that says that the votes on or in relation to these amendments that have been debated prior to 1:30 p.m. be stacked, the votes to occur beginning at 1:30 p.m. and that there be 1 hour remaining for debate on the bill. You would still be able to consider the other amendments.

Mr. MITCHELL. Yes. Because it is not possible to estimate precisely when all of these will be completed, and the more there are, the more difficult it is, this is intended to permit debate on several amendments and to vote at 1:30 on those which have been debated, and then to resume debate on the remaining listed amendments after those votes, to have those votes occur as the

debate on the amendment is completed.

The 1 hour is intended to provide the managers with some flexibility in the handling of the bill.

Mr. DOLE. Further reserving the right to object, I would just make a point to my colleagues, as I add up the total time, without the amount of time for rollcalls, it would be about 5 hours 50 minutes. I do not assume every one of these would need rollcalls, but say six need rollcalls; that is another hour and 30 minutes. That would get us to about 6 o'clock tomorrow evening on this bill, and then that would be followed by fast track.

I guess the question I would have under the reservation would be if we do not complete action on this, then we would be in on Friday; is that correct?

Mr. MITCHELL. That is correct. We have to take up the fast-track bill. As the distinguished Republican leader knows, there is a maximum of 20 hours of debate on that. it is my hope that there will be agreement to reduce that time significantly, and we have already, on both sides, initiated efforts in that regard, and we will resume that tomorrow morning.

Mr. DOLE. Mr. President, I have no objection, but I would like to a make a comment after the ruling.

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

Mr. DOLE. If the majority leader will yield further, the point I would make is, if we can reduce the time on the amendments—many of these issues have been voted on before, like last year—if we can reduce the time on either side or both sides, it would accommodate those who would like to complete the fast-track legislation by early afternoon, or at least early evening, because of other long-standing commitments on both sides of the aisle.

We will be working on our side to get reductions in the time, and I will be reporting to the majority leader maybe by 11:30 tomorrow morning.

Mr. MITCHELL. I thank my colleagues.

Mr. President, while Senators are still here, I want to make clear to every Senator who has an amendment on this list that under this agreement, because the amendments are to be taken up in the order listed—this was requested by our Republican colleagues—the agreement provides that the time on that amendment begins to run as soon as the previous amendment is disposed of; otherwise, of course, a Senator, simply by not appearing, would cause the entire Senate to cease and nothing further would happen.

So if a Senator has an amendment, that Senator and his or her staff must be alert to be certain that the Senator is here, ready to proceed with that amendment as soon as the debate on the previous amendment is completed, because the time will begin to run then. And if the Senator does not show up and the time expires, we are not going to entertain requests at that point to add that time on later.

As the distinguished Republican leader has said, the problem is going to be to try to compress this, not to expand it. So all Senators should understand it. It is plain from the language of the request, but I wanted to repeat that because this is not the usual manner in which we compile these agreements. But for this purpose, in order to accommodate the request that they be in a precise order, we will have to insist that every Senator be here.

It really ought not to be too much of an imposition on a Senator who wants to offer an amendment that he be here and offer it. But I want to call that to everyone's attention.

There are a total of 15 amendments here, some of them for relatively short periods of time. And at least prior to 1:30, there will not be votes in between. So Senators will have to be alert and be present to offer their amendments and to engage in debate on those amendments.

Mr. DOLE. If the majority leaders would yield further, I would just suggest, unless there is some objection, assuming we have four or five votes starting at 1:30, we reduce it to 10 minutes and save a little bit of time that way, and everybody could stay right here.

Mr. MITCHELL. I believe that is a very good suggestion, and will do so.

In accordance with the suggestion made by the distinguished Republican leader, I ask unanimous consent that all votes stacked at 1:30, following the first vote on the Roth amendment, be for 10 minutes.

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

Mr. MITCHELL. Let me make clear, Mr. President, I said on the Roth amendment, but the agreement provides on or in relation to it. So with that amendment, and with respect to all others, that means there could be an up-or-down vote, or a motion to table, as we have had throughout the day, so there will be no misunderstanding on that.

Mr. President, I thank my colleagues very much. I thank the distinguished Republican leader for his cooperation. We will press forward tomorrow. Hopefully, we can complete this and the fast-track bill tomorrow at a reasonable hour.

I yield the floor.

DIRE EMERGENCY SUPPLEMENTAL APPROPRIATIONS—CONFERENCE REPORT

Mr. BYRD. Mr. President, I submit a report of the committee of conference on H.R. 2251 and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 2251) making dire emergency supplemental appropriations from contributions of foreign governments and/or interest for humanitarian assistance to refugees and displaced persons in and around Iraq as a result of the recent invasion of Kuwait and for peacekeeping activities, and for other urgent needs for the fiscal year ending September 30, 1991, and for other purposes, having not, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferences.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of today, May 22, 1991.)

Mr. BYRD. Mr. President, the conference report accompanying H.R. 2251 provides appropriations totalling $571,738,000 in budget authority and $398,784,000 in outlays. Included in these amounts is $251,500,000 in budget authority from the defense cooperation account for emergency international disaster assistance, emergency refugee assistance, and emergency peacekeeping activities in the Persian Gulf region.

In addition, appropriations totalling $320,500,000 are to be derived from the Persian Gulf regional defense fund to cover DOD costs of Operation Provide Comfort.

All of the funds provided in the conference are within the limitations for DOD and for international affairs for fiscal year 1991 and will not break the caps nor cause a sequester.

Chapter III of H.R. 2251 contains a provision requiring the Office of Management and Budget to submit a report on domestic disaster assistance, including crop loss needs, within 10 days after enactment. The statement of the managers lists 26 Presidentially declared natural disasters since the beginning of the fiscal year for which additional financial assistance will be required.

The conference agreement also includes a new section 207 which requires that the Congress be notified before any economic support funds provided to Pakistan may be reallocated.

In addition the agreement includes a modified section 503, pertaining to burden sharing, which provides a vehicle by which Korea may make payments to the United States to be used to pay Korean nationals serving our troops in that nation.

That concludes my summary of the conference agreement. I will now yield to my friend the Senator from Oregon

[Mr. HATFIELD] for any statement he may wish to make.

Mr. HATFIELD. Mr. President, the conference agreement on H.R. 2251 is not substantially different from the bill as passed by the Senate 2 weeks ago. The conferees on behalf of the two Houses met yesterday afternoon and swiftly resolved the few differences before the conference.

The primary purpose of this measure continues to be the provision of $235,500,000 for refugee assistance, derived from foreign contributions made to support U.S. operations in the gulf war, or the interest earned on those contributions. In addition, the conference agreement provides $320,500,000 from the Persian Gulf regional defense fund for costs incurred by DOD in its refugee assistance efforts, known as Operation Provide Comfort.

The Senate conferees agreed to the House language relative to support for military relief agencies, and the House agreed to the Senate provisions on the Judiciary and the export promotion activities of the International Trade Administration. The Senate agreed to drop language concerning Public Law 480, the Agricultural Trade Development and Assistance Act of 1954. I understand that similar language was included in the Kurdish refugee assistance authorization bill.

Mr. President, I join the chairman in urging adoption of the conference report.

Mr. DOMENICI. Mr. President, I rise in support of the conference agreement accompanying H.R. 2251, a bill making supplemental appropriations for humanitarian assistance to refugees and other displaced persons and for other purposes.

I believe that the President will find this bill acceptable. The bill includes funding to provide much needed assistance to the Kurdish people in and around Iraq, and to other displaced persons in the Persian Gulf region.

As my colleagues know, this assistance will be provided through the defense cooperation account established to help finance the costs of United States military action in the Persian Gulf associated with Iraq's invasion of Kuwait some 10 months ago.

From a budgetary standpoint, I believe the conferees acted responsibly in accepting the House provision making contributions to the defense cooperation account available for the transfers authorized in the bill, rather than only the interest payments to that account.

I admit to reservations about whether it is wise to attribute interest to deposits in this type of account.

I do have one concern about the conference report language that I believe should be clarified.

My colleagues may have noticed the language in amendment No. 7 that states that the funds made available in this act as incremental costs of Operation Desert Storm are, and I quote, "off-budget."

I do not believe this is the proper way to characterize the funding made available in this bill. In a strict budgetary sense, the term "off-budget" means that certain Federal transactions are excluded from the budget totals.

I believe the intent of this language is to convey that under the bipartisan budget agreement of last October, costs associated with Operation Desert Shield/Operation Desert Storm are outside the discretionary spending caps.

This spending will be counted for purposes of the overall Federal budget. However, the enactment of this bill will not trigger a minisequester in fiscal year 1991 for exceeding the discretionary spending caps.

During last year's budget negotiations, the bipartisan leadership of the Senate and House and the White House negotiators realized that it would be difficult, if not impossible, to project the costs of Operation Desert Storm/Desert Shield.

No one felt that other Federal programs should be penalized through across-the-board spending cuts triggered by a mini-sequester as funding had to be committed to the war in the Persian Gulf.

I think that this provision of the bipartisan budget agreement makes sense. I do not object to a statement to that effect being included in this bill as did the Senate. I just do not believe that the final language accurately characterizes the treatment of these funds under the bipartisan budget agreement.

Mr. COCHRAN. Mr. President, we have before us the conference report on H.R. 2251, the dire emergency supplemental appropriations bill to provide humanitarian assistance to Iraqi refugees and other displaced persons. While I support approval of this conference report, I want to point out that there are thousands of disaster victims throughout our own country who have suffered and are suffering serious damages from severe flooding and other weather-related disasters.

As the ranking member of the Agriculture Appropriations Subcommittee, I have received numerous letters from across the Nation requesting disaster assistance for 1990 crop losses due to drought, flooding, and freeze damage. It is estimated that the farmers in Mississippi have lost nearly $100 million due to natural disasters during the 1990 growing season.

In a letter dated April 3, I requested the President to make an assessment of the losses suffered by our Nation's farmers during 1990 due to natural disasters and to make an official request for emergency funding for this purpose. Authority exists in the 1990 farm bill to fund such a disaster assistance program. In fact, in the 1990 dire emergency supplemental appropriations bill which was considered about this time last year, special assistance was provided to several States, including Louisiana, Kansas, and Nebraska for damages which occurred as a result of natural disasters.

In addition, the outlook for agricultural production in the Midsouth region of the country for 1991 looks bleak. The Midsouth is currently suffering from continued heavy rains and flooding which are causing severe damages and threatening to prevent many thousands of acres from being planted. The fishing waters are also causing the flooding of thousands of acres of catfish ponds. Mississippi's catfish industry is particularly hard hit by the rains.

During the month of April, rains were nearly 500 percent above normal in Mississippi with nearly 2 million acres flooded. As of May 19, Mississippi producers reported only 33 percent of their cotton and 27 percent of their rice acreage planted as compared to 5-year averages of over 85 percent and 92 percent, respectively. Not only are producers worried about the short-term implications, many experts believe the land will not be sufficiently dry in time for many producers to complete planting this growing season.

Mr. President, while I very much appreciate the efforts of the Secretary of Agriculture and the Office of Management and Budget to provide assistance in connection with the Emergency Disaster Loan Program, I feel that without further immediate measures, program crop producers will ultimately suffer financial losses so severe that only direct disaster assistance will be of any real value.

The administration's commitment to explore additional steps to further open the emergency loan program to farmers who have suffered significant disaster losses is appreciated. It would be beneficial if the program could be administered in such a manner that eligibility requirements are more reasonable and more conducive to being met by those who need relief.

It would be very helpful, also, if the Secretary could allow farmers to shift their crop base acreage between farms and farmers.

It is my hope that the administration will consider and assess the effects of these natural disasters in this region of the country. Many of the farmers being affected by the recent flooding also suffered devastating crop losses during the 1990 growing season. While it is appropriate that the U.S. Government extend its helping hand to the suffering people in other countries of the world, it must also assist those in this country who have suffered and are suffering substantial losses because of severe weather conditions.

Mr. BYRD. Mr. President, I ask unanimous consent that the conference re-

port be agreed to and that the motion to reconsider the vote by which the conference report was agreed to be laid on the table.

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

The conference report was agreed to.

Mr. BYRD. Mr. President, I ask unanimous consent that the amendments in disagreement numbered 2 and 7 be considered en bloc; that the Senate concur in the amendments of the House to the amendments of the Senate; and that the motions to reconsider the votes by which the motions to concur were agreed to be laid on the table en bloc.

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

The amendments in disagreement are as follows:

Resolved, That the House agree to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 2251) entitled "An Act making dire emergency supplemental appropriations from contributions of foreign governments and/or interest for humanitarian assistance to refugees and displaced persons in and around Iraq as a result of the recent invasion of Kuwait and for peacekeeping activities, and for other urgent needs for the fiscal year ending September 30, 1991, and for other purposes.".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 3 to the aforesaid bill, and concur therein.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 2 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

CHAPTER II

DEPARTMENT OF STATE

DEFENSE COOPERATION ACCOUNT

For a portion of the expenses associated with Operation Desert Storm and the provision of emergency assistance, pursuant to section 251(b)(2)(D)(i) of Public Law 99-177, as amended, for refugees and displaced persons in and around Iraq as a result of the recent invasion of Kuwait, and for peacekeeping activities and for international disaster assistance in the region, there is appropriated from the Defense Cooperation Account, $235,500,000, to be derived from any contributions of foreign governments and/or interest payments deposited to the credit of such account, which shall be available only for transfer by the Secretary of Defense to "International Disaster Assistance", "Migration and Refugee Assistance", "United States Emergency Refugee and Migration Assistance", and "Contributions to International Peacekeeping Activities", as follows:

FUNDS APPROPRIATED TO THE PRESIDENT

BILATERAL ECONOMIC ASSISTANCE

INTERNATIONAL DISASTER ASSISTANCE

(TRANSFER OF FUNDS)

For an additional amount for "International Disaster Assistance", $67,000,000, to remain available until expended: *Provided*, That in addition to amounts otherwise available for such purposes, up to $200,000 of the funds appropriated under this heading may be made available for the purpose of paying administrative expenses of the Agency for International Development in connection with carrying out its functions under this heading.

DEPARTMENT OF STATE

MIGRATION AND REFUGEE ASSISTANCE

(TRANSFER OF FUNDS)

For an additional amount for "Migration and Refugee Assistance", $75,000,000: *Provided*, That in addition to amounts otherwise available for such purposes, up to $250,000 of the funds appropriated under this heading may be made available for the administrative expenses of the Office of Refugee Programs of the Department of State: *Provided further*, That funds made available under this heading shall remain available until September 30, 1992.

UNITED STATES EMERGENCY REFUGEE AND MIGRATION ASSISTANCE FUND

(TRANSFER OF FUNDS)

For an additional amount for the "United States Emergency Refugee and Migration Assistance Fund", $68,000,000, to remain available until expended: *Provided*, That the funds made available under this heading are appropriated notwithstanding the provisions contained in section 2(c)(2) of the Migration and Refugee Assistance Act of 1962 that would limit the amount of funds that could be appropriated for this purpose.

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

CONTRIBUTIONS TO INTERNATIONAL PEACEKEEPING ACTIVITIES

(TRANSFER OF FUNDS)

For an additional amount for "Contributions to international peacekeeping activities", $25,500,000, to remain available until September 30, 1992.

GENERAL PROVISIONS—CHAPTER II

SEC. 201. The authority provided in this chapter to transfer funds from the Defense Cooperation Account is in addition to any other transfer authority contained in any other Act making appropriations for fiscal year 1991.

SEC. 202. Funds transferred or otherwise made available pursuant to this Act may be made available notwithstanding any provision of law that restricts assistance to particular countries.

SEC. 203. Funds transferred pursuant to this chapter for International Disaster Assistance and the United States Emergency Refugee and Migration Assistance Fund may be used for any of the purposes for which funds are authorized under those accounts and may also be used to replenish appropriation accounts from which assistance was provided prior to the enactment of this Act, notwithstanding any other provision of this or any other Act.

SEC. 204. Amounts obligated for fiscal year 1991 under the authority of section 492(b) of the Foreign Assistance Act of 1961 to provide international disaster assistance in connection with the Persian Gulf crisis shall not be counted against the ceiling limitation of such section.

SEC. 205. The value of any defense articles, defense services, and military education and training authorized as of April 20, 1991, to be drawn down by the President under the authority of section 506(a)(2) of the Foreign Assistance Act of 1961 shall not be counted against the ceiling limitation of such section.

SEC. 206. Funds made available under this chapter may be made available notwithstanding section 10 of Public Law 91-672 and section 15(a) of the State Department Basic Authorities Act of 1956.

SEC. 207. None of the funds appropriated by the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1991 (Public Law 101-513), under the heading "Economic Support Fund", that were allocated for Pakistan may be made available for assistance for another country or purpose unless notification is provided in accordance with the regular notification procedures of the Committees on Appropriations.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 7 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert:

are off budget.

SEC. 503. During the current fiscal year, the Secretary of Defense may accept burdensharing contributions in the form of money from the Republic of Korea for the costs of local national employees of the Department of Defense to be credited to Department of Defense operation and maintenance appropriations available for the salaries and benefits of such Korean national employees to be merged with and to be available for the same purposes and time period as those appropriations to which credited: *Provided*, That not later than October 31, 1991, the Secretary of Defense shall submit a report on the contributions accepted by the Secretary under this provision.

Mr. BYRD. Mr. President, I thank both leaders.

Mr. MITCHELL. Mr. President, there will be no further rollcall votes this evening. The first rollcall vote tomorrow will occur at 1:30 p.m. Thereafter, there will be several rollcall votes at 1:30, and throughout the day thereafter.

SENATE ELECTION ETHICS ACT

Mr. MITCHELL. Mr. President, I see the Senator is prepared to proceed with his amendment.

The PRESIDING OFFICER (Mr. DASCHLE). The Senator from Delaware is recognized.

AMENDMENT NO. 262 TO AMENDMENT NO. 242

(Purpose: To provide free television broadcast time for Senate candidates, and other purposes)

Mr. ROTH. 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 Delaware [Mr. ROTH] proposes an amendment numbered 262 to amendment No. 242.

Mr. ROTH. 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 section 101.

Strike subsection (d) of section 102.

On page 43, lines 18 through 20, strike "an eligible candidate (as defined in section 501(2) of the Federal Election Campaign Act

of 1971)" and insert "a legally qualified candidate".

Strike subsection (b) of section 103.

Strike section 104.

Strike section 105.

On page 47, beginning with line 17, strike all through page 50, line 3.

On page 50, line 4, strike "(b)" and insert "SEC. 304A(a)".

On page 52, line 8, strike "(c)" and insert "(b)".

On page 53, line 1, strike "(d)" and insert "(c)".

On page 54, line 6, strike "(f)" and insert "(e)".

On page 54, line 16, strike "(g)" and insert "(f)".

On page 61, strike lines 5 through 13.

On page 61, lines 16 and 17, strike "and subsection (c) or (d)".

On page 101, after line 23, add the following new title:

TITLE VI—FREE TELEVISION TIME

SEC. 601. AMENDMENTS TO THE COMMUNICATIONS ACT OF 1934.

Secton 315(a) of the Communications Act of 1934 is amended to read as follows:

(a) ALLOWANCE OF TELEVISION BROADCAST TIME FOR CERTAIN CANDIDATES; CENSORSHIP PROHIBITION.—Each licensee operating a television broadcasting station shall make available without charge to any legally qualified candidate in the general election for the office of United States Senator an amount of broadcast time, determined by the Commission under subsection (d), for use in his or her campaign for election, subject to the conditions and limitations of subsection (e). No licensee shall have power of censorship over the material broadcast under the provisions of this section.

(b) EQUAL OPPORTUNITIES REQUIREMENT; CENSORSHIP PROHIBITION; ALLOWANCE OF STATION USE.—Except in those circumstances to which subsection (a) applies, if any licensee shall permit any person who is a legally qualified candidate for any public office to use a broadcasting station, he or she shall afford equal opportunities to all other such candidates for the office in the use of such broadcasting station: *Provided*, That such licensee shall have no power of censorship over the material broadcast under the provisions of this section. No obligation is imposed under this subsection upon any licensee to allow the use of its station by any such candidate.

(c) NEWS APPEARANCES EXCEPTION; PUBLIC INTEREST; PUBLIC ISSUES DISCUSSION OPPORTUNITIES.—Appearance by a legally qualified candidate on any—

(1) bona fide newscast;

(2) bona fide news interview;

(3) bona fide news documentary (if the appearance of the candidate is incidental to the presentation of the subject or subjects covered by the news documentary); or

(4) on-the-spot coverage of bona fide events (including but not limited to political conventions and activities incidental thereto); shall not be deemed to be the use of a broadcasting station within the meaning of subsections (a) or (b). Nothing in the foregoing sentence shall be construed as relieving broadcasters, in connection with the presentation of newscast, news interviews, new documentaries, and on-the-spot coverage of news events, from the obligation imposed upon them under this chapter to operate in the public interest and to afford reasonable opportunity for the discussion of conflicting views on issues of public importance.

(d) RULES AND REGULATIONS REGARDING ALLOWANCE OF TELEVISION BROADCAST TIME FOR CERTAIN CANDIDATES.—The Commission shall, after consultation with the Federal Election Commission, determine the amount of television broadcast time that legally qualified major-party candidates for a Senate office may receive under subsection (a) on the basis of the amount of television broadcast time used by major-party candidates in the previous election for the United States Senate, provided that at a minimum such candidates be provided an amount of television broadcast time commonly used by major-party candidates in elections of comparable size. The amount of television broadcast time that each candidate is eligible to receive and the amount of such time that each licensee must make available to each eligible candidate shall be published prior to each Senate election in the Federal Register by the Commission on a date established by regulation. The broadcast time made available under subsection (a) shall be made available during the 45-day period preceding the general election for such office. The Commission shall ensure that the television broadcast time made available under subsection (a) shall be made available fairly and equitably, through licensees commonly used by candidates seeking the particular United States Senate office, and at hours of the day which reflect television viewing habits and contemporaneous campaign practices. A legally qualified candidate of a party other than a party which obtained 5% or more of the popular vote in the last Presidential election shall, by regulation of the Commission, be granted an allocation of broadcast time in proportion to the amount of contributions under $250 such a candidate has received when compared to such contributions received by candidates of the major parties, provided that such proportion exceeds 5 percent. The Commission shall require licensees operating television broadcasting stations to enter into a pooling agreement to ameliorate any disproportionate financial impact on particular licensees. For purposes of this subsection, a major party is a party which obtained more than 5 percent of the popular vote in the previous Presidential election.

(e) CONDITIONS AND LIMITATIONS.—The entitlement of any legally qualified candidate to television broadcast time under subsection (a) is conditional upon (1) signing an agreement to forego both the purchase of any additional amount of broadcast time, and the acceptance of any additional amount of television broadcast time purchased by another, during the period that such time is made available with respect to such candidacy pursuant to subsection (a) and the Commission's regulations, and (2) filing a copy of such agreement with the Commission.

(f) PENALTIES AND REMEDIES.—Any candidate who purchases or accepts purchased television broadcast time in violation of such agreement shall be subject, upon conviction, to imprisonment of up to one year or a find of up to $10,000, or both. Any licensee who sells television broadcast time to a candidate, who has filed an agreement, in excess of the time to be provided by such licensee to such candidate pursuant to subsection (a) and the Commission's regulations shall be subject to appropriate disciplinary action by the Commission, including (1) an order requiring the licensee to provide an equal amount of time to other candidates for the same office, or (2) an order revoking the licensee's license.

SEC. 602. TECHNICAL AND CONFORMING AMENDMENTS

(a) Section 315 of the Communications Act of 1934 is further amended as follows: (1) in subsection (b) by striking the phase "The charges" and inserting in lieu thereof "Except to the extent that the provisions of subsection (a) apply, the charges"; (2) by redesignating subsections (b), (c), and (d) as (f), (g), and (h) respectively; and (3) by adding "generally" and "Rules and regulations" in redesignated subsection (h).

(b) Subsection (a)(7) of section 312 of the Communications Act of 1934, as amended, is amended to read as follows: "(7) for willful or repeated failure to comply with the provisions of section 315 of this title."

(c) Subsection (8) of section 301 of the Federal Election Campaign Act of 1971, as amended, relating to exclusions from the definition of contributions, is amended as follows: (1) at the end of paragraph (B) (xiii) by striking the semicolon; (2) at the end of paragraph (B)(xiv) by striking the period and inserting "; and" in lieu thereof; and (3) at the end of paragraph (B) by adding the following: "(xv) the value of any television broadcast time provided without charge by a licensee pursuant to section 315(a) of the Communications Act of 1934, as amended."

(d) Subsection (9) of section 301 of the Federal Election Campaign Act of 1971, as amended, relating to exclusions from the definition of expenditures, is amended as follows: (1) by inserting after paragraph (B)(i) the following: "(ii) the provision without charge of any television broadcast time by a licensee pursuant to section 315(a) of the Communications Act of 1934, as amended;" and (2) by redesignating subsequent subparagraphs accordingly.

SEC. 603. STUDY REGARDING PRIMARY AND OTHER ELECTIONS.

The Federal Communications Commission shall study the application of section 315(a) of the Communications Act of 1934, as amended by this Act, to the first general election campaign conducted under the provisions of that section and shall report the results of that study, together with recommendations, including recommendations for legislation, not later than the first day of March following such general election. The study shall also evaluate the desirability and feasibility of extending the provisions of section 315(a) of the Communications Act of 1934 to primary and other election campaigns.

SEC. 604. EFFECTIVE DATE.

The Federal Communications Commission shall promulgate rules and regulations to implement this Act no later than 180 days after the date of enactment of this Act. Sections 601 and 602(a) of this Act shall not take effect until the first day of July following the promulgations of such rules and regulations.

Mr. ROTH. Mr. President, on May 14, I introduced legislation—S. 1062—which I believe is the key to campaign finance reform. In the past three Congresses, we have debated S. 2, then S. 137, and now S. 3. Campaign finance reform is a very complex area of law. Candidates' natural desire for some competitive edge has made it so.

But for all its complexity, the stalemate we have endured is rather simple.

The majority has argued that candidates for the Senate should be cut off from dependence on what is perceived as tainted money. The minority has responded in opposition to taxpayer financing as a source of untainted money.

Free television time for Senate candidates provided by broadcast licensees can end this impasse.

If each candidate received a block of free television time equal to what is typically spent during the 45-day period before the general election in each Senate race, the dependence on fundraising and fundraisers would drop dramatically. And the taxpayer would not be paying the bill.

Those who, on the one side, wish to limit campaign spending to sever the connection between various sources of money and the candidate, and those who, on the other side, wish to protect the taxpayer from financing campaigns, should see the political wisdom of the free TV time proposal. This proposal, while not perfect, would achieve the goals of the opposing sides. It would drastically cut dependence on fundraising without substituting taxpayer financing.

The proposal, however, has merit well beyond mere political expediency. The belief that licensees owe a duty to the public is already well established in law. This proposal merely defines that duty. It cannot be forgotten that television broadcast frequencies belong to the people of the United States who have given them freely to licensees for the purpose of making money by selling what has been given.

It does not strike this Senator as inappropriate to recapture a little of what is ours in order to create a more perfect form of government.

I recognize full well that there are Members of this body who will oppose this proposal because it deprives licensees of revenue or because it affects the exercise of first amendment rights.

I respect their point of view but disagree. The revenue loss is a small price to pay for what is a governmentally bestowed lucrative right. Lest any single licensee be unduly impacted, my proposal calls for a pooling arrangement under the auspices of the FCC so that the burdens of the proposal are equally borne by all licensed television broadcasters.

As for first amendment arguments, it is important to bear in mind that the broadcast media have been compelled to grant access to their channels of communication against their will before. In 1969, the Supreme Court found that the broadcast media could so be compelled, unlike other media, because of the scarcity of broadcast frequencies, the use of which is licensed.

While some commentators suggest that times have changed and eroded this Supreme Court rationale, the testimony of the National Association of Broadcasters this year before the Rules Committee on S. 3 makes clear that advertising space in television broadcasting is so scarce that space must be auctioned off to the highest bidder.

I understand that the television broadcasters support the compulsory discounted broadcast time provided in section 103 of S. 3 and the Boren substitute. The only difference between my proposal and section 103 is one of price. That is not a constitutionally significant difference. Were price significant, the Dodd amendment banning honoraria would be unconstitutional. The $2,000 limit on honoraria in current law would be unconstitutional. If such arguments were plausible, I believe we would have heard them before today.

Mr. President, the impact of a free television time proposal in political campaigns would be revolutionary. Of all the campaign reforms before this body, it is the most dramatic.

In Senate elections, television advertising costs consume the majority of a candidates's budget. Such costs constitute the fastest growing item in that budget. If these costs were significantly curtailed, the budget of each candidate would be dwarfed.

But in order for the proposal to achieve any reduction in expenditures, it is necessary to require that each candidate accepting free time, not be able to obtain additional time during the 45-day period before the general election. Otherwise, free time would only mean more time with no impact on campaign costs and no impact on reducing the dependence on fundraising.

Thus my proposal imposes a spending limit of zero for television broadcast time during the 45-day period. That means that major party candidates in a given election, if they accept the free time, will be treated equally. And what that means is that every Senate election will be competitive. Every major party challenger will have equal television time. Free. Yes, free, simply for agreeing not to obtain additional time.

If my proposal were adopted in both Houses for both Houses, elections would become so competitive that efforts to so amend the Constitution to limit Members' terms would become a distant memory. There would no longer be any real need to so amend the Constitution if challengers had the opportunity to present their case on television.

In my opinion, the single most important factor in making a campaign competitive is not the amount spent but whether the challenger has had an opportunity to state his or her case to the electorate. Term limitations limit the choice of the people in choosing their elected representatives in Congress; my proposal, in contrast, creates a choice.

Mr. President, for those who may not be familiar with S. 1062, permit me to explain how my proposal works. It would require television broadcast stations to make available, without charge, an amount of television time sufficient to allow incumbents and challengers seeking Federal office to make their case to the electorate in the 45-day period preceding the general election.

Free television time would be made available on the condition that the candidate forego both the purchase of time on his own and the acceptance of additional time purchased by any other person during this 45-day period. The proposal does not apply to radio broadcasts or to cable transmissions—only to television broadcasts.

The 45-day period was chosen to clear primary elections which, in some States, occur in September. The proposal does not apply to primary elections, but a study is required to report on the feasibility of such coverage.

How much time would the proposal provide? While no fixed amount is set forth in the legislation, it is intended to be ample. The FCC, the agency with jurisdiction over the airwaves, is directed to consult with the Federal Election Commission and then determine how much time would be allocated for each race taking into account the amount of television broadcast time previously used by candidates for the Senate in that State, provided that the time made available be as much as is commonly used by major party candidates in elections of comparable size.

The proviso is intended to deal with precedents involving uncontested or virtually uncontested Senate elections in which use of television broadcast time was not altogether necessary. It is my intention that the amount of television broadcast time be substantial, the equivalent of the current use of television broadcast time in a contested election. It should be so ample as to induce each and every candidate to accept the offer and its terms.

What kind of time will it be? Basically prime time. The FCC is directed to ensure that the television time provided be at hours of the day that people are watching. A television broadcast station could not fulfill the mandate by providing time after midnight or on Saturday mornings during cartoons.

Will some stations not bear a disproportionate share of the burden? As I said before, in case that should happen, as it might, the FCC is authorized to direct television broadcasters to pool resources so as to ameliorate any disproportionate financial impact on a particular broadcaster.

How are third parties treated under the proposal? Candidates who are not nominees of the major parties are entitled to proportionately less time, as measured by the level of their small contributions compared to the corresponding levels for the major party candidates. There have been occasions when third party candidates for the Senate have, in fact, won. So third parties must be accommodated for both practical and constitutional reasons. My proposal would allow the FCC to use the level of small contributions as

a measure of third-party entitlement to television broadcast time.

Mr. President, I hope that my colleagues on both sides of the aisle will give this proposal serious consideration. The vote on the McConnell amendment has informed us that S. 3—in its present form—will not become law. The President has the votes to sustain his veto of legislation containing spending limits and taxpayer financing. Our responsibility to the American people requires us to try new approaches to resolve this impasse. Do we want a solution or do we want an issue? Do Democrats prefer to cast Republicans as reluctant reformers? Do Republicans prefer to characterize Democrats as creating food stamps for Senators? Does the Senate want reform? This is the third Congress in a row where we are going through the motions without hope of success. We need a new approach.

Unlike the McConnell amendment to strike spending limits and taxpayer financing, my amendment would put a reform in its place. Free television broadcast time for Senate candidates would limit spending on the most costly item in a campaign budget but without taxpayer financing. It would limit spending on campaigns without limiting the political participation of any individual in a campaign. It would accomplish the objective of taxpayer financing—eliminating dependence on tainted money—without imposing any burdens on taxpayers.

I recognize that after so many years of debate which has only served to harden positions, it is difficult to give fresh proposals fair condition. But I continue to hope that we might disenthrall ourselves from our former positions so that we might think anew, and act anew.

Mr. President, I ask unanimous consent that there be printed in RECORD an editorial from Roll Call.

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

[From Roll Call, May 20, 1991]

FREE TV TIME, NOW

The Senate is at last facing up to the question of how to pay for "public" financing of campaign costs. It's clear that getting the public itself to pick up the tab is not going to work politically—nor should it. Oklahoma Democratic Sen. David Boren's notion of finding the money by ending tax deductions for corporate lobbying activity is at least a crack at a solution, but it's manifestly unfair. The federal government's activities currently affect, in a severe way, the profit and loss statements of every US corporation. It seems to us that spending money to try to affect government decisions constitutes a perfectly legitimate (and, therefore, deductible) business expense in such an environment. When the government stops making decisions that drastically affect business, then lobbying expenses can be made non-deductible.

We've said before that the way to make Hill races more competitive is to provide candidates with a threshhold level of funding (perhaps $100,000 to $200,000 in House races) by giving them free time to broadcast TV and radio spots. And who will foot the bill for that "free" time? The broadcasters themselves. Sen. William Roth (R-Del) has an interesting wrinkle on this idea—give candidates free time but don't allow them to buy any more. As he said on the Senate floor Tuesday, "By cutting the largest cost of a campaign for a candidate in return for a commitment not to purchase or accept additional television time, my proposal includes within it a limit on spending regarding the single most significant budget item in any campaign I believe that my proposal might serve as a possible compromise between the parties, should they so desire." Here is a spending limit that Republicans may be able to live with.

The Senate is currently debating S. 3, the Boren campaign reform bill. That bill, while it means well, contains some noxious provisions, such as prohibiting PAC donations. And its chances of becoming law are virtually nil; the President will not accept spending limits or public financing, and the Boren bill has both. But perhaps Roth has come up with the answer in his legislation, S. 1062. We urge the Senate to consider seriously self-limiting free TV time. And let the broadcasters, whose federal licenses are actually licenses of print money, do their patriotic duty.

Mr. BOREN. Mr. President, how much time remains to each side on this amendment?

The PRESIDING OFFICER. The Senator from Delaware has 5 minutes 50 seconds. The Senator from Oklahoma has 20 minutes.

Mr. BOREN. Mr. President, I thank the Chair. I yield myself 5 minutes.

Mr. President, I will not take much time tonight. The hour is late, and I will not prolong debate on this side. It is my intention to yield the remaining time on this side at the conclusion of my remarks.

First of all, I want to thank the Senator from Delaware for his contribution to this debate. The Senator from Delaware and I have had the privilege of working together over a long period of time and particularly it was a privilege for me to have the opportunity to work with him when he was a member of the Intelligence Committee. He has been one of our most diligent Members and he always contributes very serious and worthwhile thoughts to any debate in which he participates.

He has done so again tonight in terms of the discussion which we have just heard about the responsibility of broadcasters to provide time to allow for there to be a meaningful debate between the candidates on the issues of the day. I commend him for his contribution tonight.

I have to say in all candor, however, that I do think that there are some problems with this amendment which would cause us to be best advised not to add it to this bill at this time. I will, as we move forward in the process, if this amendment is not adopted, continue to work with the Senator from Delaware to see if there are ways in which we can incorporate some of the ideas which he has expressed tonight into the final legislation.

I think there are certain problems with it. As Members will recognize, in our bill we do provide for a 50-percent discount for those candidates who accept voluntary spending limits. I think it is extremely important that as we deal with this question of campaign finance reform, that we get to the real problem. And the real problem is too much money coming into campaigns.

My fear is that unless we have some system of limits, even if we reduce the cost in one area, as we would be reducing the broadcast costs under the proposal of the Senator from Delaware, we will have additional kinds of spending that will mushroom in other areas. Direct mail costs and other kinds of costs will mushroom, and we will continue to have this upward spiral of campaign spending that will cause Members to go out, seek contributions from special interest groups, run around the country raising money instead of spending their time and attention working to solve the problems that the country faces.

So I believe it is always an incomplete proposal if it is one which does not include some system of overall spending limits so that we will simply not have the money and the money chase pop up in some new area of financing and some new area of expenditure, as opposed to where the money has gone in the past. Reluctantly, I must conclude that this amendment is imperfect because it does not strike at the very heart of the matter that we are debating; that is, to get this runaway spending under control so we can get the runaway fundraising under control, that fundraising which really casts a cloud over this institution because it always raises a question in the mind of the public as to whether or not we owe special obligations to those who are financing our campaigns.

It becomes a more serious doubt about the integrity of this institution and the political process when some of those making contributions turn out to have characters and reputations which are not the best. It is impossible for every Member who receives a campaign contribution to run a background check. We are not the CIA; we are not the FBI. We do not have the capability of operating in that manner. So we always subject ourselves to those risks.

I also question whether or not it would be fair to put the entire burden on the broadcast industry. As I said, we call for a 50-percent discount, which would be a substantial contribution from the broadcast industry, to put an additional burden on this particular segment. I think it is fair to ask broadcasters to make a contribution to this process. They have a certain right to use the airwaves. To ask them to contribute to the process in a reasonable

way, to make a contribution, I think is fair.

The other ways in which broadcasters are already required to provide certain public services is in terms of license renewal. I think we still have to think about the fact that these institutions must operate to make a profit to stay in business. They are not nonprofit institutions and, therefore, I think we have to think about what is fair in terms of what we ask them to do.

Finally, if we are going to have a system of spending limits, we need to have incentives for candidates to accept those voluntary spending limits. And by providing free time to all candidates as opposed to just providing it to those candidates who accept voluntary spending limits, as we do in our bill by only allowing 50 percent broadcast time to those who accept the voluntary spending limits; but providing this is an incentive for the acceptance of limits, we lose, in effect, by not having this as an incentive. By providing it to all candidates, not just those who accept spending limits, we lose an important incentive which is an important building block toward a package of comprehensive reform.

So I must reluctantly oppose the amendment of the Senator from Delaware. While I feel compelled to take this position and because I honestly do not believe that it fits into the pattern of total reform as we need it in this country, at the same time I want to thank my colleague again for the contribution which he has made. As he has said, we must keep an open mind. We must be ready to look at new proposals and consider new ideas. And as always, whether it is economic policy or whether it is national security policy, the Senator from Delaware continues to make that kind of contribution. I thank him for it, and I want to assure him, whatever the outcome on this amendment, if my reasoning prevails, as I hope it will on the vote tomorrow that does not mean I will close my mind to many of the questions and many of the proposals and many of the ideas that he raised tonight, that we will continue to recall those as we go into a process, hopefully after passage of a bill by the House of Representatives, of working with the House and, indeed, working with the administration to see if we can fashion a final product that will become law. I want to assure the Senator from Delaware that the ideas we have heard from him tonight and on other occasions will certainly be given due consideration.

Mr. President, I am prepared to yield back the remainder of the time on this side on this particular amendment and do yield it back at this time.

The PRESIDING OFFICER. The Senator from Oklahoma has yielded back the remainder of his time. Does the Senator from Delaware seek recognition?

Mr. ROTH. Mr. President, I shall be very brief. I too want to pay my warm respects to the distinguished Senator from Oklahoma. As he said, it has been our good fortune to work together on many important matters, and I know how strongly he feels in this area of campaign reform.

Having said that, I hope he will carefully review this proposal, which I know is relatively new in concept, although I have to admit I once proposed it some 20 years ago.

I think it is important to answer just two or three points that the Senator did make.

First of all, I want to point out that my amendment does retain the discounted TV time for legally qualified candidates for use outside of the 45 day period, so we do not change that.

And of course the purpose of the spending limitation is to minimize, or eliminate, the dependence on so-called tainted money. By providing free time, of course, we take away one of the great demands for contributions. So we are trying to deal with it in an indirect manner.

What I would like to suggest to my distinguished colleague, I think it is safe to say that this legislation, if it continues to contain spending limitations and the dependence upon taxpayer money, it will not become law, so that I hope—as I say I think that is a fair conclusion, but in any event I hope my distinguished colleague will study my proposition so that as we continue along this road of reform this proposition would receive his support.

I should point out that the licensees who obtain the right to TV broadcasting stations obtain a very valuable right. It seems to me we are asking them to pay a very small price for that kind of a franchise; the obtaining of a franchise, indeed, makes one a wealthy person.

In any event, I appreciate the kind remarks of the Senator from Oklahoma. Tomorrow I do hope we can succeed in having this amendment adopted. At that time I intend to ask for the yeas and nays.

I yield back the remainder of my time.

The PRESIDING OFFICER. Under the previous order, the vote will be held over until tomorrow at 1:30.

Mr. BOREN. Mr. President, I believe we can now proceed to conclude some final business.

MORNING BUSINESS

Mr. BOREN. I ask unanimous consent there be a period for morning business with Senators permitted to speak therein.

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

VISITS OF PRESIDENT VASSILIOU OF CYPRUS AND OF GREEK PARLIAMENTARIANS UNDERSCORE NEED TO FIND JUST SOLUTION TO CYPRUS ISSUE

Mr. PELL. Mr. President, I would like to bring to the attention of my colleagues two important visits that are occurring this week in Washington: The visit of His Excellency George Vassiliou, President of the Republic of Cyprus, and the visit of the President of the Greek Parliament, Mr. Tsaldaris, and other Greek parliamentarians.

President Vassiliou will visit the United States to continue his tireless quest for a just peace on Cyprus. In the aftermath of the gulf war, the parallel between the aggression of Iraq against Kuwait and that of Turkey against Cyprus in 1974 must not be forgotten. A just solution to the Cyprus problem, in accord with the U.N. resolutions dating back to 1974, must be one of the primary objectives of the international efforts to resolve the problem of the region as a whole. I and many of my colleagues in the Senate have long sought to elevate Cyprus on the administration's agenda, and I am pleased that President Bush is scheduled to meet with President Vassiliou on May 30.

President Vassiliou will also travel to New York to meet with the U.N. Secretary-General regarding Cyprus. Mr. President, the prestige of the United Nations has been enhanced enormously by its strong and concerted course of action against Iraq. The same forcefulness, and the same United States leadership should be exhibited on the Cyprus question. Every permanent member of the U.N. Security Council—France, the United States, the Soviet Union, Great Britain, and China—has recently reaffirmed the need to find a solution to the Cyprus problem based on U.N. resolutions. The only solution to the Cyprus issue is a just solution, and I am committed to assuring that a just solution is pressed now.

Mr. Tsaldaris' trip comes on the heels of the renewal of our military base agreements with Greece. During the gulf war, Greece made significant contributions to the allied effort by allowing the use of its bases in Crete and by enabling Greek territory to be used for surveillance and refueling purposes. I believe that the delegation's visit serves as a reminder of our close ties with Greece—the very birthplace of democracy—and of the importance of maintaining our longstanding policy of a 10-to-7 ratio of military aid to Turkey and Greece.

TERRY ANDERSON

Mr. MOYNIHAN. Mr. President, I rise to inform my colleagues that today marks the 2,258th day that Terry An-

derson has been held captive in Lebanon.

ADDITIONAL FINANCIAL MATERIAL

Mr. LEAHY. Mr. President, my Senate public financial disclosure report is on file with the Secretary of the Senate's Office of Public Records. I am adding additional material relating to my net worth beyond what is required by the U.S. Senate.

Senate salary (Deferred compensation Thrift Savings Plan, $4,464.00)	$93,194
Additional income (Timber sales, speaking fees, interest, et cetera, as reported on Senate public financial disclosure report)	37,642
Total income	130,836
Taxes paid	43,951
Charitable contributions	3,905
Speaking fees designated to charity	2,000
Total charities	5,905
Equity in Vermont residence	107,349
Equity in Washington, DC residence	332,597
Value of personal property (cars, furniture, books, savings accounts, et cetera)	42,000

EXECUTIVE CALENDAR

Mr. BOREN. Mr. President, I ask unanimous consent that the Senate proceed to executive session to consider the nomination reported today by the Committee on Labor and Human Resources, and the two nominations reported today by the Committee on Agriculture, Nutrition, and Forestry. I further ask unanimous consent that the nominees be confirmed; that any statements appear in the RECORD as if read en bloc; that the motions to reconsider be laid on 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:

David T. Kearns, to be Deputy Secretary of Education;

Sheila C. Bair, to be a Commissioner of the Commodity Futures Trading Commission; and

Joseph B. Dial, to be a Commissioner of the Commodity Futures Trading Commission.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will return to legislative session.

NATIONAL LAND TRUST APPRECIATION DAY

Mr. BOREN. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Senate Resolution 133, submitted earlier today by Senator KERRY regarding land trust appreciation.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A resolution (S.Res. 133) to designate May 21, 1991 as National Land Trust Appreciation Day," and to recognize the 100th anniversary of the establishment of the trustees of reservations.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 133) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. RES. 133

Whereas the creation of the world's first land trust in 1891 served as a catalyst for the promotion and establishment of 743 land trusts in 45 States;

Whereas land trusts across the United States protect, preserve, and maintain an aggregate of nearly 2 million acres of land;

Whereas the primary purpose of a land trust is to own and manage exceptionally scenic, historic, or ecologically valued tracts of land for the use and enjoyment of the public;

Whereas a number of land trusts across the United States also maintain the scenic and natural features of privately owned land through the enforcement of conservation restrictions;

Whereas The Trustees of Reservations, founded in 1891 by the State of Massachusetts, became the world's first land trust and inaugurated the land trust movement nationwide;

Whereas the land trust movement initiated by The Trustees of Reservations actively promotes the preservation of the natural and historic landscape for future generations: Now, therefore, be it

Resolved, That May 21, 1991, is designated "National Land Trust Appreciation Day", and the 100th anniversary of The Trustees of Reservations is recognized.

Mr. BOREN. I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

SEVENTY-FIFTH ANNIVERSARY OF CHARTERING BY ACT OF CONGRESS OF THE BOY SCOUTS OF AMERICA

YEAR OF PUBLIC HEALTH

Mr. BOREN. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged en bloc from further consideration of Senate Joint Resolution 111 and Senate Joint Resolution 49; that the Senate then proceed to their immediate consideration en bloc; that the joint resolutions be deemed read a third time and passed; the motion to reconsider be laid upon the table; and that the preambles be agreed to.

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

The joint resolutions (S.J. Res. 111 and S.J. Res. 4a) were considered, deemed to be read a third time, and passed.

The preambles were agreed to.

The joint resolutions, with their preambles, are as follows:

S.J. RES. 111

Whereas June 15, 1991, will mark the seventy-fifth anniversary of the granting by Act of Congress of the Charter of the Boy Scouts of America;

Whereas the Boy Scouts of America was the first youth organization to be granted a charter by Act of Congress;

Whereas the Congress has been kept informed of the programs and activities of the Boy Scouts of America through the annual reports made to it each year by this organization in accordance with such charter;

Whereas these programs and activities have been designed to instill in the Nation's youth the moral and ethical principles, and the habits, practices and attitudes, which are conducive to good character, citizenship, and health; and

Whereas by fostering in the youth of the Nation those qualities upon which our strength as a Nation is dependent, the Boy Scouts of America has made a contribution of inestimable value to the welfare of the entire Nation: Therefore be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress hereby pays tribute to the Boy Scouts of America on the occasion of the seventy-fifth anniversary of the granting by Act of Congress of the Charter of the Boy Scouts of America, and expresses its recognition of and appreciation for the public service performed by this organization through its contributions to the lives of the Nation's youth.

S.J. RES. 49

Whereas global trends, including population growth, evolution of complex new viruses, environmental degradation, escalated substance abuse, and the enormous costs in dollars and quality of life caused by not preventing disease and its consequences, have greatly increased the need for public health solutions;

Whereas 40,000 children die throughout the world every day from diseases which are preventable by extended public health initiatives;

Whereas public health campaigns, which educate people to prevent diseases, promote health, and which extend resources and services to all segments of society, can provide the simplest, most cost-effective, and comprehensive solution to the Nation's health problems;

Whereas new technologies, shared international research, and modern communication abilities have maximized the potential for a national and global public health campaign;

Whereas the Johns Hopkins University School of Public Health was the first school of public health in the Nation and is the largest in the world integrating research, training and community service and serving

as the prototype for other institutions around the world; and

Whereas from April, 1991 through April, 1992 the Johns Hopkins University will be celebrating the founding of the School of Public Health and will be launching a major public awareness campaign: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the year 1991 is designated as the "Year of Public Health", and the 75th anniversary of Johns Hopkins University School of Public Health is recognized. The President is authorized and requested to issue a proclamation acknowledging the importance and contributions of the Johns Hopkins University School of Public Health.

DESERT STORM CELEBRATION

Mr. BOREN. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar Order No. 88, S. 929, regarding the use of certain public lands for a Desert Storm celebration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 929) to authorize the Secretary of the Interior and the Secretary of Agriculture to undertake interpretive and other programs on public lands and lands withdrawn from the public domain under their jurisdiction, and for other purposes.

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 929

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in appreciation of the sacrifices made by all members of the Armed Forces of the United States, and in recognition of their contributions to the efforts of the United Nation's sanctioned coalition forces to suppress tyranny and to engender peace among the nations of the world, and notwithstanding any provision of law, the Secretaries of the Interior and Agriculture shall, where appropriate, celebrate the victory and safe return of our servicemen and women from Operation Desert Storm through appropriate activities and programs on lands under their jurisdiction (including units of the National Park System and other congressionally designated areas) during the weekend beginning on June 7, 1991 and ending at midnight on June 9, 1991.

Mr. BOREN. I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

ORDER FOR STAR/PRINT—S. 880 AND S. 881

Mr. BOREN. Mr. President, I ask unanimous consent that S. 880 and S. 881 be star printed to reflect the changes I now send to the desk.

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

MEASURES INDEFINITELY POSTPONED

Mr. BOREN. Mr. President, I ask unanimous consent that Calendar Nos. 60 and 66 be indefinitely postponed.

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

MAKING CERTAIN APPOINTMENTS TO THE SELECT COMMITTEE ON ETHICS

Mr. BOREN. I ask unanimous consent that the Senate proceed to the immediate consideration of Senate Resolution 134 now at the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A resolution (S. Res. 134) to make a majority party appointment to the Select Committee on Ethics.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 134) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. RES. 134

Resolved, That the Senator from New Mexico (Mr. BINGAMAN) be appointed to serve as a member of the Select Committee on Ethics vice the Senator from Arkansas (Mr. PRYOR).

Mr. BOREN. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

ORDER OF PROCEDURE

Mr. BOREN. Mr. President, I now ask unanimous consent that my distinguished colleague, Senator GORTON, be recognized to address the Senate, and that at the conclusion of his remarks, the Senate stand in recess as under the order until 9 a.m., Thursday, May 23.

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

DEMOCRATIC CIVIL RIGHTS PROPOSAL

Mr. GORTON. Mr. President, on the front page of Monday's New York Times blazed the headline, "Democrats Intend To Outlaw Quotas in Civil Rights Bill." I, for one, am delighted with that turn of events. All along, I have been highly critical of any legislation that would result in quotas, or put conscious consideration of race back into Federal law.

But how will the Democrats reach that goal? Apparently not by changing the legal substance of their bill, but rather by merely including a provision that says quotas are illegal. Voila. The problem is solved.

That reminds me of the Chinese expression, "Changing bottles without changing medicine." (Huan Tang, Bu Huan Yao). It describes changes in form but not substance; inconsequential changes.

Mr. President, we have seen it all before. The majority party played the same game last year with a spectacular lack of success. Instead of changing the substance of the legislation, they merely tried a band-aid approach by including a statement that the legislation did not require hiring or promotion quotas.

One strategist interviewed by the New York Times stated that by including a provision outlawing quotas, Democrats could maintain that they voted to prohibit quotas, and Republicans could be attacked as voting for quotas. Nonsense.

Mr. President, I give the American public far more credit than that. They were not fooled then and they will not be fooled now. Mere cosmetic changes will accomplish nothing. Try as they may, the Democrats cannot fool the American public by simply calling a donkey a horse.

With 12 years as the Attorney General of Washington behind me, I have carefully examined the Democratic proposals and the Supreme Court cases they have sought to modify. If any of those proposals become law, the only way a prudent employer will be able to avoid endless and successful litigation aimed at its living practices will be to hire and promote strictly according to the numbers, that is, to adopt quotas.

The Democratic proposals will require employers to hire so that their workforces reflect the ethnic makeup of the community in which the business is located. Anyone can say—indeed the language of the bill can provide—"This is not a quota bill." But the true test is the substance of the bill.

If you allow or encourage disgruntled potential employees to sue businesses when the workforce does not reflect the ethnic mix of the community, employers will make hiring decisions based upon race or gender. Their workforces will have to have so many of type A and so many of type B, or they will be sued and lose. Apologists can call this system anything they like, but Americans of all races understand that such a system means quotas.

It is my vision of civil rights—and that of most Amercians—that Congress should take racial considerations out of the law, not put them back in. The Congress that can write laws to discriminate in favor of one race today also can write laws to discriminate in

favor of another tomorrow. One fundamental concept—the concept that the law should be colorblind and that all Americans should be judged based upon their talents and not upon their skin color—is what drove Americans of all colors to support the civil rights movement in the 1960's. At that time, civil rights advocates tried to take racial considerations out of the law, but today their argument is precisely to the contrary.

Today most Americans oppose the so-called civil rights legislation of the Democrats because it seeks to put racial considerations back into the law. Most Americans, including this Senator, believe that is wrong. It is fundamentally un-American to base hiring decisions on factors beyond ability.

For this reason, I support strong penalties for any business which intentionally discriminates against any individual based on race. If blacks, Asians, Hispanics, or women are denied jobs and economic opportunities because of their race or sex, that is wrong and the offending business should be sanctioned. That behavior also is un-American and the law cannot be allowed to tolerate discrimination based on race.

Moreover, Mr. President, the Democrats' latest proposal presents businesses with a classic Hobson's choice: If hiring does not approximate the labor pool at large, they will be sued and lose. If, on the other hand, hiring too closely approximates the labor pool at large, they also will be sued and lose. In short, they are damned if they do and they are damned if they do not.

Political cover for Democrats will come at the expense of honest employment judgments. Their proposal is a denial of civil rights, not their affirmation.

The Democrats seek to solve their political problem by calling a donkey a horse. It is still a donkey.

AMERICA 2000 EXCELLENCE IN EDUCATION ACT—MESSAGE FROM THE PRESIDENT—PM-50

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 Labor and Human Resources:

To the Congress of the United States:

I am pleased to transmit today for your immediate consideration and enactment the "AMERICA 2000 Excellence in Education Act," a bill to help America attain the National Education Goals by the year 2000. I believe that a bold and comprehensive effort, involving all sectors of our society, is needed if we are to implement real educational reforms and reach the National Education Goals by the year 2000. The "AMERICA 2000 Excellence in Education Act" would authorize specific legislative initiatives designed to support such an effort.

Eight years ago, the National Commission on Excellence in Education reported to the Nation that our schools were failing. Since that time, States and localities have enacted a number of school reforms, but these actions have been too slow and too timid. The strategy that I announced on April 18 responds to our need for bold action. It would bring together elected officials, business people, educators, parents, social service providers, civic and religious groups, and, to the greatest extent possible, every American in every community in a crusade to transform our educational system.

AMERICA 2000 is more than just a Federal effort; it is truly a national strategy. Only through a national effort, in which all sectors of society join, will we be able to attain our goals. Further, AMERICA 2000 is not just a program or a set of programs; rather, it is a national crusade. The legislative proposals included in this bill are just components, albeit very important components of a strategy most of which would take place outside the Federal Government.

The "AMERICA 2000 Excellence in Education Act" includes the following specific legislative initiatives aimed at fulfilling the principles described below:

—The *New American Schools* program would provide seed money for the start-up of "break-the-mold" schools. These schools would: (1) employ the best that is known about teaching and learning; (2) make use, as appropriate, of the latest technologies; and (3) be tailored to meet the needs and characteristics of individual communities. At least one school would be established in each U.S. Congressional District in communities designated as "AMERICA 2000 Communities."

—The *Merit Schools* program would reward schools that make notable progess toward achievement of the National Education Goals, particularly the goal of ensuring that all students leave grades four, eight, and twelve having demonstrated competence in the core academic subjects. At least 20 percent of each State's funding would be used for awards to schools that have made outstanding progress in mathematics and science education. This program would provide a powerful incentive for all schools to improve their educational performance.

—Attainment of the National Education Goals will depend heavily on the preparation and performance of teachers, principals, and other school leaders. Therefore, three initiatives focus on providing seed money for the training of teachers and school leaders and for the development of alternative teacher and principal certification programs in the States.

—*Governors' Academies for Teachers* would be established in each State. These academies would provide experienced teachers with opportunities for renewal and enhancement of their knowledge and teaching skills in the core academic disciplines of English, mathematics, science, history, and geography. Separate funding would be used by the academies to reward and recognize outstanding teachers of the core subjects.

—*Governors' Academies for School Leaders* would operate in each State to provide current and prospective principals and other school leaders with training in instructional leadership, school-based management, school reform strategies, and other skills necessary for effective educational administration.

—The *Alternative Certification of Teachers and Principals* program would assist States interested in broadening the pool of talent from which to recruit teachers and principals. Funds would assist States to develop and implement, or expand and improve, flexible certification systems. Through these alternative certification systems, talented professionals, and others who have demonstrated subject matter competence or leadership in fields outside of education could become teachers or principals.

—The *Educational Reform through Flexibility and Accountability* part of the legislation would authorize projects that would improve student outcomes through increased flexibility in using Federal, State, and local categorical funds and services to achieve specific goals.

—The bill would also improve the *Chapter 2* State grant program by requiring that more funds be reserved at the State level, where more significant educational reform activities can be implemented. The bill would also authorize the use of those funds to support enhancement of parental choice.

—Educational choice is one of the most important tools that communities can embrace in their pursuit of educational improvement. Three components of the "AMERICA 2000 Excellence in Education Act" address the need for encouraging and testing different methods for enhancing educational choice.

—The bill would amend the *Chapter 1* Compensatory Education program to support decisions by parents making educational choices for their children. As amended, the statute would provide that Chapter 1 services follow the child partici-

pating in Chapter 1 to the public or private school that the child chooses to attend. The child's local school system would arrange for Chapter 1 services to "follow the child" or, if the school system decides that approach is not feasible or efficient, it would provide the child's parents with a cash grant that would enable them to purchase compensatory education services for their children.

—The *Assistance for Parental Choice* initiative would provide payments to local educational agencies that have implemented programs in which parents are premitted, and given sufficient financial incentives, to select among a variety of public and private educational programs.

—*Educational Choice Programs of National Significance* would make grants to demonstrate and evaluate approaches that show potential for expanding educational choice.

—To assist in measuring progress toward the National Education Goals, the bill would make important changes to the authority for the *National Assessment of Educational Progress*. The bill would authorize the collection of State-representative data on English, mathematics, science, history, and geography in grades four, eight, and twelve beginning in 1994. The legislation would also permit the use of National Assessment tests at district and school levels by States that wish to do so.

—Because Americans need to know how much time their children should spend learning and how that time should be used, the bill would authorize creation of a *National Commission on Time, Study, Learning, and Teaching*.

—In support of the National Education Goal that every adult American be literate by the year 2000, the bill would authorize establishment of *Regional Literacy Resource Centers*. These centers would provide technical assistance to, and enhance coordination among, State and local providers of literacy services.

I urge the Congress to take prompt and favorable action on this legislation. Taken together, these initiatives, coupled with the rest of the AMERICA 2000 strategy, would spur the actions that are necessary for this country to attain the National Education Goals by the year 2000.

GEORGE BUSH.

THE WHITE HOUSE, *May 22, 1991*.

PRESIDENTIAL APPROVALS

A message from the President of the United States announced that he has approved and signed the following bills and joint resolutions:

On March 1, 1991:

S.J. Res. 76. Joint resolution commending the Peace Corps and the current and former Peace Corps volunteers on the thirtieth anniversary of the establishment of the Peace Corps.

On March 5, 1991:

S.J. Res. 51. Joint resolution to designate the week beginning March 4, 1991, as "Federal Employees Recognition Week".

On March 8, 1991:

S.J. Res. 55. Joint resolution commemorating two hundredth anniversary of the United States-Portuguese diplomatic relations.

On March 11, 1991:

S.J. Res. 58. Joint resolution to designate March 4, 1991, as "Vermont Bicentennial Day".

On March 12, 1991:

S. 379. An act to make certain technical amendments to the National and Community Service Act, and for other purposes.

S.J. Res. 84. Joint resolution disapproving the action of the District of Columbia Council in approving the Schedule of Heights Amendment Act of 1990.

On March 23, 1991:

S. 419. An act to amend the Federal Home Loan Bank Act to enable the Resolution Trust Corporation to meet its obligations to depositors and others by the least expensive means.

On March 25, 1991:

S.J. Res. 59. Joint resolution designating March 25, 1991, as "Greek Independence Day: A National Day of Celebration of Greek and American Democracy".

On March 28, 1991:

S.J. Res. 53. Joint resolution to designate April 9, 1991 and April 9, 1992, as "National Former Prisoner of War Recognition Day".

S.J. Res. 83. Joint resolution entitled "National Day of Prayer and Thanksgiving".

On April 6, 1991:

S. 725. An act entitled the "Persian Gulf Conflict Supplemental Authorization and Personnel Benefits Act of 1991".

On April 23, 1991:

S. 534. An act to authorize the President to award a gold medal on behalf of the Congress to General H. Norman Schwarzkopf, and to provide for the production of bronze duplicates of such medal for sale to the public.

S. 565. An act to authorize the President to award a gold medal on behalf of the Congress to General Colin L. Powell, and to provide for the production of bronze duplicates of such medal for sale to the public.

S.J. Res. 119. Joint resolution to designate April 22, 1991, as "Earth Day" to promote the preservation of the global environment.

On April 24, 1991:

S.J. Res. 16. Joint resolution designating the Week of April 21–27, 1991, as "National Crime Victims' Rights Week".

On April 26, 1991:

S.J. Res. 64. Joint resolution to authorize the President to proclaim the last Friday of April 1991, as "National Arbor Day".

On May 3, 1991:

S.J. Res. 98. Joint resolution to express appreciation for the benefit brought to the Nation by Amtrak during its twenty years of existence.

S.J. Res. 102. Joint resolution designating the second week in May 1991 as "National Tourism Week".

On May 17, 1991:

S. 258. An act to correct an error in the Solar, Wind, Waste, and Geothermal Power Production Incentives Act of 1990.

On May 21, 1991:

S.J. Res. 134. Joint resolution designating May 22, 1991, as "National Desert Storm Reservists Day".

On May 22, 1991:

S.J. Res. 127. Joint resolution to designate the month of May 1991, as "National Huntington's Disease Awareness Month".

MESSAGES FROM THE HOUSE

At 6:30 p.m., a message from the House of Representatives, delivered by Mr. Hays, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the concurrent resolution (H. Con. Res. 121) revising the congressional budget for the U.S. Government for the fiscal year 1991 and setting forth the congressional budget for the U.S. Government for the fiscal years 1992, 1993, 1994, 1995, and 1996.

At 6:41 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 2251) making dire emergency supplemental appropriations from contributions of foreign governments and/or interest for humanitarian assistance to refugees and displaced persons in and around Iraq as a result of the recent invasion of Kuwait and for peacekeeping activities, and for other urgent needs for the fiscal year ending September 30, 1991, and for other purposes; it recedes from its disagreement to the amendment of the Senate numbered 3 to the bill, and agrees thereto; and it recedes from its disagreement to the amendments of the Senate numbered 2 and 7 to the bill, and agrees thereto, each with an amendment, in which it requests the concurrence of the Senate.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HOLLINGS, from the Committee on Commerce, Science, and Transportation:

Special Report entitled "Report on the Activities of the Committee on Commerce, Science, and Transportation" (Report. No. 102–61).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. KENNEDY, from the Committee on Labor and Human Resources:

Linda Allison, of Texas, to be a Member of the National Council on Disability for a term expiring September 17, 1993;

John A. Gannon, of Ohio, to be a member of the National Council on Disability for a term expiring September 17, 1992;

Robert W. Naylor, of California, to be a member of the Board of Trustees of the James Madison Memorial Fellowship Foundation for a term of four years;

Kay W. Riddle, of Colorado, to be a Member of the National Commission on Libraries and Information Science for a term expiring July 19, 1995; and

David T. Kearns, of Connecticut, to be Deputy Secretary of Education.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

Mr. KENNEDY. Mr. President, for the Committee on Labor and Human Resources, I also report favorably nomination lists in the Public Health Service which were printed in full in the CONGRESSIONAL RECORD of April 11, 1991, and ask, to save the cost of reprinting on the Executive Calendar, that these nominations lie at the Secretary's desk for the information of Senators.

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

By Mr. LEAHY, from the Committee on Agriculture, Nutrition, and Forestry:

Shiela C. Bair, of Kansas, to be a Commissioner of the Commodity Futures Trading Commission for the term expiring April 13, 1994; and

Joseph B. Dial, of Texas, to be a Commissioner of the Commodity Futures Trading Commission for the term expiring June 19, 1996.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

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. SPECTER:

S. 1122. A bill to amend the Internal Revenue Code of 1986 to provide incentives for the purchase of long-term care insurance, and for other purposes; to the Committee on Finance.

By Mr. HATCH (for himself and Mr. DANFORTH) (by request):

S. 1123. A bill to improve the health care delivery system and ensure access to affordable quality health care through reduced liability costs and improved quality of care, and for other purposes; to the Committee on Finance.

By Mr. LIEBERMAN:

S. 1124. A bill to authorize the relief of indebtedness owned by foreign countries to the United States in consideration for commitments to undertake certain approved environmental improvement projects or activities; to the Committee on Foreign Relations.

By Mr. PACKWOOD (for himself, Mr. PRYOR, Mr. GRAHAM, Mr. BAUCUS, Mr. BUMPERS, Mr. DASCHLE, Mr. COHEN, Mr. MCCAIN, Mr. BOREN, Mr. BREAUX, Mr. BURDICK, Mr. INOUYE, Mr. LEVIN, Mr. SHELBY, Mr. HATFIELD, Mr. GORTON, Mr. SIMON, Mr. JOHNSTON, Mr. BURNS, Mr. CONRAD, Mr. REID, Mr. ROBB, and Mrs. KASSEBAUM):

S. 1125. A bill to provide incentives to health care providers serving rural areas, to provide grants to county health departments providing preventative health services within rural areas, to establish State health service corps demonstration projects, and for other purposes; to the Committee on Finance.

By Mr. BINGAMAN:

S. 1126. A bill to amend title XVIII of the Social Security Act to provide for coverage of payment for home health services where an individual is absent from the home at an adult day center; to the Committee on Finance.

By Mr. BRYAN:

S. 1127. A bill to direct the heads of the departments and agencies of Federal Government to make available to the public information relating to members of the Armed Forces of the United States who are officially considered to be prisoners of war, missing in action (body not returned) by reason of certain wars of the United States; to the Committee on Armed Services.

By Mr. GLENN:

S. 1128. A bill to impose sanctions against foreign persons and United States persons that assist foreign countries in acquiring a nuclear explosive device or unsafeguarded special nuclear material, and for other purposes; to the Committee on Foreign Relations.

By Mr. MACK (for himself and Mr. SHELBY):

S. 1129. A bill to reduce unnecessarily burdensome financial institution paperwork and reporting requirements, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. KASTEN (for himself, Mr. SHELBY and Mr. BURNS):

S. 1130. A bill to amend the Internal Revenue Code of 1986 to provide for rollover of gain from sale of farm assets into an individual retirement account; to the Committee on Finance.

By Ms. MIKULSKI:

S. 1131. A bill to establish certain programs at the National Science Foundation to enhance the Nation's literacy and skill base in science and technology; to the Committee on Labor and Human Resources.

By Mr. INOUYE:

S. 1132. A bill to amend the Communications Act of 1934 to reauthorize appropriations for the Federal Communications Commission, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. KENNEDY (for himself, Mr. PELL, Ms. MIKULSKI, Mr. ADAMS, AND Mr. ROBB):

S. 1133. A bill to establish a demonstration grant program to provide coordinated and comprehensive education, training, health and social services to at-risk children and youth and their families, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. KENNEDY (for himself, Mr. SIMON AND Ms. MIKULSKI):

S. 1134. A bill to provide disadvantaged students with early intervention programs and scholarships to encourage such students to finish high school and to obtain a college education, and to upgrade the course of study undertaken by our Nation's secondary school students; to the Committee on Labor and Human Resources.

By Mr. KENNEDY (for himself, Mr. METZENBAUM, Mr. DODD, Ms. MIKULSKI, Mr. HATFIELD, Mr. KERRY, Mr. AKAKA, Mr. WIRTH, Mr. KOHL, and Mr. INOUYE):

S. 1135. A bill to provide financial assistance to eligible local educational agencies to improve urban and rural education, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. KENNEDY:

S. 1136. A bill to provide to States and local educational agencies to enable such agencies to develop programs that provide opportunities to parents, particularly parents of educationally deprived children, to select the public schools attended by their children, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. KENNEDY (for himself, Mr. ADAMS, Mr. SIMON, Ms. MIKULSKI, and Mr. HARKIN):

S. 1137. A bill to amend title IV of the Higher Education Act of 1965 to simplify the needs analysis; to the Committee on Labor and Human Resources.

By Mr. JOHNSTON (for himself and Mr. WALLOP):

S. 1138. A bill to amend the Nuclear Waste Policy Act of 1982 to direct the Secretary of Energy to carry out site characterization activities at the Yucca Mountain site in Nevada and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. NUNN (for himself, Mr. BUMPERS, Mr. ROTH, Mr. KASTEN, Mr. RUDMAN, Mr. DIXON, Mr. BOND, Mr. BAUCUS, and Mr. WALLOP):

S. 1139. A bill to further the goals of the Paperwork Reduction Act to have Federal agencies become more responsible and publicly accountable for reducing the burden of Federal paperwork on the public, and for other purposes; to the Committee on Governmental Affairs.

By Mr. WOFFORD:

S. 1140. A bill to amend title IV of the Higher Education Act of 1965 to simplify the needs analysis; to the Committee on Labor and Human Resources.

By Mr. ADAMS:

S.J. Res. 149. Joint resolution to designate May, 1991, as "Older Americans Month"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

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

By Mr. KENNEDY (for himself, Mr. SIMPSON, and Mr. DECONCINI):

S. Res. 132. Resolution commending the humanitarian relief efforts for Iraqi refugees; to the Committee on Foreign Relations.

By Mr. KERRY:

S. Res. 133. Resolution to designate May 21, 1991, as "National Land Trust Appreciation Day," and to recognize the 100th anniversary of the establishment of the Trustees of Reservations; considered and agreed to.

By Mr. MITCHELL:

S. Res. 134. Resolution to make a majority party appointment to the Select Committee on Ethics; considered and agreed to.

By Mr. GRAMM (for himself and Mr. BENTSEN):

S. Con. Res. 42. Concurrent resolution expressing the sense of the Congress that the Southwest Stars and Stripes Salute, scheduled to be held from July 19 through July 21, 1991, be recognized as a national event; to the Committee on the Judiciary.

By Mr. DODD (for himself, Mrs. KASSEBAUM, Mr. GORE, Mr. MCCAIN, Mr. LIEBERMAN, Mr. SIMON, Mr. PELL, Mr. LUGAR, Mr. CRANSTON, Mr. SARBANES, Mr. GLENN, Mr. JEFFORDS, Mr. DIXON, and Mr. RIEGLE):

S. Con. Res. 43. Concurrent resolution concerning the emancipation of the Baha'i community of Iran; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. SPECTER:

S. 1122. A bill to amend the Internal Revenue Code of 1986 to provide incentives for the purchase of long-term care insurance, and for other purposes; to the Committee on Finance.

LONG-TERM CARE INCENTIVES ACT

Mr. SPECTER. Mr. President, today I am introducing legislation along with my colleague in the House of Representatives, Congressman DON RITTER, to provide assistance to families in financing their long-term care needs.

At present, the use of long-term care services in our Nation continues to escalate as a rapidly aging population faces the need for long-term care. Long-term care includes a wide array of medical, social, supportive, and specialized services provided by residential, community, or home-based health care providers. These services are a fundamental need for individuals of all ages, especially the elderly, who have lost some capacity for self-care because of a chronic illness or condition.

According to the March 2, 1990, Pepper Commission report to Congress, 1.5 million elderly persons currently reside in nursing homes. Furthermore, the Congressional Research Service [CRS] states that for every elderly person in a nursing home, there are at least twice as many persons requiring various kinds of care and assistance. These estimates show that if the rate of nursing home use remains the same, about 3.8 million elderly will reside in nursing homes by 2030. The disabled elderly population living in the community might include up to 10.1 million persons by 2020 and 14.4 million persons by 2040. Last year in my own State of Pennsylvania there were an estimated 257,874 individuals over age 60 in need of home and community services and an additional 78,344 in nursing homes.

The time is long overdue to address the catastrophic costs to both the public and private sector for long-term care services. According to the Department of Health and Human Services Task Force on long-term health care policies report to Congress, "few people can finance an extended nursing home stay or other long-term care services entirely out of their (personal) assets and incomes." Paying for long-term care services impoverishes many elderly persons and their families. This legislation provides assistance to moderate income families so they can afford to privately finance their long-term care needs through purchasing long-term care insurance, and, in turn, preserves the Government's ability to help those most in need.

The legislation is designed to maintain present Medicaid coverage of long-term care services for those most in need and expands coverage for extraordinary cost protection. Specifically, any individual who has been confined to a nursing home for 30 months, excluding the wealthiest Americans, will become eligible for Medicaid. CRS estimates that 75 percent of persons entering nursing homes stay less than 1 year, and 83 percent stay less than 2 years. However, the 17 percent of nursing home stays which exceed 2 years represent an exorbitant expense resulting in impoverishment for these individuals and their families. By expanding Medicaid coverage to include extraordinary cost protection, such individuals will not first be required to deplete all of their income and assets, as required under the current Medicaid program before receiving assistance.

This legislation also sets standards that require long-term care insurance and State Medicaid Programs to provide home and community care benefits as alternatives to nursing home care. This measure will eliminate the current bias that favors institutional care over home- and community-based services.

Further, the legislation enables individuals to privately finance their long-term care needs by providing tax credits for the purchase of long-term care insurance and tax deductions for amounts paid for long-term care of family members, including parents or grandparents. Long-term health care insurance is an innovation with enormous potential for protecting average Americans. This legislation will enable individuals to take advantage of financing their families long-term health care needs.

The Department of Health and Human Services Task Force on long-term health care policies "strongly recommends that both public and private sectors take steps immediately to encourage expansion of private financing for long-term care services through long-term care insurance." The number of companies selling individual long-term coverage has quadrupled to about 100 in the past 4 years. There now are an estimated half million long-term care policies in force, of which about 18,000 are employer-sponsored. This legislation also includes incentives to save for long-term care by excluding life insurance benefits and IRA savings used to pay for long-term care from income tax.

Meeting the long-term health needs of our disabled and aging population is an essential health care issue which we cannot ignore. This legislation establishes a plan to deal with the Nation's long-term financing inadequacies. I urge my colleagues to join me in supporting the American citizens' ability to plan for their long-term care financing needs and preserve the Government's ability to help those most in need.

By Mr. HATCH (for himself and Mr. DANFORTH) (by request):

S. 1123. A bill to improve the health care delivery system and ensure access to affordable quality health care through reduced liability costs and improved quality of care, and for other purposes; to the Committee on Finance.

HEALTH CARE LIABILITY REFORM AND QUALITY OF CARE IMPROVEMENT ACT

Mr. HATCH. Mr. President, I rise today to introduce legislation at the request of President Bush that addresses one of the major problems with our health care system—medical liability. Medical liability reform is an important step in improving access to reasonably priced health care for all Americans. By becoming involved early in this Congress, the President is recognizing the importance of this issue. His leadership will be critical to expanding the dialogue and passing this legislation.

Our current medical liability system rewards a few individuals and their attorneys with settlements while denying remedy to the majority of injured patients. A recent study suggests that fewer than 15 percent of patients injured in hospitals achieve access to the tort system. Even with successful access to the tort system, years of costly adversarial proceedings can be expected. And even when negligence is found, an injured patient may receive as little as 40 percent of every dollar awarded. The rest of the money is consumed by the system.

Over 30 million Americans have limited or no access to our health care system. Their access may be limited by geography, by lack of insurance, by the withdrawal of medical specialists from high risk services, or by high costs. Women today do not have to worry merely about finding affordable pregnancy related care; they have to worry about finding care at all. This is true in Utah where more than half of the general and family practitioners have stopped providing pregnancy-related care. The fear of being sued is driving practitioners out of high risk specialties, especially in the rural areas of our country. The reform of our current medical liability system is one simple step toward greater access to our health care system, and fairer and more efficient compensation for the truly injured.

The high cost of medical malpractice insurance and the fear of litigation has created a new specialty within the health professions—defensive medicine. Billions of dollars of unnecessary

health care costs are the result of physicians ordering excessive tests, follow-up visits, and consultations to protect themselves from the threat of being sued.

There are three basic ways we can encourage the States to undertake medical liability reform. We can offer incentives to encourage them to initiate their own reforms. We can preempt State law. And we can impose penalties. The President's bill chooses to impose penalties by withholding medicare and medicaid funds from States who fail to reform tort law. My own approach in S. 489, which I introduced earlier this year, directly preempts State tort law and provides incentive grants to help all of the States develop alternative dispute resolution systems.

I look forward to working with the President to reform our laws so that no honest health care professional continues to practice defensively. I want to eliminate the growing adversarial relationship between patients and their health care providers, while ensuring that those Americans who are injured get help quickly. We must maintain access to quality health care for many Americans, especially those in rural America, who are affected by the flight of health care professionals leaving their practices.

I hope my colleagues will join me in supporting this important legislation. Mr. President, I ask unanimous consent that a copy of the bill be printed in the RECORD.

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

S. 1123

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

SHORT TITLE

This Act may be cited as the "Health Care Liability Reform and Quality of Care Improvement Act of 1991".

TITLE I—FINDINGS AND PURPOSE

SECTION 101. FINDINGS.—The Congress finds that:

(a) The Federal Government is a direct provider of health care to many Americans; a source of payment for the health care of a much larger number of Americans through Medicare, Medicaid and other programs; and a promoter of quality assurance efforts. As a result, the Federal Government has a major interest in health care issues, including the availability, cost, and quality of health care.

(b) The rising costs of malpractice insurance, litigation, and liability are contributing significantly to increases in the cost of health care. These and other health care liability problems have adversely affected health care consumers and created tensions among the medical and legal professions, the insurance industry and consumers.

(c) The fear of medical malpractice liability has caused some health care providers to practice unnecessary defensive medicine, adding to health care costs.

(d) This fear of liability and the increased costs adversely impact the ability of health care professionals to continue to practice in high risk specialty areas and certain geographic areas of the country.

(e) Improving the effectiveness of activities to reduce the incidence of health care injuries would reduce the incidence of medical malpractice as well as medical liability.

(f) Improving the effectiveness of the civil judicial system would not only deter frivolous actions which increase health care costs but would result in fair and expeditious compensation for meritorious claims of health care malpractice.

(g) The Federal Government is designing a pilot project, using the Federal Employees Health Benefits Program, to promote alternative dispute resolution procedures on a voluntary basis.

SEC. 102. PURPOSE.—It is the purpose of this Act to:

(a) Provide incentives to States to enact health care liability tort reforms and establish alternative dispute resolution mechanisms to achieve efficient, cost effective and expeditious disposition of health care disputes;

(b) Provide incentives to States to adopt quality assurance reforms to reduce the incidence of malpractice; and

(c) Incorporate these reforms on the Federal level through amendments to the Federal Tort Claims Act.

TITLE II—HEALTH CARE LIABILITY REFORMS

SEC. 201. DEFINITIONS.—For purposes of Titles II and IV:

(a) The term "economic damages" means losses for health care facility and medical expenses, lost wages and income, lost employment, burial expenses, and other pecuniary losses incurred by an individual as a result of negligence in the provision of health care services as recognized by State law;

(b) The term "non-economic damages" means losses for physical and emotional pain, suffering, physical impairment, emotional distress, mental anguish, disfigurement, loss of enjoyment, and loss of companionship, services, consortium and other non-pecuniary losses incurred by an individual as a result of negligence in the provision of health care services as recognized by State law;

(c) The term "health care provider" means any individual and any organization or institution that is engaged in the delivery of health care services, and is required by State or Federal law or regulation to be licensed or certified to engage in the delivery of such health care services;

(d) The term "health care liability action" means a civil action or proceeding in any judicial tribunal brought pursuant to State law against a health care provider, alleging that injury was suffered by the plaintiff as the result of any act or omission by a health care provider without regard to the theory of liability asserted in the action. This term excludes civil penalty actions by any State or State agency or officer or by the United States or by any Federal agency or officer;

(e) The term "injury" means an injury, illness, disease or other harm suffered by an individual as a result of the provision of health care services by a health care provider;

(f) The term "State" means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands, American Samoa, the Northern Mariana Islands, the Trust Territories of the Pacific Islands, and any other territory or possession of the United States;

(g) The term "Secretary" means the Secretary of Health and Human Services; and

(h) The term "person" means any individual, corporation, company, association, firm, partnership, society, joint stock company, or any other entity, including any governmental entity.

SEC. 202. IN GENERAL.—To be eligible to participate in the incentive program provided for in Section 209, the States shall enact, adopt, or otherwise have in effect no later than three years from the date of enactment of this Act the health care liability reforms set forth in Sections 203 through 208.

SEC. 203. JOINT AND SEVERAL LIABILITY.—

(a) In any health care liability action, the liability of each defendant for non-economic damages shall be several only and shall not be joint. Each defendant shall be liable only for the amount of non-economic damages allocated to that defendant in direct proportion to that defendant's percentage of fault, and a separate judgment shall be rendered against that defendant for that amount.

(b) Subsection (a) shall not apply with respect to those persons in joint conduct in a common scheme by two or more persons who consciously and deliberately agreed to jointly participate in such conduct with actual knowledge of the wrongfulness of the conduct resulting in a tortious act and where such acts proximately caused the injury complained of by the plaintiff and for which one or more of such persons is found liable for damages.

SEC. 204. LIMITATION ON NON-ECONOMIC DAMAGES.—(a) Non-economic damages may not be awarded in an amount in excess of $250,000 in any health care liability action. The Secretary, for good cause, may waive the requirement of this Section in determining a State's compliance with this Act pursuant to Section 209.

(b) For purposes of this Section, in addition to the parties within the purview of Section 201(d), "any health care liability action" includes all actions (including multiple actions) for damages, and includes all plaintiffs and all defendants in such actions, which arises out of or were caused by the same personal injury or death, whether or not each defendant is a health care provider.

(c) COST-OF-LIVING.—The amount described in subsection (a) shall be adjusted every three years to reflect changes in the cost-of-living index utilized by the Secretary in determination of adjustment in Old Age, Survivors, and Disability Insurance benefits. The first such adjustment shall be made three years after the date of the enactment of this Act.

SEC. 205. COLLATERAL SOURCE BENEFITS.—(a) Except as provided in subsection (c), the total amount of damages received by a plaintiff shall be reduced, in accordance with subsection (b), by any other payment which has been made or which will be made to such plaintiff to compensate such plaintiff for an injury, including payments under—

(1) Federal or State disability or sickness programs;

(2) Federal, State, or private health insurance programs;

(3) private disability insurance programs;

(4) employer wage continuation programs; and

(5) any other source of payment intended to compensate such plaintiff for such injury.

(b) The amount by which an award of damages to a plaintiff for an injury shall be reduced under subsection (a) shall be—

(1) the total amount of any payments (other than such award) which have been made or which will be made to such plaintiff to compensate such plaintiff for such injury, less

(2) the cost incurred by such plaintiff (or by the spouse, parent, or legal guardian of such plaintiff) to secure the payments described in clause (1).

(c) Subsection (a) shall not apply to any payment which the individual is required by law to repay out of any damages recovered from a negligent health care provider.

SEC. 206. PERIODIC PAYMENT OF JUDGEMENTS.—(a) In any health liability action subject to this Act in which damages for future economic damages are awarded, no health care provider shall be required to pay for such future damages in a single, lump-sum payment but shall be permitted to make periodic payments based on when the damages are found by the court to be likely to occur or at the time such damages accrue.

(b) The court may require such health care provider to purchase an annuity or fund a reversionary trust to make such periodic payments, if the court finds a reasonable basis for concluding that the health care provider may be unable to or will not make the periodic payments.

(c) The judgment of the court awarding such periodic payments may not be reopened at any time to contest, amend, or modify the schedule or amount of the payments in the absence of fraud or any ground permitting relief to be granted after entry of a final judgment.

(d) This subsection shall not be construed to preclude a settlement providing for a single, lump-sum payment.

SEC. 207. ALTERNATIVE DISPUTE RESOLUTION MECHANISMS.—(a) IN GENERAL.—It is declared to be the policy of the United States to encourage—

(1) the creation, adoption, and use of alternative dispute resolution mechanisms to achieve the efficient, cost effective and expeditious disposition of civil disputes; and

(2) the modification of procedural and evidentiary rules to the extent feasible to accommodate such alternative dispute resolution techniques.

(b)(1) To encourage the resolution of claims prior to litigation of a health care liability action, the State shall establish at least one alternative dispute resolution mechanism. The Secretary, for the purpose of determining compliance under Section 209, shall deem a State to be in compliance with the requirements of this Section if the State has in effect at least one mediation or pretrial screening panel alternative dispute resolution mechanism specified in regulations issued by the Secretary in consultation with the Attorney General, or if the State has in effect another alternative dispute resolution mechanism which the Secretary, in consultation with the Attorney General, finds to be equally effective in deterring frivolous actions and resulting in fair and expeditious compensation for meritorious claims. The Secretary, in consultation with the Administrative Conference of the United States and the Attorney General, shall promulgate regulations that specify the Secretary's criteria for evaluating the effectiveness of these mechanisms.

(2) The time period during which a proceeding pursuant to this Section is pending shall not be included or counted in determining whether any statute of limitations bars a health care liability action.

SEC. 208. QUALITY ASSURANCE REFORM.—(a) PROMOTE STATE COOPERATION WITH FEDERAL EFFECTIVENESS RESEARCH EFFORTS.—The State, through the appropriate health authority, shall cooperate with Federal research efforts with respect to patient outcomes, clinical effectiveness and clinical practice guidelines.

(b) IMPROVE THE PERFORMANCE OF STATE MEDICAL BOARDS.—(1) The State through the appropriate health authority, shall collect, analyze and supply the Secretary with information and data, as specified in regulations to be promulgated by the Secretary, on staffing, revenue, disciplinary actions, expenditures, case-loads of the State Medical Board, and use of continuing medical education programs in order to demonstrate that the State medical boards meet performance criteria established by the Secretary in regulations.

(2) The State, through the appropriate health authority, shall impose a requirement on the State Medical Board to require a physician disciplined by the State Medical Board to take a certain number of continuing education courses as the board requires, with educational outcome measures required, in the subject areas in which the board determines that the physician's knowledge is deficient.

(c) ALTERNATIVE PROGRAMS.—The Secretary, for purposes of determining compliance under Section 209 of the Act, shall deem a State in compliance with the requirement of this Section if the State has in effect, instead of the programs described in subsection (b), a program to reduce the incidence of negligence which the Secretary finds to be at least as effective in reducing the incidence of negligence as compliance with the Secretary's standards promulgated under Section 208(b). The Secretary shall promulgate regulations that specify the Secretary's criteria for evaluating the effectiveness of alternatives to Section 208(b), including, for example:

(1) Requirements for risk management systems to be carried out by institutions providing health care in the State;

(2) Quality assurance systems, administered by the State or professional bodies, which review the quality or care rendered by the physicians of the State; or

(3) State programs for the promulgation of standards of care in areas of medical practice in which the risk of negligence is greater and assurance of satisfactory levels of compliance with such standards.

SEC. 209. STATE IMPLEMENTATION OF HEALTH CARE LIABILITY REFORMS.—(a) IMPLEMENTATION. The States shall have three years from the effective date of this Act in which to enact, adopt, or otherwise comply with the provisions as set forth in Sections 202 through 208 of this Act.

(b) NOTIFICATION.—(1) Notification by the State shall be submitted to the Secretary, with a Certification by the Chief Executive Officer of the State that, on the date the Notification is submitted, the State has enacted, adopted, or otherwise has in effect the health care liability reforms set forth in this Act.

(2) The Notification shall be accomplished by documentation to support the Certification required by this subsection, including copies of relevant State statutes, rules, procedures, regulations, judicial decisions, State constitutional provisions, and opinions of the State Attorney General.

(3) The Notification shall contain such other information, be in such form, and be submitted in such manner, as the Secretary may require.

(c) REVIEW OF NOTIFICATION.—(1) Within 90 days after receiving a Notification under subsection (b), the Secretary shall review the Notification and determine whether the Notification demonstrates that the State has enacted, adopted, or otherwise has in effect the health care liability reforms set forth in this Act.

(2) If the Secretary determines that the Notification makes such a demonstration, the Secretary shall approve the Notification, authorizing the State to participate in the incentive program provided for in subsection (f).

(3) If, after reviewing a Notification under this subsection, the Secretary determines that the Notification does not make the demonstration required under such subsection, the Secretary shall, within 15 days after making such determination, provide the State which submitted such Notification with a written notice specifying such determination and containing recommendations for revisions which would cause the Notification of the State to be approved.

(4) Within 30 days after receiving a revised Notification, the Secretary shall review the revised Notification and determine whether the Notification demonstrates that the State has enacted, adopted, or otherwise has in effect the health care liability reforms set forth in this Act. If the Secretary determines that the revised Notification makes such a demonstration, the Secretary shall approve the revised Notification, authorizing the State to participate in the incentive program provided for in subsection (f).

(d) NON-COMPLIANCE.—(1) If a State fails to submit to the Secretary a Notification or revised Notification pursuant to this Section, the Secretary shall, within 15 days after the time period under Section (b)(1) expires, send the State written notice of determination of non-compliance.

(2) If, during the time period determined by the Secretary under subsection (c), the Secretary determines that a revised Notification does not demonstrate that the State has enacted, adopted, or otherwise implemented the health care liability reforms set forth in this Act, and that the State's revised Notification is not approved, or if a determination of non-compliance is made pursuant to subsection (d)(1)(A), the Secretary shall, within 15 days after making such determination, provide the State with written notice of non-compliance, including the determination of the Secretary and the reasons therefor.

(3) If, during any time period after a Notification is approved under subsection (c), the Secretary determines that the State does not have currently in effect the health care liability reforms upon which the Notification was approved, the Secretary shall within 30 days of making such determination provide the State with written notice of such determination and withdraw the approval of the Notification. Such notice shall specify—

(A) the determination of the Secretary and the reasons therefor;

(B) that the Secretary will require the State, within 60 days after receipt of such notice, to return all funds provided to the State under the incentive program provided for in this Act in subsection (f) of this Section which have not been expended by the State at the time such notice is received unless the State takes such corrective action as may be necessary to ensure that the State has such health care liability reforms in effect in the State and presents a Certification to this effect to the Secretary in accordance with subsection (b).

(e) CONSULTATION WITH THE ATTORNEY GENERAL.—In making determinations of compliance or non-compliance pursuant to this Act, the Secretary shall consult with the Attorney General with respect to any issues of tort law or policy.

(f) INCENTIVE PROGRAM—DISTRIBUTION OF FUNDS.—The Secretary shall establish an administrative process to:

(1) withhold from each State two percent of the amount computed under 42 U.S.C. §1396b(a)(7) and from each hospital one percent of the total amounts computed under 42 U.S.C. §1395ww(d)(1) for each fiscal year beginning after the initial three-year period after the enactment of this Act; and

(2) distribute that part of the withheld funds comprising two percent of the amount computed under 42 U.S.C. §1396b(a)(7) on a proportional basis among States whose Notifications have been approved by the Secretary pursuant to this Section, and that part of the withheld funds comprising one percent of the total amounts computed under 42 U.S.C. §1395ww(d)(1) on a proportional basis among hospitals otherwise entitled to those funds in States whose Notifications have been approved by the Secretary pursuant to this Section.

"Promotional basis" means (i) with respect to funds withheld from amounts payable under 42 U.S.C. §1396b(a)(7), in proportion to the average Medicaid payments made to a State for the last three preceding fiscal years for which data is available to such payments to all States whose Notifications have been approved by the Secretary, and (ii) with respect to funds withheld from amounts computed under 42 U.S.C. §1395ww(d)(1), in proportion to the hospital's share of payments made under that section to all payments to hospitals operating in States whose Notifications have been approved by the Secretary.

(g) CONFORMING AMENDMENTS.—(1) MEDICAID.—Section 1396b(a)(7) of Title 42, United States Code is amended by adding at the end thereof the following sentence: "Effective the first day of the first fiscal year beginning at least three years after the enactment of the Health Care Liability Reform and Quality of Care Improvement Act of 1991, a State shall only receive 98 percent of the amount of the payment to which it would otherwise be entitled under this paragraph."

(2) MEDICARE.—Section 139ww(d)(1) of Title 42, United States Code is amended by adding the following sentence at the end thereof: "Effective the first day of the first fiscal year beginning at least three years after the enactment of the Health Care Liability Reform and Quality of Care Improvement Act of 1991, a hospital shall only receive 99 percent of the amount of the payment to which it would otherwise be entitled under this paragraph."

SEC. 210. In the case of any experimental, pilot, or demonstration project, as defined by regulations promulgated by the Secretary in coordination with the Attorney General, which, in the judgment of the Secretary, is likely to assist in promoting the objectives of this Act, in a State or States, the Secretary may waive compliance with any of the requirements in this Title to the extent and for the period the Secretary finds necessary to enable such State or States to carry out such project.

TITLE III—FEDERAL IMPLEMENTATION OF HEALTH CARE LIABILITY REFORMS

SEC. 301. LIMITATIONS ON LIABILITY.—(1) Section 2674 of Title 28, United States Code, is amended by inserting "(a)" at the beginning of the section, by adding at the end of the section the following new subsections:

"(b)(1) Except as provided in paragraph (2) of this subsection, in any health care liability action the United States shall not be found jointly and severally liable for non-economic damages, but shall be liable, if at all, only for those non-economic damages directly attributable to its pro-rata share of fault or responsibility for the injury, and not for non-economic damages attributable to the pro-rata share of fault or responsibility of any other person (without regard to whether that person is a party to the action) for the injury, including any person bringing the action.

"(2) This subsection shall not apply as between the United States and any person with which it is acting in concert where the concerted action proximately caused the injury for which either the United States or that person is found liable.

"(3) For the purposes of this subsection, 'concerted action' and 'acting in concert' mean the conscious acting together in a common scheme of two or more persons who consciously and deliberately agree to jointly participate in such conduct with actual knowledge of the wrongfulness of the conduct resulting in a tortious act and where such acts proximately caused the injury complained of by the plaintiff and for which one or more of such persons is found liable for damages.

"(c)(1) Except as provided in paragraph (3), the total amount of damages received by an individual shall be reduced, in accordance with paragraph (2), by any other payment which has been made or which will be made to such individual to compensate such individual for an injury, including payments under—

(i) Federal or State disability or sickness programs;

(ii) Federal, State, or private health insurance programs;

(iii) private disability insurance programs;

(iv) employer wage continuation programs; and

(v) any other source of payment intended to compensate such individual for such injury.

"(2) The amount by which an award of damages to an individual for an injury shall be reduced under paragraph (1) shall be—

(i) the total amount of any payments (other than such award) which have been made or which will be made to such individual to compensate such individual for such injury, less

(ii) the amount paid by such individual (or by the spouse, parent, or legal guardian of such individual) to secure the payments described in clause (i).

"(3) Paragraph (1) shall not apply to any payment which the individual is required by law to repay out of any damages recovered from a negligent health care provider.

"(d)(1) No damages, other than damages for economic loss, shall be awarded in excess of $250,000 in any health care liability action against the United States.

(2) For purposes of this Section, in addition to the parties within the purview of Section 201(d) of the Health Care Liability Reform and Quality of Care Improvement Act of 1991, any "health care liability action" includes all actions (including multiple actions) for damages, and includes all plaintiffs and all defendants in such actions, which arise out of or were caused by the same personal injury or death, whether or not each defendant is a health care provider.

(3) COST-OF-LIVING.—The amount described in subsection (a) shall be adjusted every three years to reflect changes in the cost-of-living index. The first such adjustment shall be made three years after the date of the enactment of this Act. For purposes of this subsection, the "cost-of-living index" means the cost of living index utilized by the Secretary in determination of adjustment in Old Age, Survivors, and Disability Insurance benefits."

SEC. 302. PERIODIC PAYMENTS OF JUDGMENTS.—(1) Chapter 171 of title 28, United States Code, is amended by adding the following new section 2681:

"§2681. Periodic payments of judgments

In any health care liability action subject to this chapter in which the damages awarded for future economic loss exceed $100,000, the court shall, at the request of the United States, enter an order providing that damages for future economic loss be paid in whole or in part by periodic payments based on when the damages are found likely to occur rather than by a single lump-sum payment. The court shall make findings of fact as to the dollar amount, frequency and duration of the periodic payments. The United States at its discretion may pay the judgment periodically or purchase an annuity or fund a reversionary trust for the same purpose. The judgment of the court shall be final, and shall not be reopened at any time to contest, amend, or modify the schedule or amount of such payments in the absence of fraud or any ground permitting relief to be granted after entry of a final judgment."

(2) The table of sections of chapter 171 of title 28, United States Code, is amended by adding at the end thereof the following new item:

"§2681. Periodic payments of judgments"

SEC. 303. APPLICABILITY OF AMENDMENTS.—(a) State alternative dispute resolution procedures shall not be applicable to the United States.

(b) For the purposes of Title III, the term "plaintiff" means any person who has allegedly suffered injury from professional services provided by a health care provider and who brings a health care liability action or who brings such an action on behalf of any person who has allegedly suffered injury from such professional services or who brings such an action because a person allegedly suffered injury from such services.

(c) The amendments made by this Title shall apply to all actions filed on or after, and all administrative claims pending on or presented on or after, the date of enactment of this Act.

TITLE IV—CONSTRUCTION OF PROVISIONS

SEC. 401. IN GENERAL.—Nothing in this Act shall be construed—

(a) To waive or affect any defense of sovereign immunity asserted by any State under any law or by the United States;

(b) To preempt State choice-of-law rules with respect to claims brought by a foreign nation or a citizen of a foreign nation;

(c) To affect the right of any court to transfer venue, to apply the law of a foreign nation, or to dismiss a claim of a foreign nation or of a citizen of a foreign nation on the ground of inconvenient forum;

(d) To create or vest jurisdiction in the district courts of the United States over any health care liability action subject to this Act (which is not otherwise properly in Federal district court); or

(e) To prevent the States from enacting, adopting, or otherwise having in effect more comprehensive or additional health care liability reforms than those set forth in this Act.

SEC. 402. SEVERABILITY.—If any provision of this Act or the amendments made by this Act or the application of the provision to any person or circumstance is held invalid, the remainder of this Act and such amendments and the application of the provision to any other person or circumstance shall not be affected by that invalidation.

SEC. 403. EFFECTIVE DATE.—This Act shall become effective on its date of enactment.

By Mr. LIEBERMAN:

S. 1124. A bill to authorize the relief of indebtedness owed by foreign countries by the United States in consideration for commitments to undertake certain approved environmental improvement projects or activities; to the Committee on Foreign Relations.

INTERNATIONAL ECONOMIC AND ENVIRONMENTAL IMPROVEMENT ACT

• Mr. LIEBERMAN. Mr. President, I rise today to introduce the Debt for Environment Act of 1991. This bill is designed to enable developing nations that have been granted rescheduling of their debt burden to improve their environment. It builds on to the efforts that the White House made last year with its Enterprise for the Americas initiative, a portion of which was adopted in last year's farm bill.

My legislation would focus on encouraging nations, which have already been chosen for debt rescheduling by the White House, to implement programs to clean up their environment. This would be done in conjunction with the governments of these nations, nongovernmental organizations in the debtor nations and the United States, and the appropriate regional development bank or the United Nations [U.N.]. The bill would cover all debtor nations, not just those in Latin America. The point is that where the United States is already going to reschedule debt, we might as well get some positive environmental improvements in return.

A new study from the Congressional Office of Technology Assessment, "Energy in the Developing World," discusses the environmental problems confronting less developed countries [LDC's]. According to the report, environmental degradation is epidemic. Mass deforestation, air and water pollution are prevalent throughout the developing world. The destruction of the tropical rain forest in Brazil is only one example of the kind of environmental spoilation occurring in Latin America, Africa, and Asia.

The Environmental Protection Agency's Scientific Advisory Board [SAB] in its recently released report, "Reducing Risk," has concluded that over the last 20 years, EPA has paid too little attention to natural ecosystems. The SAB stated:

> EPA's response to health risks as compared to ecological risks is inappropriate, because in the real world, there is little distinction between the two. Over the long term, ecological degradation either directly or indirectly degrades human health and the economy. * * * In short, human health and welfare ultimately rely upon the life support systems and natural resources provided by healthy ecosystems.

At the same time, developing nations do not have the resources—financial or otherwise—to rescue themselves. Poverty, a dire poverty that we cannot even imagine in this country, is a fact of life throughout much of the Third World. This makes it particularly difficult for the governments of these nations to focus on improving their environment. But if they do not begin to address environmental problems, the long-range hope of recovery for these nations is dismal, since the remedies for protecting their environment also protect their natural resource base, which is the only source of potential wealth and economic stability many of them have. And we now understand, particularly through global warming, that environmental problems are worldwide, with developments in other nations directly affecting us.

This legislation adopts the basic approach the administration has proposed by addressing the economic concerns that LDC debtors have by adjusting the annual debt repayment schedule to the U.S. Government. I propose that this be done by allowing the debtor nation to pay 20 percent of the payment in local currency. The remaining 80 percent would be paid in dollars. This benefit would be given in exchange for the debtor nation paying an additional 20 percent of its annual debt service payment in local currency to an account established in the appropriate regional development bank or the United Nations. The net effect of this restructuring is to make each payment less burdensome to the debtor nations. Failure to reduce short-term burdens is a major problem with the administration's Enterprise for the Americas initiative. By the time that program's benefits kick in, the debtor nations' natural resources will be further damaged.

The environment account or trust fund set up in the development bank would be administered by bank or U.N. staff. A debtor nation would be required to draw up a plan for improving its environment with indigenous nongovernmental organizations involved with environmental issues. The plan will be submitted for approval to the appropriate development bank which will in turn consult with an environmental review board consisting of representatives of nongovernmental organizations involved with environmental issues and representatives from the U.S. Government.

The development bank or the United Nations will be responsible for the funding and administering of projects emanating from the plan. In order to more effectively carry out this task, an environmental group will be established within each development bank. The group's primary responsibility will be to bring its expertise to bear on the administering of approved environmental projects.

It is useful to have the regional development banks involved with this process because they give participating nations more of a role with the environmental trust funds because their governments have representation in the bank. It also provides these institutions with an additional pool of expertise on environmental issues which can be used for other bank-related projects. Alternatively, the United Nations could perform this function under this bill.

The bill also contains a provision which requires, where possible, the debtor nation to purchase U.S. products to be used in the process of cleaning up their environment. The United States is a leading manufacturer of such products and it is to the advantage to both the debtor nation and the United States to include this provision in the bill.

The Debt for Environment Act of 1991 goes beyond previous debt relief proposals because it lays the foundation for participation in these swaps by other developed nations through the regional development banks or the United Nations. These institutions can act as a conduit not only for the reduction of U.S. official debt but for the reduction of government debt of other developed nations. If this process is successful in both reducing the debt burden of developing nations, and at the same time helping them clean up their environment, then, it can serve as a prototype for a broader program involving all of the Paris Club or other industrialized nations holding substantial Third World debt.

I ask unanimous consent that a copy of the bill and a bill summary be printed in the RECORD.

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

S. 1124

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 "International Economic and Environmental Improvement Act of 1991".

SEC. 2. FINDINGS.

The Congress makes the following findings:

(1) The pursuit of environmentally sustainable policies and practices is vital to a country's economic well-being and to the health and quality of life of its citizens.

(2) International economic prosperity, with the full benefits of a thriving international trade, cannot be maintained if countries are not pursuing environmentally sustainable practices and procedures.

(3) Economic pressures in countries with large external debt burdens are causing the adoption of environmentally unsound development policies and practices, including those resulting in severe pollution, climate destabilization, widespread loss of biologically productive ecosystems, extinction of plant and animal species, flooding, and reduced food production capacity.

(4) It is in the national security and economic interests of the United States to facilitate the adoption of environmentally sustainable policies and practices in the world community. The terms and the amount of

the debt reduction shall be determined by the President.

SEC. 3. AUTHORITY.

(a) IN GENERAL.—Notwithstanding any other provision of law, the President may, in accordance with section 5, alter the obligations of an eligible country to make payments to the United States on account of loans made to that country by the United States Government.

(b) COMPLIANCE WITH BUDGET ACT.—The relief of indebtedness authorized by subsection (a) shall be effective in a fiscal year only to the extent and in the amounts provided in an appropriation Act.

SEC. 4. ELIGIBLE COUNTRIES.

For purposes of section 3, an eligible country is a country that is indebted to the United States Government and whose overall debt burden the President determines is a cause of economic or environmental hardship to that country.

SEC. 5. PROGRAM.

(a) IN GENERAL.—The President is authorized to enter into an agreement with any eligible country whereby the United States agrees to make a beneficial alteration (hereafter in this Act referred to as the "new obligation") of the existing debt obligations of that country in consideration for a commitment by that country—

(1) to carry out environmental improvement projects or activities described in an environmental plan approved under section 7;

(2) to make payments in accordance with the provisions of this section;

(3) to deposit payments required by subsection (c) in the appropriate regional development bank;

(4) to establish the administrative body required by section 6(e); or

(5) to set up a trust fund with an appropriate United Nations agency.

(b) PAYMENTS TO THE UNITED STATES.—A country with which the United States has an agreement under subsection (a) shall make payments to the United States on its new obligation in the ratio of 80 percent in United States dollars and 20 percent in the local currency of the debtor nation. Such payments shall be deposited in the same United States Government account established for the repayment of principal on the previous obligations of that country and shall be applied to reduce the outstanding principal balance of the new obligation.

(c) PAYMENTS INTO AN ENVIRONMENTAL TRUST ACCOUNT.—Additional payments in the amount of 20 percent of the full amount of each payment made to the United States under subsection (b) of this section shall be made in the local currency of the debtor nation and shall be deposited in an environmental trust account for application to local environmental improvement projects or activities in accordance with the requirements of this Act.

SEC. 6. ENVIRONMENTAL TRUST ACCOUNT.

(a) CREATION.—For each debtor nation the President shall designate the appropriate institution in which to establish an environmental trust account for the receipt of payments required under section 5(c). The President may designate either the United Nations or a regional development bank. The appropriate regional development bank for a debtor nation with which the United States has an agreement under section 5 is as follows:

(1) For an Eastern European nation, the European Bank for Reconstruction and Development.

(2) For a Latin American nation, the Inter-American Development Bank.

(3) For an Asian nation, the Asian Development Bank.

(4) For an African nation, the African Development Bank.

(b) LIMITATION.—Funds in an environmental trust account shall be available only for use in accordance with an environmental plan approved under section 7.

(c) ACCEPTANCE OF DONATIONS.—Every effort should be made to ensure that each environmental trust account is also able to receive donations from public and private entities and private creditors of the beneficiary country.

(d) FINANCIAL ADMINISTRATION.—The management and disposition of the funds shall be overseen by the appropriate regional development bank, or other eligible entity, which would make environmental funds available to the administrative body established under subsection (f) for activities in accordance with the provisions of the environmental plan, subject to the limitation of section 7(e) of this Act.

(e) ENVIRONMENTAL GROUP.—The Secretary of the Treasury shall instruct the United States executive directors to the regional development banks to use the voice and vote of the United States to establish, from bank staff or outside experts, an environmental group (hereafter in this Act referred to as the "group") with technical and administrative expertise in developing and implementing environmental projects in order to administer more effectively the trust account. The group would provide the support and technical assistance for the bank as it makes funds available for particular environmental projects or activities as developed from the environmental plan. Administrative funds for the group, if the other resources are not available, would come from the fund itself.

(f) PROGRAM ADMINISTRATION.—Funds disbursed from the financial administration established under subsection (e) shall be administered by a body constituted under the laws of the country. Such body shall be composed of—

(1) one or more representatives appointed by the President;

(2) one or more representatives appointed by the participating country; and

(3) representatives from a broad range of environmental nongovernmental organizations, local community development nongovernmental organizations, scientific and academic institutions of the participating country.

(g) ELIGIBLE GRANT RECIPIENTS.—Grants from an environmental trust account shall be made, in accordance with the priorities agreed upon in the environmental plan, to—

(1) nongovernmental environmental, conservation, and indigenous peoples organizations of the participating debtor nation;

(2) other appropriate local or regional entities; and

(3) in exceptional circumstances, the government of the beneficiary country.

(h) AUDIT REQUIREMENTS.—Environmental trust accounts, plans, and projects shall be made subject to appropriate auditing procedures administered by the regional development banks.

(i) STATUS OF DEPOSITS.—Local currencies deposited in an environmental trust account and interest on any of such amounts as are invested shall remain the property of the participating debtor nation, if such nation complies with the requirements of this Act. A participating debtor nation shall seek to maintain the value of the local currency in the environmental trust account in terms of United States dollars.

(j) INVESTMENT OF FUNDS.—Nothing in this Act shall be interpreted to preclude investment of the corpus of an environmental trust account or any portion thereof and use of the interest earned for authorized environmental improvement projects and related activities if such project or activity is approved for investment in the environmental plan.

SEC. 7. ENVIRONMENTAL PLAN.

(a) PREPARATION.—Each debtor nation with which the United States has an agreement under section 5(a) shall prepare, in consultation with local and international nongovernmental organizations having expertise in environmental matters, an environmental plan detailing the environmental improvement projects or activities such nation seeks to undertake, through eligible grant recipients, with the funds available from its environmental trust account. The plan shall establish the need, on environmental grounds, for each identified project or activity.

(b) SUBMISSION.—The environmental plan prepared by a nation shall be submitted by that nation to the appropriate regional development bank or other eligible entity within 6 months after the execution of the agreement under section 5(a) of this Act.

(c) REVIEW AND APPROVAL.—The regional development bank or the United Nations and the environmental review board established pursuant to subsection (e) shall each review the environmental plan and shall approve the plan only if the plan meets the criteria or specifications established pursuant to subsection (e)(3)(A) and the requirements of section 8 of this Act.

(d) CHANGES.—Each plan may be updated to reflect new projects or activities, modifications to existing projects or activities, or discontinued efforts. All changes to the plan shall be submitted to the environmental review board in consultation with the appropriate regional development bank or other eligible entity for approval.

(e) ENVIRONMENTAL REVIEW BOARD.—(1) For each regional development bank or the United Nations as identified in section 6(a) of this Act, the President shall establish a board to provide expertise in matters related to the environmental plan.

(2) Each board shall be composed of—

(A) five representatives from the United States Government, to include the Administrator of the Environmental Protection Agency, the Chairman of the Council on Environmental Quality, and the executive director of the United States for the appropriate regional development bank; and

(B) four representatives from private nongovernmental environmental, scientific, and academic organizations with experience and expertise in environmental matters in the affected region of the world.

(3) The President shall appoint a chairperson from among the representatives appointed under paragraph (1)(A).

(4) Each board shall—

(A) establish a minimum criteria or specifications required for projects or activities in an environmental plan to meet the eligibility requirements of section 8 of this Act;

(B) review and approve all environmental plans, in consultation with the appropriate regional development bank or the United Nations;

(C) review, as necessary, the audits performed by the regional development bank with respect to the administration of environmental trust accounts under this Act; and

(D) render advice to the regional development bank or the United Nations, as requested, on matters related to grants or disbursements under the environmental plan.

SEC. 8. AUTHORIZED ENVIRONMENTAL IMPROVEMENTS PROJECTS OR ACTIVITIES.

To be eligible to receive funds from the environmental trust account, projects or activities must be designed to achieve either or both of the following objectives:

(1) Activities specified in section 1614(a)(5)(C) of the International Financial Institutions Act (22 U.S.C. 262p-4i(a)(5)(C)).

(2) Implementation of alternative clean energy or energy conservation measures.

SEC. 9. UNITED STATES MANUFACTURED PRODUCTS.

Whenever projects or activities described in section 8(1) of this Act require the purchase of alternative energy, energy efficiency, or environmental improvement products, funds from the environmental trust account shall only be used to acquire such products manufactured either in the United States or in the debtor nation undertaking the particular project or activity.

SEC. 10. PROHIBITIONS.

Nothing in this Act shall be deemed to authorize actions or activities in contravention of section 502B of the Foreign Assistance Act of 1961.

SEC. 11. CERTAIN PROHIBITIONS INAPPLICABLE.

(a) CONSTRUCTION.—A reduction of debt pursuant to this Act shall not be considered assistance for purposes of any provision of law limiting assistance to a country.

(b) SUPERSEDING EXISTING LAW.—The authority of this Act may be exercised notwithstanding section 620(r) of the Foreign Assistance Act of 1961 or section 321 of the International Development and Food Assistance Act of 1975.

SEC. 12. CONDITIONS FOR SUSPENSION OF DEBT REDUCTION.

The agreement executed pursuant to section 5(a) of this Act shall be declared null and void and the old obligation shall be reinstituted upon a finding by the President of the occurrence of either of the following:

(1) the use by the participating debtor nation (or its grant recipients) of funds from an environmental trust account for other than purposes authorized in this Act or in a manner inconsistent with the environmental plan; or

(2) the failure of the participating debtor nation to submit or properly update an environmental plan.

SEC. 13. REPORTING REQUIREMENTS.

(a) IN GENERAL.—Not later than December 31 of each year, the President shall prepare and transmit to the appropriate congressional committees a report describing debt reduction agreements entered into pursuant to section 5 of this Act and environmental improvement projects or activities carried out by participating debtor nations under this Act during the preceding fiscal year.

(b) DEFINITION.—For purposes of this section, the term "appropriate congressional committees" means the Committee on Environment and Public Works and the Committee on Foreign Relations of the Senate and the Committee on Energy and Commerce, the Committee on Foreign Affairs, and the Committee on Banking, Finance and Urban Affairs of the House of Representatives.

SUMMARY OF THE DEBT-FOR-ENVIRONMENT BILL

Section 1. Short title.

Section 2. Findings.

Section 3. Authority. Gives the President authority to forgive official debt.

Section 4. Eligible Countries. The President can extend beneficial debt treatment to any nation whose debt burden is a cause of economic or environmental hardship to that country.

Section 5. Program. Debt relief as described in the bill shall be made available to a debtor nation after a commitment by that nation to undertake environmental improvement projects. In conjunction with this, the new payment schedule to the United States Government by eligible debtor nations shall be made in the following manner: 80 percent in dollars, 20 percent in the currency of the debtor nation. In addition, another 20 percent of the payment amount in the currency of the debtor nation shall be deposited in an environmental trust account administered by the appropriate regional development bank or the United Nations (U.N.) for application to local environmental improvement projects. The debtor nation shall also submit an environmental plan detailing environmental improvement projects to the regional development banks.

Section 6. Environmental Trust Account. In order to participate in the program each debtor nation shall establish a trust account in the appropriate regional development bank or the U.N. to be administered by those institutions. Private donations to the account are permitted. The regional development banks shall make grants for individual projects in the developing nations which are part of an approved environmental plan. An environmental group shall be established in the development banks or the U.N. which shall administer grants for individual projects in eligible nations. The projects shall be developed from an environmental plan developed by the debtor nations in conjunction with the environmental review board (consisting of U.S. Government and private sector representatives) and the development banks or the U.N. Non-governmental organizations in eligible nations shall be given priority in the awarding of grants. The plans and projects shall be subject to a regular audit by the bank or the U.N. Investments of funds of the environmental trust fund can be made as long as such an investment is in accordance with an approved environmental plan.

Section 7. Environmental Plan. Eligibility for the provisions described in the Act shall be contingent on a participating nation developing an environmental plan developed in conjunction with environmental non-governmental organizations in the eligible country which shall be the basis for funding of particular environmental projects described therein. The plan shall be submitted to and approved by the relevant regional development bank or the U.N. in consultation with and by the environmental review board, (consisting of representatives of non-governmental organizations involved with environmental issues and representatives from the U.S. government.)

Section 8. Authorized Environmental Improvements Projects or Activities. This section outlines the eligibility criteria for the environmental projects.

Section 9. U.S. Manufactured Products. Where possible, the debtor nation shall purchase products used for environmental improvement manufactured in the United States or the debtor nation.

Section 10. Prohibitions. Nothing in the Act shall be in violation of Section 502B of the Foreign Assistance Act of 1961 concerning the human rights policies of nations receiving U.S. aid.

Section 11. Certain Prohibitions Inapplicable. Debt treatment as described in the Act shall not be used in place of development assistance for an eligible nation.

Section 12. Conditions for Suspension of Debt Reduction. The President can suspend the debt treatment in the Act if the eligible nations and their implementing entities do not live up to its applicable terms.

Section 13. Reporting Requirements. The President shall submit to Congress annually a report on the environmental trust fund and its activities.•

By Mr. PACKWOOD (for Mr. PRYOR, for himself, Mr. PACKWOOD, Mr. GRAHAM, Mr. BAUCUS, Mr. BUMPERS, Mr. DASCHLE, Mr. COHEN, Mr. MCCAIN, Mr. BOREN, Mr. BREAUX, Mr. BURDICK, Mr. INOUYE, Mr. LEVIN, Mr. SHELBY, Mr. HATFIELD, Mr. GORTON, Mr. SIMON, Mr. JOHNSTON, Mr. BURNS, Mr. CONRAD, Mr. REID, Mr. ROBB, and Mrs. KASSEBAUM):

S. 1125. A bill to provide incentives to health care providers serving rural areas, to provide grants to county health departments providing preventative health services within rural areas, to establish State health service corps demonstration projects, and for other purposes; to the Committee on Finance.

RURAL PRIMARY CARE ACT

Mr. PACKWOOD. Mr. President, today I am introducing legislation on behalf of Senator PRYOR and myself addressing the shortage of health care practitioners in rural areas.

Senator PRYOR is unable to be with us today because he is at home recuperating from a mild heart attack. I know everyone in the Senate wishes Senator PRYOR a speedy recovery so he is back with us soon.

For as long as Senator PRYOR has been a Member of this body, he has been fighting to ensure that rural communities have access to quality health care. This is one of his top priorities as chairman of the Special Committee on Aging.

Senator PRYOR and I would also like to recognize the significant contribution of Senator GRAHAM to this legislation. Senator GRAHAM previously introduced legislation that served as the basis for the provision in the bill dealing with the State Health Service Corps.

I welcome the opportunity to join forces with the distinguished Senators from Arkansas and Florida, as well as our many other cosponsors, in introducing today the Rural Primary Care Act of 1991.

Our bill will help rural communities attract and retain physicians, nurse practitioners, and physician assistants by:

First, providing tax credits to physicians, nurse practitioners, and physician assistants who practice in medically underserved areas;

Second, exempting from tax repayments of education loans under the Na-

tional Health Service Corps Loan Repayment Program for health professionals who practice in rural areas;

Third, allowing a tax deduction for up to $25,000 of basic medical equipment purchased by rural physicians annually;

Fourth, providing grants to area health education centers, rural county health departments, and a newly created State Health Service Corps; and

Fifth, requesting a study by the Secretary of Health and Human Services on the medical shortage problems in urban areas.

The vast majority of the communities in my home State are rural ones. Three-fourths of the towns and cities in Oregon have less than 5,000 people. It's no wonder that a top concern of my constituents is the declining access to health care in rural areas.

Although there is not a shortage of physicians nationwide, there is a shortage in rural communities. For example, in Oregon, urban Multnomah County has one physician for every 203 people while rural Grant County has only one physician for every 2,633 people. In fact, there are three Oregon counties—Sherman, Gilliam, and Wheeler—without a physician living there. More than half of Oregon's small towns also do not have a physician living there.

Unless we do something, the shortage of health care practitioners in rural areas will only get worse. More than 20 percent of the physicians practicing in Oregon's rural areas are over the age of 60 and are fast approaching retirement age. Unless young physicians are attracted to these rural areas, many more Oregonians will find themselves without adequate health care in nearby communities.

We all need quality health care, whether we live in the city or in the countryside. Last year, I introduced the Rural Health Care Improvement Act to help rural hospitals keep their doors open. Many of the provisions in that legislation were signed into law by the President last fall, Now, we must focus on attracting and retaining qualified health care professionals in rural communities. The bill we are introducing today will do just that.

I hope many of our other colleagues will join us and cosponsor this legislation.

Mr. President, I ask unanimous consent that the bill, a summary of the bill, and our Dear Colleague letter be printed in the RECORD.

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

S. 1125

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "Rural Primary Care Act of 1991".

TITLE I—TAX PROVISIONS

SEC. 101. NONREFUNDABLE CREDIT FOR CERTAIN PRIMARY HEALTH SERVICES PROVIDERS.

(a) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to nonrefundable personal credits) is amended by inserting after section 25 the following new section:

"SEC. 25A. PRIMARY HEALTH SERVICES PROVIDERS.

"(a) ALLOWANCE OF CREDIT.—In the case of a qualified primary health services provider, there is allowed as a credit against the tax imposed by this chapter for any taxable year in a mandatory service period an amount equal to the product of—

"(1) the lesser of—

"(A) the number of months of such period occurring in such taxable year, or

"(B) 36 months, reduced by the number of months taken into account under this paragraph with respect to such provider for all preceding taxable years (whether or not in the same mandatory service period), multiplied by

"(2) $1,000 ($500 in the case of a qualified health services provider who is a physician assistant or a nurse practitioner).

"(b) QUALIFIED PRIMARY HEALTH SERVICES PROVIDER.—For purposes of this section, the term 'qualified primary health services provider' means any physician, physician assistant, or nurse practitioner who for any month during a mandatory service period is certified by the Bureau to be a primary health services provider who—

"(1) is providing primary health services—

"(A) full time, and

"(B) to individuals at least 80 percent of whom reside in a rural health professional shortage area,

"(2) is not receiving during such year a scholarship under the National Health Service Corps Scholarship Program or a loan repayment under the National Health Service Corps Loan Repayment Program,

"(3) is not fulfilling service obligations under such Programs, and

"(4) has not defaulted on such obligations.

"(c) MANDATORY SERVICE PERIOD.—For purposes of this section, the term 'mandatory service period' means the period of 60 consecutive calendar months beginning with the first month the taxpayer is a qualified primary health services provider.

"(d) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) BUREAU.—The term 'Bureau' means the Bureau of Health Care Delivery and Assistance, Health Resources and Services Administration of the United States Public Health Service.

"(2) PHYSICIAN.—The term 'physician' has the meaning given to such term by section 1861(r) of the Social Security Act.

"(3) PHYSICIAN ASSISTANT; NURSE PRACTITIONER.—The terms 'physician assistant' and 'nurse practitioner' have the meanings given to such terms by section 1861(aa)(3) of the Social Security Act.

"(4) PRIMARY HEALTH SERVICES PROVIDER.—The term 'primary health services provider' means a provider of primary health services (as defined in section 330(b)(1) of the Public Health Service Act).

"(5) RURAL HEALTH PROFESSIONAL SHORTAGE AREA.—The term 'rural health professional shortage area' means—

"(A) a class 1 or class 2 health professional shortage area (as defined in section 332(a)(1)(A) of the Public Health Service Act) in a rural area (as determined under section 1886(d)(2)(D) of the Social Security Act), or

"(B) an area which is determined by the Secretary of Health and Human Services as equivalent to an area described in subparagraph (A) and which is designated by the Bureau of the Census as not urbanized.

"(e) RECAPTURE OF CREDIT.—

"(1) IN GENERAL.—If, during any taxable year, there is a recapture event, then the tax of the taxpayer under this chapter for such taxable year shall be increased by an amount equal to the product of—

"(A) the applicable percentage, and

"(B) the aggregate unrecaptured credits allowed to such taxpayer under this section for all prior taxable years.

"(2) APPLICABLE RECAPTURE PERCENTAGE.—

"(A) IN GENERAL.—For purposes of this subsection, the applicable recapture percentage shall be determined from the following table:

"If the recapture event occurs during:	The applicable recapture percentage is:
Months 1–24	100
Months 25–36	75
Months 37–48	50
Months 49–60	25
Months 61 and thereafter	0.

"(B) TIMING.—For purposes of subparagraph (A), month 1 shall begin on the first day of the mandatory service period.

"(3) RECAPTURE EVENT DEFINED.—

"(A) IN GENERAL.—For purposes of this subsection, the term 'recapture event' means the failure of the taxpayer to be a qualified primary health services provider for any month during any mandatory service period.

"(B) CESSATION OF DESIGNATION.—The cessation of the designation of any area as a rural health professional shortage area after the beginning of the mandatory service period for any taxpayer shall not constitute a recapture event.

"(C) SECRETARIAL WAIVER.—The Secretary may waive any recapture event caused by extraordinary circumstances.

"(4) NO CREDITS AGAINST TAX.—Any increase in tax under this subsection shall not be treated as a tax imposed by this chapter for purposes of determining the amount of any credit under subpart A, B, or D of this part."

(b) CLERICAL AMENDMENT.—The table of sections for subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after the item relating to section 25 the following new item:

"Sec. 25A. Primary health services providers."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1991.

SEC. 102. NATIONAL HEALTH SERVICE CORPS LOAN REPAYMENTS EXCLUDED FROM GROSS INCOME.

(a) IN GENERAL.—Part III of subchapter B of chapter 1 of the Internal Revenue Code of 1986 (relating to items specifically excluded from gross income) is amended by redesignating section 136 as section 137 and by inserting after section 135 the following new section:

"SEC. 136. NATIONAL HEALTH SERVICE CORPS LOAN REPAYMENTS.

"(a) GENERAL RULE.—Gross income shall not include any qualified loan repayment.

"(b) QUALIFIED LOAN REPAYMENT.—For purposes of this section, the term 'qualified

loan repayment' means any payment made on behalf of the taxpayer by the National Health Service Corps Loan Repayment Program under section 338B(g) of the Public Health Service Act."

(b) CONFORMING AMENDMENT.—Paragraph (3) of section 338B(g) of the Public Health Service Act is amended by striking "Federal, State, or local" and inserting "State or local".

(c) CLERICAL AMENDMENT.—The table of sections for part III of subchapter B of chapter 1 of the Internal Revenue Code of 1986 is amended by striking the item relating to section 136 and inserting the following:

"Sec. 136. National Health Service Corps loan repayments.

"Sec. 137. Cross references to other Acts."

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to payments made under section 338B(g) of the Public Health Service Act after the date of the enactment of this Act.

SEC. 103. EXPENSING OF MEDICAL EQUIPMENT.

(a) IN GENERAL.—Section 179 of the Internal Revenue Code of 1986 (relating to election to expense certain depreciable business assets) is amended—

(1) by striking paragraph (1) of subsection (b) and inserting the following:

"(1) DOLLAR LIMITATION.—

"(A) GENERAL RULE.—The aggregate cost which may be taken into account under subsection (a) for any taxable year shall not exceed $10,000.

"(B) RURAL HEALTH CARE PROPERTY.—In the case of rural health care property, the aggregate cost which may be taken into account under subsection (a) for any taxable year shall not exceed $25,000, reduced by the amount otherwise taken into account under subsection (a) for such year."; and

(2) by adding at the end of subsection (d) the following new paragraph:

"(11) RURAL HEALTH CARE PROPERTY.—For purposes of this section, the term 'rural health care property' means section 179 property used by a physician (as defined in section 1861(r) of the Social Security Act) in the active conduct of such physician's full-time trade or business of providing primary health services (as defined in section 330(b)(1) of the Public Health Service Act) in a rural health professional shortage area (as defined in section 25A(d)(5)).''

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after December 31, 1991, in taxable years ending after such date.

SEC. 104. STUDY OF EXPANSION OF CREDIT TO CERTAIN URBAN AREAS.

(a) STUDY.—The Secretary of Health and Human Services or the Secretary's delegate shall determine the present number of, and future need for, physician and nonphysician primary care providers in medically underserved urban areas. Such determination shall form the basis for a study of the feasibility (including cost estimates) of extending the tax credit provided by the amendments made by section 101 of this title to such providers.

(b) REPORTS.—An interim report of the study described in paragraph (1) shall be submitted by the Secretary of Health and Human Services to the Congress 1 year from the date of the enactment of this Act. A final report of such study shall be submitted to the Congress within 2 years of such date of enactment.

TITLE II—PUBLIC HEALTH SERVICE PROVISIONS

SEC. 201. INCREASED FUNDING FOR AREA HEALTH EDUCATION CENTERS.

Section 781(h)(1) of the Public Health Service Act (42 U.S.C. 295g-1(h)(1)) is amended—

(1) by striking "and $20,000,000" and inserting "$20,000,000"; and

(2) by inserting ", and $25,000,000 for each of the fiscal years 1992 and 1993." after "1991".

SEC. 202. PREVENTATIVE HEALTH SERVICES.

Part A of title XIX of the Public Health Service Act (42 U.S.C. 300w et seq.) is amended—

(1) in section 1901, by adding at the end thereof the following new subsection:

"(c) Of the amounts appropriated for each fiscal year under subsection (a), the Secretary shall make available not less than $5,000,000 in each such fiscal year to carry out section 1910A."; and

(2) by adding at the end thereof the following new section:

"SEC. 1910A. PREVENTATIVE GRANTS FOR COUNTY HEALTH DEPARTMENTS.

"(a) IN GENERAL.—From amounts made available under section 1901(c), the Secretary shall make grants to county health departments to enable such departments to provide preventative health services in areas within the county which the Bureau of the Census determines to be not urbanized.

"(b) APPLICATION.—To be eligible to receive a grant under subsection (a), a county health department shall prepare and submit, to the Secretary, an application at such time, in such form, and containing such information as the Secretary shall require.

"(c) USE OF FUNDS.—A county health department shall use amounts provided through a grant received under this section to—

"(1) provide immunization services to control the spread of infectious diseases;

"(2) improve maternal and infant health;

"(3) reduce adolescent pregnancy and improve reproductive health; and

"(4) provide such other services as the Secretary determines appropriate.

"(d) DEFINITION.—Not later than 30 days after the date of enactment of this section, the Secretary shall promulgate regulations that define 'county health department' for purposes of this section."

TITLE III—STATE HEALTH SERVICE CORPS DEMONSTRATION PROJECTS

SEC. 301. SHORT TITLE.

This title may be cited as the "State Health Service Corps Demonstration Act".

SEC. 302. PURPOSE.

It is the purpose of this title—

(1) to promote recruitment and training of physicians and other primary care providers from among the poor and from disadvantaged populations;

(2) to place physicians from health professional shortage areas into similar areas in order to encourage retention of physicians in health professional shortage areas; and

(3) to provide flexibility to States in filling positions in health professional shortage areas.

SEC. 303. STATE HEALTH SERVICE CORPS DEMONSTRATION PROJECTS.

The Public Health Service Act is amended by inserting after section 338L (42 U.S.C. 254t) the following new sections:

"SEC. 338M. STATE HEALTH SERVICE CORPS DEMONSTRATION PROJECTS.

"(a) DEFINITIONS.—For purposes of this section:

"(1) AREA HEALTH EDUCATION CENTER.—The term 'area health education center' means—

"(A) a cooperative program of one or more medical schools (or the parent institutions of such schools) and one or more nonprofit private or public area health education centers; or

"(B) a regional or statewide network of the cooperative programs described in subparagraph (A).

"(2) HEALTH PROFESSIONAL SHORTAGE AREA.—The term 'health professional shortage area' has the meaning provided in section 332(a)(1).

"(3) MEDICAL SCHOOL.—The term 'medical school' means a school conferring the degree of Doctor of Medicine or Doctor of Osteopathy.

"(4) NONPHYSICIAN PROVIDER.—The term 'nonphysician provider' means an occupational therapist, physical therapist, nurse, nurse midwife, nurse practitioner, social worker, or optometrist.

"(5) NURSE.—The term 'nurse' means a registered nurse, or an individual with a baccalaureate or master's degree in nursing.

"(6) PARENT INSTITUTION.—The term 'parent institution' means any health sciences university housing a medical school and one or more other health professions schools.

"(7) PHYSICIAN PROVIDER.—The term 'physician provider' means—

"(A) a physician specializing in general practice, family medicine, general internal medicine, pediatrics, obstetrics and gynecology, general surgery, psychiatry, preventive medicine and public health, or physiatry; or

"(B) a dentist.

"(8) PROJECT.—The term 'Project' means a State Health Service Corps Demonstration Project established under subsection (b).

"(9) SERVICE AREA.—The term 'service area' means an area designated in subsection (d)(2)(A).

"(b) GRANTS.—The Secretary shall establish a State Health Service Corps Demonstration Project under which the Secretary shall make grants to up to 10 States to pay for the Federal share of the costs of conducting Projects for the training and employment of eligible participants as physician and nonphysician providers serving health professional shortage areas.

"(c) STATE PARTICIPATION.—

"(1) REQUIREMENTS.—In order for a State to be eligible to receive a grant under this section, the State shall—

"(A) enter into an agreement with an area health education center to administer the Project in accordance with subsection (d);

"(B) provide for evaluation of the Project in accordance with subsection (e);

"(C) establish a State Health Service Corps Scholarship Program in accordance with section 338N; and

"(D) meet such other requirements as the Secretary may establish for the proper and efficient implementation of the Project.

"(2) GRANT AWARDS.—In allocating grants under subsection (b), the Secretary shall give priority to States that have demonstrated a commitment to developing and funding area health education center programs.

"(3) APPLICATION.—To be eligible to receive a grant under this section, the State shall submit an application at such time, in such manner and containing such agreements, assurances, and information as the Secretary determines to be necessary to carry out this section. At a minimum, the application shall contain—

"(A) information specifying the actions the State will take against individuals, and the methods the State will use to recover all funds paid under section 338N(i) to individ-

uals, who breach contracts described in section 338N(g); and

"(B) assurances that the State will reimburse the Secretary for all funds recovered from individuals who breach contracts described in section 338N(g).

"(4) DURATION.—A Project under this section shall be for a maximum duration of 8 years, plus up to 6 months for final evaluation and reporting.

"(d) STATE AGREEMENTS WITH AREA HEALTH EDUCATION CENTERS.—

"(1) IN GENERAL.—To be eligible for a grant under this section, a State shall enter into an agreement with an area health education center for the planning, development, and operation of a program to train and employ eligible participants as physician and nonphysician providers.

"(2) REQUIREMENTS.—Under an agreement entered into under paragraph (1), an area health education center shall agree to—

"(A) designate a health professional shortage area or areas as the service area for the area health education center;

"(B) provide for or conduct training in health education services in the service area;

"(C) assess the health professional needs of the service area and assist in the planning and development of training programs to meet the needs;

"(D) provide for or conduct a rotating internship or residency training program in the service area;

"(E) provide opportunities for continuing education to physician and nonphysician providers practicing within the service area;

"(F) conduct interdisciplinary training and practice involving physician and nonphysician providers in the service area;

"(G) arrange and support educational opportunities for students studying to become physician or nonphysician providers at health facilities, ambulatory care centers, and health agencies throughout the service area;

"(H) provide for the active participation in the Project by individuals who are associated with the administration of the sponsoring health professions and each of the departments or specialties of physician or nonphysician providers (if any) which are offered under the Project; and

"(I) have an advisory board of which at least 75 percent of the members shall be individuals, including both health service providers and consumers, from the service area.

"(e) EVALUATION.—Not later than March 30, 1997, and March 30, 2001, each State receiving a grant under this section shall, through grants to or contracts with public and private entities, provide for—

"(1) an evaluation of Projects—

"(A) which were carried out pursuant to this section during any fiscal year preceding the fiscal year in which such date occurs, and

"(B) for which no prior evaluation under this subsection was made, and

"(2) a review of the area health education center providing services under the Projects. The evaluation shall include an evaluation of the effectiveness of the Projects in increasing the recruitment and retention of physician and nonphysician providers in health professional shortage areas.

"(f) FEDERAL SHARE.—The Federal share of the costs of any program established under this section with respect to any State shall be the percentage of such costs equal to the Federal medical assistance percentage applicable to such State under section 1905(b) of the Social Security Act. The State may include as a part or all of the non-Federal share of grants—

"(1) any State funds supporting area health education centers, and

"(2) the value of in-kind contributions made by the State, including tuition remission and other benefits for students participating in the State Health Service Corps Scholarship Program established under section 338N.

"(g) AUTHORIZATION OF APPROPRIATIONS.—

"(1) IN GENERAL.—There are authorized to be appropriated for each of the 1993 through 2000 fiscal years to carry out the purposes of this section an amount equal to the product of—

"(A) $250,000, multiplied by

"(B) the number of States receiving grants under this section for such fiscal year.

Any amount appropriated under this section shall be available without fiscal year limitation.

"(2) COST RECOVERY.—No more than 10 percent of the funds spent under paragraph (1) may be used for purposes of recovering funds or taking other action against individuals who breach the provisions of a contract entered into under section 338N(g).

"SEC. 338N. STATE HEALTH SERVICE CORPS SCHOLARSHIP PROGRAMS.

"(a) DEFINITIONS.—For purposes of this section:

"(1) AREA HEALTH EDUCATION CENTER.—The term 'area health education center' means—

"(A) a cooperative program of one or more medical schools (or the parent institutions (as defined in section 338M(a)(6)) of such schools) and one or more nonprofit private or public area health education centers; or

"(B) a regional or statewide network of the cooperative programs described in subparagraph (A).

"(2) GRADUATE EDUCATION.—The term 'graduate education' means a course of study at a medical school or other health professions school leading to a degree in a field practiced by a physician or nonphysician provider.

"(3) HEALTH PROFESSIONAL SHORTAGE AREA.—The term 'health professional shortage area' has the meaning provided in section 332(a)(1).

"(4) MEDICAL SCHOOL.—The term 'medical school' means a school conferring the degree of Doctor of Medicine or Doctor of Osteopathy.

"(5) NONPHYSICIAN PROVIDER.—The term 'nonphysician provider' means an occupational therapist, physical therapist, nurse, nurse midwife, nurse practitioner, social worker, or optometrist.

"(6) NURSE.—The term 'nurse' means a registered nurse, or an individual with a baccalaureate or master's degree in nursing.

"(7) PHYSICIAN PROVIDER.—The term 'physician provider' means—

"(A) a physician specializing in family medicine, general internal medicine, pediatrics, obstetrics and gynecology, general surgery, psychiatry, preventive medicine, or physiatry; or

"(B) a dentist.

"(8) PROGRAM.—The term 'Program' means a State Health Service Corps Scholarship Program established under subsection (b).

"(9) SERVICE AREA.—The term 'service area' means an area designated in section 338M(d)(2)(A).

"(10) STATE OFFICIAL.—The term 'State official' means an individual designated by the head of the agency designated in subsection (b)(2) to carry out the Program in the State.

"(11) UNDERGRADUATE EDUCATION.—The term 'undergraduate education' means a course of study at a health sciences university or a 4-year college that affords an appropriate basis for professional training or graduate education to become a physician or nonphysician provider.

"(b) ESTABLISHMENT.—

"(1) IN GENERAL.—Each State carrying out a State Health Services Corps Demonstration Project established under section 338M shall establish a State Health Service Corps Scholarship Program, in accordance with this section, to ensure an adequate supply of trained physician or nonphysician providers in health professional shortage areas in the State.

"(2) STATE AGENCY.—A State participating in the Program shall designate a State agency to administer or be responsible for the administration of the Program within the State.

"(c) ELIGIBILITY.—To be eligible to participate in the Program, an individual must—

"(1)(A) be accepted for enrollment, or be enrolled, as a full-time student in a health professions program in a health sciences university or a 4-year college; or

"(B) be accepted to participate in, or be participating in, a professional internship or residency as preparation to become a physician or nonphysician provider;

"(2) reside within a health professional shortage area;

"(3) submit an application to participate in the Program; and

"(4) sign and submit to the State, at the time of submission of the application, a written contract containing the information specified in subsection (g) to accept payment of a scholarship and, if appropriate, of loans, and to serve in the service area.

"(d) SELECTION.—Individuals described in subsection (c)(1)(B)—

"(1) shall comprise not more than 50 percent of all individuals selected to participate in the Program during fiscal year 1993;

"(2) shall comprise not more than 40 percent of all individuals selected to participate in the Program during fiscal year 1994;

"(3) shall comprise not more than 30 percent of all individuals selected to participate in the Program during fiscal year 1995;

"(4) shall comprise not more than 20 percent of all individuals selected to participate in the Program during fiscal year 1996;

"(5) shall comprise not more than 10 percent of all individuals selected to participate in the Program during fiscal year 1997; and

"(6) shall not be selected to participate in the Program during fiscal years 1998 through 2000.

"(e) INFORMATION ON SERVICE OBLIGATION.—In disseminating application forms and contract forms to individuals desiring to participate in the Program, the State official shall include with the forms—

"(1) a fair summary of the rights and liabilities of an individual whose application is approved (and whose contract is accepted) by the State official, including in the summary a clear explanation of the remedies to which the State is entitled in the case of breach of the contract by the individual; and

"(2) such information as may be necessary for the individual to understand the prospective participation of the individual in the Program and the service obligation of the individual.

"(f) APPLICATION FORMS.—The application form, contract form, and all other information furnished by the Secretary under this section shall be written in a manner calculated to be understood by the average individual applying to participate in the Program. The State official shall make the application forms, contract forms, and other information available to individuals desiring

to participate in the Program on a date sufficiently early to ensure that the individuals have adequate time to carefully review and evaluate the forms and information.

"(g) CONTRACT.—The written contract between the State official and an individual shall contain—

"(1) a statement that the State official agrees—

"(A) to provide the individual with a scholarship for a period of up to 8 years, during which period the individual is—

"(i) pursuing an undergraduate education described in subsection (a)(11);

"(ii) pursuing graduate education; or

"(iii) participating in an internship or residency program as preparation to become a physician or nonphysician provider; and

"(B) to place the individual into obligated service, taking into account the specialization of the individual and the needs of health professional shortage areas for service, in—

"(i) a rural health professional shortage area, if the individual resided in a rural health professional shortage area at the time of acceptance into the Program; or

"(ii) an urban health professional shortage area, if the individual resided in an urban health professional shortage area at the time of acceptance into the Program;

"(2) a statement that the individual agrees—

"(A) to accept provision of the scholarship, and if appropriate, loans, to the individual;

"(B) to maintain enrollment in a program of undergraduate or graduate education or participation in an internship or residency described in paragraph (1)(B)(ii) until the individual completes the program, internship, or residency;

"(C) while enrolled in a program of undergraduate or graduate education, to maintain an acceptable level of academic standing (as determined under regulations of the State by the educational institution offering the course of study); and

"(D) to serve in the service area or on the clinical staff of the area health education center or the medical school for a time period equal to the shorter of—

"(i)(I) 1 year for each year in which the individual received a scholarship under the Program; and

"(II) 1 month for each $1,000 in loans that the individual received under the Program; or

"(ii) 6 years;

"(3) a statement of the damages to which the State is entitled for breach of contract by the individual; and

"(4) other statements of the rights and liabilities of the State and of the individual, not inconsistent with this section.

"(h) ACCEPTANCE.—

"(1) APPROVAL.—An individual shall become a participant in the Program only on approval by the State official of the application submitted by the individual under subsection (c)(3) and acceptance of the contract submitted by the individual under subsection (c)(4).

"(2) NOTIFICATION.—The State official shall provide written notice to an individual of participation in the Program promptly on acceptance of the individual into the Program.

"(i) SCHOLARSHIP AND LOANS.—

"(1) PAYMENT.—In providing a loan to an individual under subsection (g)(1)(A) or a scholarship to an individual under subsection (g)(1)(B), the State official shall pay—

"(A) to an individual undertaking a program of undergraduate or graduate education, or on behalf of the individual in accordance with paragraph (2)—

"(i) the amount of the tuition of the individual in the school year;

"(ii) the amount of all other reasonable educational expenses, including fees, books, and laboratory expenses, incurred by the individual in the school year; and

"(iii) a stipend; and

"(B) to an individual described in subsection (c)(1)(B)—

"(i) the amount of expenses for medical equipment necessary to the practice of a physician or nonphysician provider;

"(ii) the amount of expenses for travel to and from clinical sites; and

"(iii) a stipend.

"(2) PAYMENT TO AN EDUCATIONAL INSTITUTION.—The State official may contract with an educational institution, in which a participant in the Program is enrolled, for the payment to the educational institution of the amounts of tuition and other reasonable educational expenses described in clauses (i) and (ii) of paragraph (1)(A).

"(j) REPORT.—The State official shall report to the Secretary on January 1 of each year—

"(1) the number, and type of health profession training, of students receiving scholarships under the Program in the preceding year;

"(2) the educational institutions at which the students are receiving their training;

"(3) the number of applications filed under this section in the school year in the preceding year and in prior school years; and

"(4) the amount of tuition paid in the aggregate and at each educational institution for the school year in the preceding year and in prior school years."

SUMMARY OF PRYOR-PACKWOOD RURAL HEALTH LEGISLATION

The legislation provides modest tax incentives for health care practitioners to serve in rural areas and also provides grants to rural county health departments and to medical schools to increase access to basic medical care in rural areas.

DESCRIPTION OF TAX PROPOSALS

Physicians would be allowed a tax credit equal to $1,000 per month for the first three years of practice in a "rural health professional shortage area". Nurse practitioners and physician assistants would be eligible for a similar credit equal to $500 per month. Persons eligible for the tax credit must work in the rural area for at least five years to keep the full credit.

Education loans repaid under the National Health Service Corps Loan Repayment Program for health professionals practicing in rural areas would be exempt from tax.

Physicians practicing in a rural health professional shortage area would be allowed to deduct the entire cost of basic medical equipment up to $25,000 annually.

DESCRIPTION OF GRANT PROPOSALS

The funding for area health education centers would be increased from $20 million to $25 million for fiscal years 1992 and 1993.

Grants of up to $5 million per year would be provided for preventative health services. These grants shall be made to rural county health departments to provide basic preventative care, such as immunizations and infant care.

A State Health Service Corps grant program would be created to provide an annual grant of $250,000 per state, up to a maximum of 10 states, to pay the educational costs of training physician and nonphysician providers serving health professional shortage areas.

DESCRIPTION OF STUDY OF UNDERSERVED URBAN AREAS

The Secretary of Health and Human Services would be required to prepare a study of the present number of, and the future need for, physician and nonphysician providers in medically underserved urban areas, and whether incentives are needed to encourage providers to practice in these areas.

U.S. SENATE,
SPECIAL COMMITTEE ON AGING,
Washington, DC, April 15, 1991.

DEAR COLLEAGUE: Over the years, we and the media have tended to give shortshrift to the need to attract and retain health care practitioners in rural areas. The shortage of primary care health personnel is a critical factor threatening the survival and effectiveness of rural health care services. On Wednesday, April 24th, we plan to introduce legislation to address this situation and we are taking this opportunity to invite you to become an original cosponsor.

Despite increased numbers of physicians, it continues to be difficult to impossible to attract needed physicians to medically underserved rural areas. Recent studies have documented a great need for doctors in rural areas. In 1988, physician availability in rural counties was less than one-half the national average—97 physicians/100,000 people vs. 225 physicians/100,000 people. Adding to this problem, a 1988 survey of rural physicians found that as many as 26 percent of rural physicians were considering retirement or relocation within the next five years. Also in 1988, 111 rural counties had no practicing physician at all. In contrast, no metropolitan county lacked a physician.

Moreover, even with the recent increase in funding of the National Health Service Corps (NHSC) scholarship and loan repayment program, it will take years before sufficient numbers of NHSC primary care providers are available for placement in underserved rural communities. A March 1991 report from the Center on Budget and Policy Priorities concludes that in the immediate future, the Corps will "supply only a modest fraction of the health care providers needed in underserved areas."

The shortage of doctors makes other health care practitioners, such as nurse practitioners and physician assistants, become even more important to rural areas. However, in recent years, available evidence indicates that the proportion of these practitioners in rural areas has steadily declined.

To address the shortage of rural health care personnel and make basic health care available in rural communities, we are introducing the Rural Primary Care Act of 1991. This bill addresses these rural health care problems through: the use of modest tax incentives to attract and retain health care personnel to rural areas; health care grants for both rural County health departments and Area Health Education Centers (AHECs); and grants for 10 state demonstration projects to promote recruitment and training primary care providers from among the poor and disadvantaged populations.

Specifically, the bill would provide qualified primary care practitioners who are practicing in rural areas in class 1 and 2 Health Professions Shortage Areas (HPSAs) a tax credit for their first three years of practice in the rural areas. Persons eligible for the tax credit must work in the rural area for at least 5 years to keep the full credit. The bill would also exempt from tax, funds given to

physicians practicing in rural areas under the Corps' Loan Repayment Program. Also, this legislation would provide a tax deduction for purchases of basic health care equipment by a rural physician and mandate studies to determine the feasibility of extending these tax benefits to practitioners in medically underserved urban areas.

In the past, HPSAs traditionally have relied on the recruiting and placement efforts of the National Health Service Corps. The Corps, which has proven to be the "breeding ground" for HPSA primary care providers, employs scholarship and loan forgiveness programs as recruitment tools. The legislation we will be introducing complements the Corps' efforts to place physicians in underserved areas. In the past, scholarship physicians have tended to leave the areas they were practicing in after they had fulfilled their obligation. Our tax credit program has the potential to encourage many of them to stay on or come back to the HPSA.

A tax credit for rural primary care physicians was previously estimated to cost less than $20 million a year. We believe the cost of the additional provisions incorporated into this legislation will be modest, but we do not have a final estimate from the Joint Tax Committee and the Congressional Budget Office. It is important to note, however, that Federal funds will only be spent if we are successful in placing and retaining desperately needed health care practitioners in underserved rural areas.

Enclosed is a summary of the major provisions of the Rural Primary Care Act of 1991. We are pleased to note that the bill already has received the endorsement of the National Rural Health Association, the National Association of Community Health Centers, and the Children's Defense Fund. If you have any questions, or would like to become a co-sponsor, please call Greg Koenig of the Aging Committee staff at 4-5364 or Rick Grafmeyer of the Finance Committee staff at 4-5315.

Sincerely,

DAVID PRYOR.
BOB PACKWOOD.

Mr. GRAHAM. Mr. President, I am pleased to cosponsor this important rural health initiative introduced by Senators PACKWOOD and PRYOR.

The bill contains a provision which I introduced last year, the State Health Service Corps Demonstration Act. It would address health manpower needs through the recruitment of physician and nonphysician primary care providers from among those actually living in urban and rural underserved areas.

Under the bill, State health service corps [SHSC] demonstrations will be developed around State and/or federally funded Area Health Education Centers [AHEC's]. AHEC's serve as bridges between medical schools and disadvantaged communities, recruiting and training primary care providers, and providing continuing education to existing providers.

AHEC's will recruit future providers from medically underserved areas, and, in conjunction with the National Health Service Corps [NHSC], which has helped finance the health profession education and training of over 13,000 Americans and some 742 Floridians, will train providers at the graduate, medical school, and residency level. Upon completion of training, physicians or midlevel providers will work in areas comparable to those they grew up in and will serve as faculty to the AHEC's.

Physicians will be placed in familiar areas to combat a lack of physician retention after the original NHSC commitment is fulfilled. Poor physician retention has been attributed, in part, to the fact that urban recruits placed in rural areas do not tend to stay. The same is true of rural recruits in urban settings. It is my feeling that the SHSC will advance the goals of both the AHEC and NHSC Programs.

In summary, by recruiting from health manpower shortage areas, training through State medical and allied health schools and AHEC's, placing scholars in areas akin to where they grew up, and allowing NHSC recipients to serve as eventual AHEC faculty, a SHSC could improve long-term physician retention.

I believe this bill will allow States flexibility to put State health service corps programs in place. It will also provide access to care through another section of the bill, which offers primary care providers tax credits for up to 60 months of service in underserved rural areas. We should provide incentives for health care providers to serve in underserved areas in as many ways as possible.

Mr. CONRAD. Mr. President, I am pleased to be an original cosponsor of the Rural Primary Care Act of 1991. Access to quality health care us a crucial need in rural areas. In my view, this bill goes a long way to address that issue.

Currently, several Federal programs encourage health care professionals to locate in underserved areas, including rural areas. For example, National Health Service Corps uses scholarships and loan forgiveness programs as recruiting tools to place providers in underserved areas. Increasingly, however, the corps is becoming an urban program; the factors used to calculate the level of need are skewed toward urban areas. Clearly we must address the problems of many urban areas that face critical shortages of health care personnel, but not at the expense of rural areas. In my home State of North Dakota, we have 42 communities eligible for National Health Service Corps providers. None of these communities has one. In fact, last year only two corps physicians were placed in region VIII, the six-State region which includes North Dakota.

Also, once the repayment obligation is fulfilled, these professionals often move on to more lucrative practices, returning the area to its underserved status. This has frequently happened in my own State of North Dakota. Over the last 10 years we have experienced a 45-percent retention rate for National Health Service Corps placements.

This bill addresses the issues of attraction and retention of health care providers in rural areas by providing a modest tax credit to qualified primary care practitioners for their first 3 years of practice in rural areas. In order to be eligible, the provider must work in the area for at least 5 years to claim the full credit.

Under the bill, funds given to physicians practicing in rural areas under the National Health Service Corps' Loan Repayment Program would be exempt from taxation. And the legislation would allow tax deductions for purchases of basic health care equipment by a rural physician, increase funding for the area education centers, and provide up to $5 million per year to county health departments for preventive health services.

I am particularly pleased by the State Health Service Corps grant program authorized in this bill. This program would provide an annual grant of $250,000 per State for 10 States to create a State Health Service Corps. States often have the best ideas about what will be most effective in their particular circumstances, and I believe we should provide appropriate incentives.

Mr. President, I am pleased to be an original cosponsor and I look forward to working with the sponsors, Senator PRYOR and Senator PACKWOOD, as this legislation progresses through Congress.

Mr. BAUCUS. Mr. President, I am pleased to join in support of the legislation being offered today by my distinguished colleagues Senator PRYOR, Senator PACKWOOD, and others. This proposal makes an important commitment to improving the recruitment of doctors to underserved areas of rural America by instituting a tax credit for practicing in those areas.

The rural areas of the country are suffering from a severe physician shortage. There is only 1 primary care physician for every 2,857 residents in rural areas, compared with 1 for every 614 residents nationally, according to the Department of Health and Human Services. There are 111 rural counties in 22 States with no physician at all.

And there are no signs that the problem is abating. According to the Association of American Medical Colleges, only 1.5 percent of the 15,000 medical students graduating last year said they would prefer to practice in a rural area or small town. And we are rapidly losing those physicians who are there now: A 1988 study showed that 26 percent of rural physicians will leave their communities within 5 years. Twenty percent of rural physicians are older than 65.

My own State of Montana has 8 counties with no physician at all, and 18 counties with no physician to deliver babies. There are currently 50 vacancies for family practice doctors alone

in Montana. Thirty of our 56 counties are designated health professional shortage areas. In Montana, where we have no medical school, we have an additional disadvantage in that young students of medicine do not spend their learning years or their residencies anywhere in our State. The Montana Legislature just enacted a State income tax credit for new physicians in rural areas. Only three other States have such credits. These States are breaking new ground in physician recruitment, and it is time the Federal Income Tax Code follows suit.

Frontier States have historically depended on the National Health Service Corps to bring in doctors. That program was seriously eroded by several years of neglect. We have renewed our commitment to the NHSC, but it will be another decade before we see much real improvement in terms of health care delivery. We need solutions now.

Mr. President, the trends in health care personnel in rural America must be reversed if we are to continue having any health care services in our nonmetropolitan areas. We have to stop the exodus of physicians from rural areas and start encouraging them to set up practices there. One way to do that is through financial incentives. The bill we are introducing today provides a financial incentive to practice in rural underserved areas. But also importantly, it changes the signals to young physicians thinking about where to set up their practice.

This bill tells doctors in training: "The Federal Government understands the importance of primary care, and it's going to provide financial incentives to help you make the decision to train in primary care where you are most needed."

It tells young doctors: "If you make a commitment to practice in an underserved rural area, the Federal Government will show its appreciation."

It tells young doctors: "If you have the idealism to work in the National Health Service Corps, the Federal Government won't tax the loan repayment bonus."

Mr. President, these are the kinds of signals this Government should be sending to physicians.

I commend Senator PRYOR for his efforts on this excellent and badly needed proposal, and I look forward to working with him on getting these messages translated into action.

By Mr. BINGAMAN:

S. 1126. A bill to amend title XVIII of the Social Security Act to provide for coverage of payment for home health services where an individual is absent from the home at an adult day center; to the Committee on Finance.

COVERAGE OF HOME HEALTH SERVICES

Mr. BINGAMAN. Mr. President, I rise today to introduce a very simple, yet important, bill to address a problem in Medicare's evolving home health services program. In my view, coverage of home care could be one of Medicare's most beneficial provisions. In recent years, this coverage has given thousands of elderly patients—who otherwise would require hospital or nursing home care—the opportunity to live at home with the families they love.

But as beneficial as it is, home care does take a toll, both on the patients and the family caregivers. Everyone needs a respite, a break from the monotony and stress of everyday of life. To provide much-needed, temporary relief to family caregivers and life-enriching, stimulating social and health-related interaction to patients, adult day centers have been growing in number in recent years throughout the country.

Unfortunately, Medicare does not cover adult day care. In fact, Medicare's home health coverage can be, and often is, denied if a home health care patient attends an adult day center for any reason other than to receive medicare care.

Given the economic and technological realities of today's health care delivery system, I believe it is time for Congress to amend the law to allow for continued Medicare coverage of home health care for homebound patients who attend adult day centers.

The bill I am introducing today would achieve this result. It simply states that when an individual has been detemined eligible for the Medicare home health services benefit, that eligibility cannot be denied simply because the patient attends an adult day center, if the individual attends the center through the help of others or through specialized transportation.

Mr. President, let me explain the situation and my bill in a little more detail: as I have stated, under current law, Medicare beneficiaries may be disqualified from receiving home health services benefits if they are absent from their home, except in very limited circumstances. Only medical absences and a limited number of nonmedical absences are permitted under Medicare's requirement that home health beneficiaries be confined to home.

When the original home benefit was implemented in 1965, few—if any—adult day centers existed. Over the past few decades, however, the need for such centers has become increasingly more apparent. Today, a large network of adult day centers operate around the country, allowing the homebound elderly and disabled to leave their homes for social interaction and to receive health services. These centers provide the homebound with stimulating alternative care settings, which help prevent the home from becoming an institutional-type setting, and provide the family caregivers much-needed respites from the stresses of day-to-day care.

Unfortunately for many Medicare beneficiaries and their families, attending an adult day center has become a serious obstacle to receiving continued coverage of necessary home health care services. In fact, many beneficiaries have said that they avoided attending adult day centers simply because they fear losing Medicare home health coverage of necessary care. And if the experience of other beneficiaries is any indication, their fears are probably justified.

Take, for example, the ordeal of a 94-year-old woman in New Hampshire who is confined to a wheelchair and unable to leave her home unassisted. According to the Center for Health Care Law, her intermediary, Blue Cross/Blue Shield of New Hampshire, determined that she was not homebound and withheld her Medicare home care coverage on the grounds that she was transported twice a week to a local day center for the frail elderly. In another case, an 80-year-old woman in Maine, who is suffering from insulin-dependent diabetes, cardiac disease, degenerative joint disease, cataracts, and minimal vision, was twice denied Medicare coverage—even after her appeal was upheld by an administrative law judge. The basis for her denial was that she violated her homebound status when she attended a senior meals program site, which was a quarter-mile from her home, twice a week. Mr. President, to leave her home, this woman had to use one or two canes, and she required the supervision of another person and specialized transportation. Given these details, I find it incomprehensible that an intermediary would deny Medicare coverage on the grounds that she violated her homebound status. However, like her, hundreds of elderly individuals are being victimized by this illogical and inhumane practice.

To help improve these beneficiaries' quality of life, I believe the Congress should act quickly to amend the Medicare law to specifically allow home health care patients to attend adult day centers. To avoid abuse of the law, this expanded benefit would be available only if attendance is possible through the assistance of other individuals or specialized transportation. This change would identify as the relevant issue the manner by which the patient is capable of attending an adult day center, rather than the purpose of the center. An individual who can attend an adult day center under his own power should not be considered homebound; however, one who can attend only through the use of assistance, and who would otherwise be confined to the home without that assistance, should remain homebound.

Today, adult day centers can serve as surrogate homes for the home health care patients. Patients should be able to receive Medicare-covered home health services while at the centers, if

the services are of the type that would have been covered if the individual were in his or her home.

I urge my colleagues to look carefully at this bill, which I ask to be printed in full following my statement, and to talk with their constituents about the need for the type of change I am recommending today.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 1126

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

SECTION 1. COVERAGE OF HOME HEALTH SERVICES WHERE AN INDIVIDUAL IS ABSENT FROM THE HOME AT AN ADULT DAY CENTER.

(a) IN GENERAL.—Sections 1814(a) and 1835(a) of the Social Security Act (42 U.S.C. 1395f(a) and 42 U.S.C. 1395n(a)) are amended by adding at the end the following:

"For purposes of this section, an individual may be considered to be confined to his home, for purposes of payment for home health services covered under this title, notwithstanding the individual's absence from the home, through the assistance of other individuals or specialized transportation, to attend an adult day center, regardless of the nature or frequency of the attendance. An adult day center may be considered an individual's home for purposes of determining whether the individual is entitled to payment for home health services under sections 1812(a)(3) and 1832(a)(2).".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall become effective with respect to payment for home health services furnished on or after January 1, 1992.

By Mr. BRYAN:

S. 1127. A bill to direct the heads of the departments and agencies of Federal Government to make available to the public information relating to members of the Armed Forces of the United States who are officially considered to be prisoners of war, missing in action, or killed in action (body not returned) by reason of certain wars of the United States; to the Committee on Armed Services.

DISCLOSURE OF INFORMATION RELATING TO POW/MIA'S

• Mr. BRYAN. Mr. President, I rise today to introduce legislation designed to lift the cloud of secrecy and doubt surrounding the Federal Government's knowledge of the fate of Americans listed as prisoners of war [POW's] or missing in action [MIA's].

This legislation would require the heads of Federal agencies or departments, with information regarding U.S. military personnel listed as prisoners of war, missing or killed in action from World War II to the present to disclose that information to the public.

This legislation has the potential to help solve some of the remaining questions regarding these missing patriots. Moreover, this legislation is crucial to establishing once and for all the credibility of the Federal Government on this issue.

Whether or not they are justified, there are those who suspect that the Federal Government is holding back information. There are those who suspect that the Federal Government isn't playing it straight with the American people. This bill can eliminate that suspicion.

Mr. President, today there are 2,273 Americans still missing as a result of the conflict in Vietnam, and there are many more from the Korean war and World War II. We have the opportunity to fulfill a commitment of trust to the families of those missing.

We have an opportunity to demonstrate the depth of our gratitude to those who served their country in the past. Moreover, we have an opportunity to demonstrate to those who presently serve and those who are considering service, that the American Government will spare no effort to protect their well-being.

We are all deeply concerned whenever American men and women are held against their will in foreign lands. Indeed, as the President said in his inaugural address,

There are Americans who are held against their will in foreign lands and Americans who are unaccounted for. Assistance can be shown here and will be long remembered. Good will begets good will. Good faith can be a spiral that endlessly moves on * * *.

The President is right. Good faith can build on itself, but it must be established both internationally and domestically. Members of Congress and the Bush administration have moved internationally to advance the accounting of American veterans whose fate is still unknown.

But domestically, the administration has yet to adopt the policy set forth in this bill to satisfy the doubts and curiosity of those who were left behind by these missing soldiers. The administration has yet to do all it can domestically to give these loved ones peace of mind.

Mr. President, as I mentioned earlier, this legislation requires the release of all pertinent Federal Government information regarding POW/MIA's.

However, we include two important exceptions. The first protects the family of the missing soldier's right to privacy because no information mentioning a serviceman's name could be released against the wishes of the surviving family.

Moreover, the legislation would protect the interests of national security by preventing the disclosure of classified information if the Federal Government can show that national security could be compromised.

A similar version of this legislation has been introduced in the House of Representatives by Congressman JOHN MILLER, and has received strong, bipartisan congressional support. That bill has been endorsed by organizations such as the Vietnam Veterans of America, the American Ex-Prisoners of War, and the National Alliance of Families of POW/MIA's, as well as the Governor of Nevada and Nevada Legislature.

I look forward to working in conjunction with these groups and with all of America's veterans, military personnel and their families to see that this bill becomes law.

The families of those missing have been waiting too long for this simple act of clarity and trust. It is time to put these doubts to rest.

I ask 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:

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

SECTION 1. PUBLIC RELEASE OF FEDERAL GOVERNMENT INFORMATION RELATING TO MEMBERS OF THE ARMED FORCES OFFICIALLY CONSIDERED TO BE PRISONERS OF WAR, MISSING IN ACTION, OR KILLED IN ACTION (BODY NOT RETURNED).

(a) RELEASE OF LIST OF POW'S, MIA'S, AND CERTAIN KIA'S.—Except as provided in subsection (c), not later than one year after the date of the enactment of this Act, the Secretary of Defense shall make available to the public and transmit to the head of each department and agency of the Federal Government a list containing the following information:

(1) The name of each person who, as a result of service as a member of the Armed Forces of the United States during World War II, the Korean conflict, or the Vietnam era, was officially considered (for Department of Defense purposes) to have the status of prisoner of war, missing in action, or killed in action (body not returned).

(2) The official status (for Department of Defense purposes) of each such person as of the date on which the list is made available to the public.

(b) RELEASE OF FEDERAL GOVERNMENT RECORDS ON POW'S, MIA'S AND CERTAIN KIA'S.—(1) The head of each department and agency of the Federal Government shall review the records and information of the agency to determine whether the department or agency is in possession of any corroborating record or other corroborating information relating to the location of a person referred to in subsection (a)(1) who is officially considered (for Department of Defense purposes) to have a status referred to in subsection (c), the head of such department or agency shall make each such record or other information available to the public.

(2) The head of a department or agency shall make available to the public a record or information referred to in paragraph (1)—

(A) in the case of a record or information held or possessed by such department or agency on the date of the receipt of the list referred to in subsection (a), not later than one year after such date; and

(B) in the case of the record or information received after such date, within 180 days after the date of the receipt of such record or information.

(c) LIMITATIONS ON RELEASE OF INFORMATION.—(1) The head of a department or agency—

(A) may not make available to the public under this section any record or other information that is classified in the foreign policy or national security interests of the United States; and

(B) is not required under this section to make public any record or information relating to any person if the head of the department or agency determines that making such record or information available to the public would result in harm to the health or safety of that person.

(C) may not make available to the public under this section any record or other information is a surviving family member has filed with the Department of Defense a Request for Confidentiality concerning the person referred to in Subsection (A)(1) who is officially considered to have a status referred to in such subsection.

(2) Within 30 days after making a determination described in paragraph (1)(B), the head of a department or agency shall submit a notification of such determination to the Select Committee on Intelligence of the Senate and the Permanent Select Committee on Intelligence of the House of Representatives.

SEC. 2. DEFINITIONS.

For the purposes of this Act:

(1) The terms, "World War II", "Korean conflict", and "Vietnam era" shall have the meanings given such terms in paragraphs (8), (9), and (29) of section 101 of title 38, United States Code, respectively.

(2) The term "corroborating", with respect to record or other information, means any record or information that is considered to be valid by—

(A) the heads of more than one department or agency of the Federal Government, or

(B) one or more entities or organizations that have an interest in matters relating to members and former members of the armed forces officially considered (for Department of Defense purposes) to have a status as prisoners of war, missing in action, or killed in action (body not returned),

as determined by the head of the department or agency in possession of such record or other information.●

By Mr. GLENN:

S. 1128. A bill to impose sanctions against foreign persons and U.S. persons who assist foreign countries in acquiring a nuclear explosive device or unsafeguarded special nuclear material, and for other purposes; to the Committee on Foreign Relations.

OMNIBUS NUCLEAR PROLIFERATION CONTROL ACT

● Mr. GLENN. Mr. President, I rise today to introduce legislation that will strengthen America's commitment to the goal of preventing the global spread of nuclear weapons.

AMERICAN LEADERSHIP

Do we need to make this effort? No doubt about it. A future nuclear war in the Middle East, South Asia, or East Asia would have profound effects on the security interests not just of the United States, but of our allies and, indeed, the international community as a whole. We also need to do more to head off another nightmare that may lie around the corner—a terrorist group acquiring the bomb or bomb-making material through the black market.

I am proud of the efforts of Congress—working often with the support of the President and executive agencies—to improve our export controls and sanctions legislation with respect to the global spread of missiles and chemical and biological weapons. Some critics, however, have condemned such efforts as amounting to "unilateralism" and bound to fail since, after all, America no longer monopolizes the global market for commodities to produce such weapons.

Yet if our nonproliferation laws were limited as the critics would recommend—if we craft legislation that is simply a least common denominator of all the world's export control and sanctions legislation—would the world be a safer place? That is the crucial question. If 16 nations produce a crucial component for nuclear weapons and 15 nations have export controls over this item, must we really jump into the international market for fear of losing a sale? If other nations condone nuclear proliferation, must we follow suit?

No, obviously this type of reasoning must be firmly rejected. Indeed, if America heeded this argument that all controls must be uniformly multilateral before we will agree to apply them, where would the international nuclear nonproliferation regime be today? There would surely be no Nuclear Non-Proliferation Treaty since, after all, many potential nuclear-weapon countries are outside that treaty. There would be no "nuclear supplier" groups and no "trigger lists" of safeguarded commodities since, once again, not every nation adheres to these standards. Would Japan and Germany now require full-scope international safeguards if America had not taken the lead in advocating this as a basic standard for international commerce? Where would the missile technology control regime be today if the United States had not pressed for its creation?

What some people call unilateralism, I call leadership. It is in this spirit that I introduce legislation today to rekindle America's determination not just to condemn nuclear proliferation—or to manage it—but to prevent it by making it a very, very costly enterprise to individuals or groups that insist on putting profits ahead of national and international security.

In recent years, America has taken the lead—as well it should—in mandating stiff penalties to be imposed on firms or individuals that willfully traffic in goods or technology associated with weapons of mass destruction. In a show of strong bipartisan support, Congress included in the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510) a U.S. import ban and Government procurement ban on goods produced by foreign firms that traffic in technology controlled under the missile technology control regime.

Congress also passed the Omnibus Export Amendments Act of 1990, which provided for similar penalties against firms or individuals that traffic in chemical or biological weapon-related commodities that are controlled in the United States. Although that bill was pocket vetoed, it has been passed again by the Senate and is awaiting action in the House Foreign Affairs Committee.

WHAT ABOUT NUCLEAR?

There is, however, no provision in current U.S. law that mandates either an import ban or a ban on Government procurements against firms that traffic in technology related to nuclear weapons. We appear to be approaching a point where our laws may be more draconian against missile or CBW-related violations than for illicit sales of H-bomb or other nuclear weapon-related technology, equipment, or materials.

I do not believe that any foreign firm or individual that profits from illicit sales of technology that can level whole cities should make new profits from private business in the United States or from public business with Uncle Sam. I also believe it is not right to limit these penalties just to foreign firms, for what possible international leadership could we achieve if we practice a double standard of punishing foreign firms while condoning illicit exports that the American people have time and again condemned whenever they have been reported?

Nuclear weapons pose a particularly grave threat to the security of the United States and its allies—it deserves a higher status on our list of priorities than it has achieved in the past. The effects of nuclear weapons are quite unlike the effects of mustard gas. The consequences of a nuclear war are quite different from the consequences of a chemical war. The methods by which nations secretly acquire nuclear weapons are similar in many ways to the way nations secretly acquire missiles or CBW's, but there are some differences there as well. In short, we need to protect the special place of nuclear nonproliferation on the public agenda. This is one of the goals of the bill I am introducing today. Here are some specifics:

KEY FEATURES

1. ON SANCTIONS

The legislation would ban U.S. imports and Government procurements from firms that the President determines are trafficking in goods or technology that would assist another nation or group to acquire either nuclear explosive devices or unsafeguarded special nuclear materials. The bill also bans U.S. Government procurements from any U.S. firms determined by the President to be engaging in these activities. Sanctions shall last for at least 12 months and shall end upon a Presidential determination that the il-

licit activity has ceased and that the President has reason to believe that the activity will not recur.

2. TRIGGER

Sanctions are triggered after the following: First, a Presidential determination; second, a 180-day period to permit the President to consult with foreign governments; and third, a further 90-day extension if that government is making progress in terminating the illicit activities. This procedures follows the proposal already approved by Congress for triggering CBW-related sanctions.

3. EXCEPTIONS

Sanctions will not apply to cases involving U.S. imports of essential defense-related commodities, to goods covered by contracts predating enactment of this law, to information and products essential to U.S. production, and to medical and humanitarian items.

4. WAIVER

The President may waive any sanction at any time after the end of the 12-month period beginning on the date on which the sanction was imposed, upon certification that the sanction would have a serious adverse effect on vital U.S. interests. Again, this waiver provision follows the provision already passed by Congress for CBQW-related cases.

5. OTHER INITIATIVES

First, International Financial Institutions Act would be amended to require U.S. executive directors of each of the international financial institutions listed in that act to vote against providing any institutional funds that would promote the acquisition of unsafeguarded special nuclear material or the development, stockpiling, or use of nuclear explosive devices.

Second, the President's authority is broadened under the International Emergency Economic Powers Act to expand the types of economic sanctions that the President can impose against nuclear proliferators.

Third, the Exim-Bank Act is amended to exclude benefits to any country that has willfully aided or abetted any non-nuclear-weapon state to acquire a nuclear explosive device or unsafeguarded special nuclear material.

Fourth, the Arms Export Control Act is amended to ensure that nations receiving U.S. arms are in full compliance with their international treaty commitments with respect to nuclear nonproliferation.

Fifth, the Foreign Assistance Act is amended: to establish time limitations on waivers of penalties against countries that traffic in nuclear reprocessing technology; to penalize not just the transfer of a nuclear explosive device but also any specially prepared component or design information of such a device; and to end Pakistan's exemption from controls against trafficking in unsafeguarded uranium enrichment technology.

Sixth, the Arms Control and Disarmament Act is amended to designate nuclear nonproliferation as a specific area of emphasis for the General Advisory Committee of ACDA.

Seventh, the State Department Basic Authorities Act is amended to enable the Secretary of State to pay rewards for information relating to any illicit acquisitions of unsafeguarded special nuclear material or nuclear explosive devices.

6. REPORTS

First, the President shall submit an annual report to Congress assessing the compliance by other nations with their nuclear nonproliferation commitments. This report is modeled after the report already required for assessing the compliance of the Soviet Union with its arms control commitments. In a post cold war world, it is appropriate for Congress to ensure it is being kept fully informed about international compliance with relevant treaties and other official commitments.

Second, the Secretary of State shall submit a comprehensive report assessing the effectiveness of past U.S. diplomatic demarches issued to advance nuclear nonproliferation objectives. Such a review is long overdue, especially in light of numerous foreign press reports indicating that many of these demarches, in the memorable words of one German export control official, "usually land in my wastepaper basket."

7. DEFINITION

Finally, for the first time in U.S. law, this law defines the term "nuclear explosive device."

CONCLUSION

Mr. President, I have just summarized the key features of the bill I am introducing today. America's approach to nuclear nonproliferation must be grounded on our ideals and our self-interest, and tempered by experience. Our nuclear nonproliferation legislation has remained essentially static since 1978 while the nature of the threat has continued to grow. We must now redouble our efforts to find new ways of preventing, not just condemning, the global spread of nuclear weapons. I believe the bill I have just outlined goes a long way toward that goal and would welcome the active support of my colleagues to ensure its prompt enactment.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 1128

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 "Omnibus Nuclear Proliferation Control Act of 1991".

SEC. 2. IMPOSITION OF SANCTIONS.

(a) DETERMINATION BY THE PRESIDENT.—

(1) IN GENERAL.—Except as provided in subsection (b)(2), the President shall impose the applicable sanctions described in subsection (c) if the President determines that a foreign person or a United States person, on or after the date of the enactment of this section, has knowingly and materially contributed—

(A) through the export from the United States of any goods or technology that are subject to the jurisdiction of the United States, or

(B) through the export from any other country of any goods or technology that would be, if they were United States goods or technology, subject to the jurisdiction of the United States,

to the efforts by any individual, group, or non-nuclear-weapon state to acquire unsafeguarded special nuclear material or to use, develop, produce, stockpile, or otherwise acquire any nuclear explosive device, whether or not the goods or technology is specifically designed or modified for that purpose.

(2) PERSONS AGAINST WHICH SANCTIONS ARE TO BE IMPOSED.—Within 180 days of a Presidential determination (except as provided in subsection (b)), sanctions shall be imposed pursuant to paragraph (1) on—

(A) the foreign person or United States person with respect to which the President makes the determination described in that paragraph;

(B) any successor entity to that foreign person or United States person;

(C) any foreign person or United States person that is a parent or subsidiary of that person if that parent or subsidiary knowingly assisted in the activities which were the basis of that determination; and

(D) any foreign person or United States person that is an affiliate of that person if that affiliate knowingly assisted in the activities which were the basis of that determination and if that affiliate is controlled in fact by that foreign person.

(3) OTHER SANCTIONS AVAILABLE.—The sanctions which may be imposed for activities described in this subsection are in addition to any other sanction which may be imposed for the same activities under any other provision of law.

(4) DEFINITION.—For purposes of this subsection, the term "knowingly" includes having reason to know.

(b) CONSULTATION WITH AND ACTIONS BY FOREIGN GOVERNMENT OF JURISDICTION.—

(1) CONSULTATIONS.—If the President makes the determinations described in subsection (a)(1) with respect to a foreign person, the Congress urges the President to initiate consultations immediately with the government with primary jurisdiction over that foreign person with respect to the imposition of sanctions pursuant to this section.

(2) ACTIONS BY GOVERNMENT OF JURISDICTION.—In order to pursue such consultations with that government, the President may delay imposition of sanctions pursuant to this section for the full 180-day period permitted by subsection (a)(2). Following these consultations, the President shall impose sanctions unless the President determines and certifies to the Congress that that government has taken specific and effective actions, including appropriate penalties, to terminate the involvement of the foreign person in the activities described in subsection (a)(1). The President may delay the imposition of sanctions for up to an additional 90

days if the President determines and certifies to the Congress that that government is in the process of taking the actions described in the previous sentence.

(3) REPORT TO CONGRESS.—Not later than 90 days after making a determination under subsection (a)(1), the President shall submit to the Committee on Foreign Relations and the Committee on Governmental Affairs of the Senate and the Committee on Foreign Affairs of the House of Representatives a report on the status of consultations with the appropriate government under this subsection, and the basis for any determination under paragraph (2) of this subsection that such government has taken specific corrective actions.

(c) SANCTIONS.—

(1) DESCRIPTION OF SANCTIONS ON FOREIGN PERSONS.—The sanctions to be imposed on a foreign person pursuant to subsection (a)(1) are, except as provided in paragraph (3) of this subsection, the following:

(A) PROCUREMENT SANCTION.—The United States Government shall not procure, or enter into any contract for the procurement of, any goods or services from the foreign person or any parent, subsidiary, affiliate, or successor entity thereof, as described in subsection (a)(2).

(B) IMPORT SANCTIONS.—The importation into the United States of products produced by any foreign person or any parent, subsidiary, affiliate, or successor entity thereof, as described in subsection (a)(2), shall be prohibited.

(2) DESCRIPTION OF SANCTIONS ON UNITED STATES PERSONS.—The United States Government shall not procure, or enter into any contract for the procurement of, any goods or services from the United States person or any parent, subsidiary, affiliate, or successor entity thereof, as described in subsection (a)(2).

(3) EXCEPTIONS.—The President shall not be required to apply or maintain sanctions under this section—

(A) in the case of procurement of defense articles or defense services—

(i) under existing contracts or subcontracts, including the exercise of options for production quantities to satisfy United States operational military requirements;

(ii) if the President determines that the person or other entity to which the sanctions would otherwise be applied is a sole source supplier of the defense articles or services, that the defense articles or services are essential, and that alternative sources are not readily or reasonably available; or

(iii) if the President determines that such articles or services are essential to the national security under defense coproduction agreements;

(B) to products or services provided under contracts entered into before the date on which the President publishes his intention to impose sanctions;

(C) to—

(i) spare parts which are essential to United States products or production,

(ii) component parts, but not finished products, essential to United States products or production, or

(iii) routine servicing and maintenance of products, to the extent that alternative sources are not readily or reasonably available;

(D) to information and technology essential to United States products or production; or

(E) to medical or other humanitarian items.

(d) TERMINATION OF SANCTIONS.—The sanctions imposed pursuant to this section shall apply for a period of at least 12 months following the imposition of sanctions and shall cease to apply thereafter only if the President determines and certifies to the Congress that—

(1) reliable information indicates that the foreign person or United States person with respect to which the determination was made under subsection (a)(1) has ceased to aid or abet any individual, group, or foreign government in its efforts to acquire unsafeguarded special nuclear material or any nuclear explosive device, as described in that subsection; and

(2) the President has reason to believe that the foreign person or United States person, as the case may be, will not, in the future, aid or abet any individual, group, or foreign government in its efforts to acquire unsafeguarded special nuclear material or any nuclear explosive device, as described in subsection (a)(1).

(e) WAIVER.—

(1) CRITERION FOR WAIVER.—The President may waive the application of any sanction imposed on any person pursuant to this section, after the end of the 12-month period beginning on the date on which that sanction was imposed on that person, if the President determines and certifies to the Congress that the continued imposition of the sanction would have a serious adverse effect on vital United States interests.

(2) NOTIFICATION OF AND REPORT TO CONGRESS.—If the President decides to exercise the waiver authority provided in paragraph (1), the President shall so notify the Congress not less than 20 days before the waiver takes effect. Such notification shall include a report fully articulating the rationale and circumstances which led the President to exercise the waiver authority.

(f) DEFINITIONS.—For the purposes of this section—

(1) the term "foreign person" means—

(A) an individual who is not a citizen of the United States or an alien admitted for permanent residence to the United States; or

(B) a corporation, partnership, or other entity which is created or organized under the laws of a foreign country or which has its principal place of business outside the United States; and

(2) the term "United States person" means—

(A) an individual who is a citizen of the United States or an alien admitted for permanent residence to the United States; or

(B) a corporation, partnership, or other entity which is created or organized under the laws of the United States or which has its principal place of business inside the United States.

SEC. 3. ROLE OF INTERNATIONAL FINANCIAL INSTITUTIONS.

(a) IN GENERAL.—The Secretary of the Treasury shall instruct the United States executive director to each of the international financial institutions described in section 701(a) of the International Financial Institutions Act (22 U.S.C. 262d(a)) to use the voice and vote of the United States to oppose any direct or indirect use of the institution's funds to promote the acquisition of unsafeguarded special nuclear material or the development, stockpiling, or use of any nuclear explosive device by any non-nuclear-weapon state.

(b) DUTIES OF UNITED STATES EXECUTIVE DIRECTORS.—Section 701(b)(3) of the International Financial Institutions Act (22 U.S.C. 262d(b)(3)) is amended to read as follows:

"(3) whether the recipient county—

"(A) is seeking to acquire unsafeguarded special nuclear material (as defined in section 11(5) of the Omnibus Nuclear Proliferation Control Act of 1991) or a nuclear explosive device (as defined in section 11(2) of that Act);

"(B) is not a State Party to the Treaty on Non-Proliferation of Nuclear Weapons; or

"(C) is a country described in both clauses (A) and (B).".

SEC. 4. BASIS FOR DECLARATION OF NATIONAL EMERGENCY.

Section 202 of the International Emergency Economic Powers Act (50 U.S.C. 1701) is amended by adding at the end thereof the following new subsection:

"(c) For the purpose of this section, the term 'any unusual and extraordinary threat' includes any international event that the President determines may involve the detonation of a nuclear explosive device (as defined in section 11(2) of the Omnibus Nuclear Proliferation Control Act of 1991) or an action or activity that substantially contributes to the likelihood of the proliferation or detonation of such devices, including the acquisition by a non-nuclear-weapon state of unsafeguarded special nuclear material (as defined in section 11(5) of that Act).".

SEC. 5. EXPORT-IMPORT BANK.

Section 2(b)(4) of the Export-Import Bank Act of 1945 (12 U.S.C. 635(b)(4)) is amended by inserting after "device" the following: "(as defined in section 11(2) of the Omnibus Nuclear Proliferation Control Act of 1991), or that any country has willfully aided or abetted any such non-nuclear-weapon state (as defined in section 11(3) of that Act) to acquire a nuclear explosive device or to acquire unsafeguarded special nuclear material (as defined in section 11(5) of that Act).".

SEC. 6. ELIGIBILITY FOR ASSISTANCE.

(a) AMENDMENTS TO THE ARMS EXPORT CONTROL ACT.—(1) Section 3(a) of the Arms Export Control Act is amended—

(A) by striking out "and" at the end of paragraph (3);

(B) by striking out the period at the end of paragraph (4) and inserting in lieu thereof "; and";

(C) by adding at the end thereof the following:

"(5) the President has determined that the country or international organization is in full compliance with its international treaty commitments with respect to the nonproliferation of nuclear explosive devices (as defined in section 11(2) of the Omnibus Nuclear Proliferation Control Act of 1991).";

and

(D) in section 40(d) of such Act, by adding at the end thereof the following new sentence: "For the purposes of this subsection, such acts shall include all activities that the Secretary determines willfully aid or abet the international proliferation of nuclear explosive devices to individuals, groups, or non-nuclear-weapon states (as defined in section 11(3) of the Omnibus Nuclear Proliferation Act of 1991) or willfully aid or abet an individual, group, or non-nuclear-weapon state in acquiring unsafeguarded special nuclear material (as defined in section 11(5) of that Act)."

(2) Section 47 of such Act is amended—

(A) by striking out "and" at the end of paragraph (7);

(B) by striking out the period at the end of paragraph (8) and inserting in lieu thereof "; and"; and

(C) by adding at the end thereof the following new paragraph:

"(9) 'nuclear explosive device' has the same meaning given to that term by section 11(2)

of the Omnibus Nuclear Proliferation Control Act of 1991.".

(b) AMENDMENTS TO THE FOREIGN ASSISTANCE ACT OF 1961.—

(1) Section 670(a)(2) of the Foreign Assistance Act of 1961 is amended in the first sentence—

(A) by inserting "in any fiscal year" after "President"; and

(B) by inserting "during that fiscal year" after "certifies in writing".

(2)(A) Subparagraph (A) of section 670(b)(1) of the Foreign Assistance Act of 1961 is amended by inserting after "device" the following: ", or any component or design information specially designed or prepared for use in such a device,".

(B) Subparagraph (B)(i) of section 670(b)(1) of such Act is amended by inserting after "device," the following: "or any component or design information specially designed or prepared for use in such a device,".

(3) Section 670 of the Foreign Assistance Act of 1961 is further amended by adding at the end thereof the following new subsection:

"(d) As used in this section, the term 'nuclear explosive device' has the same meaning given to that term by section 11(2) of the Omnibus Nuclear Proliferation Control Act of 1991.".

(4) Notwithstanding any other provision of law, Presidential Determination No. 82-7 of February 10, 1982, made pursuant to section 670(a)(2) of the Foreign Assistance Act of 1961, shall have no force or effect.

(5) Section 620E(d) of the Foreign Assistance Act of 1961 (22 U.S.C. 2375(d)) is repealed.

SEC. 7. ACDA.

Section 26 of The Arms Control and Disarmament Act (22 U.S.C. 2566) is amended by inserting after the first sentence the following: "These responsibilities shall include the provision to the President of advice on measures to reduce, control, or halt the international spread of nuclear explosive devices (as defined in section 11(2) of the Omnibus Nuclear Proliferation Control Act of 1991) and the acquisition by non-nuclear-weapon states of unsafeguarded special nuclear material (as defined in section 11(5) of that Act).".

SEC. 8. REWARD.

Section 36(a) of the State Department Basic Authorities Act of 1956 is amended—

(1) by redesignating paragraphs (1) through (3) as subparagraphs (A) through (C);

(2) by inserting "(1)" immediately after "(a)"; and

(3) by adding at the end thereof the following:

"(2) For purposes of this subsection, the term 'act of international terrorism' includes any act substantially contributing to the acquisition of unsafeguarded special nuclear material (as defined in section 11(5) of the Omnibus Nuclear Proliferation Control Act of 1991) or any nuclear explosive device (as defined in section 11(2) of that Act) by an individual, group, or non-nuclear-weapon state, as defined in section 11(3) of that Act.".

SEC. 9. REPORTS.

(a) IN GENERAL.—Not later than December 1 of each year, the President shall submit to Congress a report on any noncompliance by foreign governments with their commitments to the United States with respect to the prevention of the spread of nuclear explosive devices.

(b) CONTENTS OF REPORT.—The President shall specifically include in such report the following:

(1) A net assessment of the aggregate military significance of all such violations.

(2) A statement of the compliance policy of the United States with respect to violations of those commitments.

(3) What actions, if any, the President has taken or proposes to take to bring any nation committing such a violation into compliance with its commitments.

(c) REPORTING CONSECUTIVE NONCOMPLIANCE.—If the President in consecutive reports submitted to Congress under this section reports that any designated nation is not in full compliance with its nonproliferation commitments to the United States, then the President shall include in the second such report an assessment of what actions are necessary to compensate for such violations.

(d) FORM OF REPORTS.—Each report under this section shall be submitted in both classified and unclassified versions.

(e) DEFINITION.—As used in this section, the term "commitments" means formal and informal communications that the United States has received from official representatives of foreign governments conveying the national policies of such governments to forswear the acquisition or proliferation of unsafeguarded special nuclear material or of nuclear explosive devices.

(f) REPORT ON DEMARCHES.—(1) Not later than July 1, 1992, the Secretary of State shall submit to the Congress a comprehensive report on the effectiveness of the United States diplomatic demarches intended to halt the proliferation of nuclear explosive devices, including the number of specific demarches issued by the United States, and the number of demarches received by the United States from foreign governments, during the 5 years preceding the date of enactment of this subsection. Such report shall identify the proportion of these demarches that the Secretary has deemed to have been successful in attaining their stated objectives and shall identify all measures taken to improve the effectiveness of such demarches.

(2) For purposes of this section, the term "demarche" means any official communication by one government to another, by written or oral means, intended by the originating government to express—

(A) a concern over a past, present, or possible future action or activity of the recipient government, or of a person within the jurisdiction of that government, contributing to the global spread of unsafeguarded special nuclear material or of nuclear explosive devices;

(B) a request for the recipient government to counter such action or activity; or

(C) both the concern and request described in subparagraphs (A) and (B).

SEC. 10. TECHNICAL CORRECTION.

Section 133(b) of the Atomic Energy Act of 1954 (42 U.S.C. 2160c) is amended by striking out "20 kilograms" and inserting in lieu thereof "5 kilograms".

SEC. 11. DEFINITIONS.

For purposes of this Act—

(1) the term "IAEA safeguards" means the safeguards set forth in an agreement between a country and the International Atomic Energy Agency, as authorized by Article III(A)(5) of the Statute of the International Atomic Energy Agency;

(2) the term "nuclear explosive device" means any device that is designed to produce an instantaneous release of an amount of nuclear energy from special nuclear material that is greater than the amount of energy that would be released from the detonation of one pound of trinitrotoluene (TNT);

(3) the term "non-nuclear-weapon state" means any country which is not a nuclear-weapon state, as defined by Article IX (3) of the Treaty on the Non-Proliferation of Nuclear Weapons, signed at Washington, London, and Moscow on July 1, 1968;

(4) the term "special nuclear material" has the meaning given to that term by section 11aa of the Atomic Energy Act of 1954 (42 U.S.C. 2014aa); and

(5) the term "unsafeguarded special nuclear material" means special nuclear material which is held in violation of, or not subject to, IAEA safeguards.●

By Mr. MACK (for himself and Mr. Shelby):

S. 1129. A bill to reduce unnecessarily burdensome financial institution paperwork and reporting requirements, and for other purposes; to the Committee on Banking, Housing, and Urban Development.

REGULATORY EFFICIENCY FOR DEPOSITORY INSTITUTIONS ACT

● Mr. MACK. Mr. President, today I, along with Senator SHELBY, am introducing legislation which will help promote the safety and soundness of our Nation's financial institutions. The strength of America's economy and its ability to provide jobs relies on a healthy banking system. At a time when our Nation's deposit insurance system is under stress and a record number of banks are failing, significant and ever-escalating resources are being spent on compliance with burdensome reporting mandates unrelated to bank safety and soundness. Indeed, bank safety and soundness would be enhanced with the passage of this legislation.

This bill is intended to reduce the enormous amount of paperwork and expense of certain Federal mandates on our Nation's financial institutions that are unrelated to the safety and soundness of that institution. The bill's purpose is to diminish, in a modest fashion, some of the superfluous, duplicative, and unfair requirements and liabilities imposed on banks and other depository institutions.

As experience with consumer legislation has vividly and repeatedly demonstrated, regardless of the simplicity of the legislative concept, that concept inevitably translates into unnecessarily complicated and expensive regulations. Moreover, while no single regulation can be characterized as most burdensome, the aggregate burden of the litany of banking regulations ultimately affects banks' operations, their ability to serve customers effectively, and the price paid by consumers for bank products.

It is not an exaggeration to say that banks are drowning in a sea of regulations. Of grave concern are the significant and ever-escalating resources spent on compliance with regulations unrelated to bank safety and soundness

at a time when many of these banks are under serious financial strain.

For instance, last year, banks were required to mail FDIC notices to all account holders. The notice was to explain that Federal insurance of savings and loan deposits was to be changed so as to be identical to bank deposit insurance. A rough but conservative estimate of the banks' cost of this mailing exceeds $81 million. Yet the brochure, by all accounts, was incomprehensible, confusing, ignored by most account holders, and apparently enlightened few if any customers. The $81 million spent on this exercise could have been better spent on loans to small businesses or first-time home buyers.

Mandatory notices and the number of reports submitted to regulators represent only a small part of the regulatory cost burden. The costs of compliance are often understated or ignored because the statutory solutions appear deceptively simple and effortless. Yet, implementation and maintenance of a single regulation demands the energy of numerous bank departments. Examples of elements of expenses include: Legal fees for interpretation and implementation; collection and destruction of old forms; devising new forms; designing complying programs and products; labor; internal and external meetings; computer technology; computer resources; printing new forms; postage; handling inquiries and misunderstandings; purchasing compliance education and auditing tools; training and retraining personnel; monitoring compliance; reporting to regulators; and meeting with regulatory examiners.

One bank with net income of $83 million in 1989 analyzed its compliance costs and calculated the labor cost of complying just with regulations unrelated to safety and soundness to be about $12 million for that year.

As I have illustrated, the costs of compliance with regulations unrelated to safety and soundness are enormous. And the expense affects not only banks, but also consumers and the banks' communities. Ultimately, the banks are compelled to pass some of the costs to customers in the form of higher fees for deposit and loan products.

This bill is intended to reduce, in a modest fashion, some of the expensive paperwork and liability associated with the unnecessary requirements. Most of the modifications to current regulations will have little if any noticeable effect on most consumers.

For instance, one provision eliminates the duplication of recordkeeping requirements of the Home Mortgage Disclosure Act and regulations related to the Fair Housing Act. Another provision clarifies that lenders are not required to furnish mortgage applicants estimates of settlement costs if they have denied the loan within 3 days of application, the usual deadline for providing such settlement cost estimates. The bill also makes a technical change to clarify that the requirement that lenders limit the maximum interest rate on mortgage loans applies only to consumer loans. The law clearly was never intended to apply to commercial loans, but the statute is ambiguous.

The bill allows consumers and lenders more flexibility regarding certain provisions of the Truth in Lending Act. It allows borrowers who wish to waive their 3-day right to rescind certain loans secured by a residence if appropriate disclosure is made. Thus, under the bill, the creditor is not required to delay releasing the funds until the expiration of the 3-day period. This allows borrowers immediate access to the loan funds and in the case of mortgage refinancings, relieves them from paying interest on two loans during that period.

The bill also attempts to reduce compliance costs and paperwork by amending the Community Reinvestment Act and the Home Mortgage Disclosure Act. My bill exempts small community banks from the Community Reinvestment Act entirely. By definition and their very nature, community banks serve their communities; they cannot survive without doing so. Yet, they are compelled by the Community Reinvestment Act to devote significant and valuable resources to document and defend the very community activities central to their existence. The cost of the burden exceeds its value.

Now is the time to streamline the regulatory burden that is unrelated to safety and soundness on our Nation's financial institutions. I urge my colleagues to join me as cosponsors on this important legislation.•

• Mr. SHELBY. Mr. President, I join with Senator MACK in introducing legislation to help lighten the regulatory burden on financial institutions. For too long, Congress has imposed burdensome reporting or disclosure requirements on depository institutions with little or no regard for the costs associated with compliance. While no single requirement in itself imposes an insurmountable hardship, the effect of these requirements in the aggregate has been to greatly increase compliance costs and, in some instances, the regulations have only served to exacerbate the problem they were designed to address.

As this Nation still recoils from the shock of the savings and loan crisis, the papers now run front page stories about weaknesses in the banking industry. The bank insurance fund threatens to become insolvent in the not too distant future and once again, Congress is required to restore to health the deposit insurer.

The Senate Banking Committee, on which Senator MACK and I serve, is again addressing the issue of bank powers. We must decide whether a substantially weakened banking system would be helped or hindered by being permitted into new services and products. While I am inclined to say that some new powers are appropriate for our banking system, I am repeatedly struck by the message I receive from bankers in my State. While most of the bankers in Alabama would appreciate the opportunity to better serve their customers with new products and services, they would much prefer the opportunity to fulfill their existing role more efficiently. The single largest concern to bankers in the State of Alabama is the regulatory burden placed on them by Federal statutes.

I cannot walk into a community bank in Alabama or have a conversation with a banker from Alabama and not discuss the Community Reinvestment Act. The burden placed on banks by this single statute is staggering. While Congress passed CRA with the best intentions, it appears that the application of this intent has been heavy handed. Community banks, those that serve smaller, well-defined markets, cannot survive without serving all members of the community. What is good for the community is good for the bank. Yet, these smalltown community banks are forced to devote considerable resources to document and prove to Federal regulators that they are indeed serving the market in which they are located. Evaluation of compliance varies widely among regulators. Regulators have even told bankers in my State that, while their compliance efforts merit an outstanding evaluation, internal policy prevents them from bestowing that high of a grade.

To illustrate the ineffectiveness of CRA, consider this example. I am advised that two banks have reported that they requested permission to install automated teller machines in low- and moderate-income areas in order to improve their CRA ratings. However, their requests were denied because their CRA ratings were too low. Did Congress mandate this catch-22? Is this what we intended?

The Home Mortgage Disclosure Act has been similarly effective. Recent expansions in the type of data required will result in the Federal Reserve assembling more data than it has ever collected on any other subject. This data reveals the location of loan applications and purchases by census tract and is intended to help regulators determine whether creditors are discriminating illegally.

Ironically, however, the data collected may be statistically irrelevant. The data do not reveal the creditworthiness of the applicant. Data collected are currently based on 1980 census reports and population shifts since that time may significantly skew its accuracy.

Griffith Garwood of the Division of Consumer and Community Affairs at

the Federal Reserve Board estimated in an article published in the American Banker that the Federal Reserve will be required to distribute approximately 1.7 million pages of reports, at a cost to the Federal Reserve Board alone in excess of $1 million. This cost does not include the cost to the Reserve banks or the considerable expense to reporting financial institutions.

These are but two examples of the well-intentioned but poorly implemented regulations that Congress has placed on banks in recent years. As Congress examines ways in which it can restore the banking industry to health, I believe that the first move must be to permit banks to operate more efficiently. Releasing financial institutions from the substantial regulatory burden mandated by Congress is an obvious first step. I believe that we should incorporate the provisions of this legislation into the deposit insurance reform legislation that is currently working its way through Congress.

I would not advocate the removal of these regulations if I believed that consumers would suffer. However, I believe that consumers, who are also taxpayers, will gain from a stronger, healthier banking system, restored in part by streamlined, efficient regulation.●

By Mr. KASTEN (for himself, Mr. SHELBY, and Mr. BURNS):

S. 1130. A bill to amend the Internal Revenue Code of 1986 to provide for rollover of gain from sale of farm assets into an individual retirement account; to the Committee on Finance.

FAMILY FARM TAX RELIEF AND SAVINGS ACT

● Mr. KASTEN. Mr. President, I rise today to introduce the Family Farm Tax Relief and Savings Act of 1991. This legislation would provide tax relief and a retirement savings program for families actively engaged in the business of farming. Specifically, farmers would be permitted to roll over the proceeds from the sale of farm assets into an individual retirement account and thereby defer tax on those assets until the farmer or spouse begins withdrawing funds from the IRA after retirement.

Today, the Tax Code is particularly unkind to farmers. A farmer who works his whole life on the farm and then sells part, or all of it in order to retire, is subject to immediate taxation of his full profit. The Federal Government taxes 28 percent of a lifetime's accumulated gain, and the State takes another chunk. The farmer is then left to retire on what remains.

There is no consideration for the fact that much of the farmer's profit is due solely to inflation, or that farmer's do not have access to company or government pension and retirement plans and therefore often rely on the farm sale proceeds to provide a comfortable retirement.

Retirement can be particularly difficult for many farmers since they often receive less Social Security than workers in other fields. This is because farmer's need to plow much of the farm income back into the farm. Consequently, many farmer's have to pay themselves low salaries and as a result receive lower Social Security benefits. This is despite the fact that as self-employed workers farmers actually pay payroll taxes of 15.3 percent rather than the 7.65 percent that employees of companies pay.

All of this adds up to high taxes, and an often difficult retirement for farmers who have spent their lives feeding America's families.

I believe farmer's deserve better. This bill provides that farmers who sell farm assets would be permitted to defer capital gains taxation on the profit from those assets by rolling the profit into an individual retirement account or similar tax deferred program.

The farmer and his spouse would each be able to rollover up to $10,000 for each year of farming, up to a maximum of $500,000 per farm couple. If other IRA accounts exist, that amount in excess of $100,000 owned by a single farmer or both spouses shall be subtracted from the $500,000 limit thus establishing an upper limit of $600,000 in tax deferred accounts per farm couple. This program would only be available to those who have farmed for at least 5 years.

This proposal has the support of the Wisconsin Farm Bureau and farmers throughout Wisconsin. I am proud to work with them to help reduce the punishing tax burden placed on farmers when they sell farm assets.

Mr. President, I ask unanimous consent that the full text of my bill be entered into the RECORD following my remarks.

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

S. 1130

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

SECTION 1. SHORT TITLE; REFERENCE TO INTERNAL REVENUE CODE.

(a) SHORT TITLE.—This Act may be cited as the "Family Farm Tax Relief and Savings Act of 1991".

(b) REFERENCE TO INTERNAL REVENUE CODE OF 1986.—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. ROLLOVER OF GAIN FROM SALE OF FARM ASSETS TO INDIVIDUAL RETIREMENT PLANS.

(a) IN GENERAL.—Part III of subchapter O of chapter 1 of the Internal Revenue Code of 1986 (relating to common nontaxable exchanges) is amended by inserting after section 1034 the following new section:

"SEC. 1034A. ROLLOVER OF GAIN ON SALE OF FARM ASSETS INTO ASSET ROLLOVER ACCOUNT.

"(a) NONRECOGNITION OF GAIN.—If a taxpayer has a qualified net farm gain from the sale of a qualified farm asset, then, at the election of the taxpayer, gain (if any) from such sale shall be recognized only to the extent such gain exceeds the contributions which—

"(1) are to 1 or more asset rollover accounts of the taxpayer for the taxable year in which such sale occurs, and

"(2) are not in excess of the limits under subsection (c).

"(b) ASSET ROLLOVER ACCOUNT.—

"(1) GENERAL RULE.—Except as provided in this section, an asset rollover account shall be treated for purposes of this title in the same manner as an individual retirement plan.

"(2) ASSET ROLLOVER ACCOUNT.—For purposes of this title, the term 'asset rollover account' means an individual retirement plan which is designated at the time of the establishment of the plan as an asset rollover account. Such designation shall be made in such manner as the Secretary may prescribe.

"(c) CONTRIBUTION RULES.—

"(1) NO DEDUCTION ALLOWED.—No deduction shall be allowed under section 219 for a contribution to an asset rollover account.

"(2) AGGREGATE CONTRIBUTION LIMITATION.—Except in the case of rollover contributions, the aggregate amount for all taxable years which may be contributed to all asset rollover accounts established on behalf of an individual during a qualified period shall not exceed—

"(A) $500,000 ($250,000 in the case of a separate return by a married individual), reduced by

"(B) the amount by which the aggregate value of the assets held by the individual (and spouse) in individual retirement plans (other than asset rollover accounts) exceeds $100,000.

"(3) ANNUAL CONTRIBUTION LIMITATIONS.—

"(A) GENERAL RULE.—The qualified contribution which may be made in any taxable year shall not exceed the lesser of—

"(i) the qualified net farm gain for the taxable year, or

"(ii) an amount determined by multiplying the number of years the taxpayer is a qualified farmer by $10,000.

"(B) SPOUSE.—In the case of a married couple filing a joint return under section 6013 for the taxable year, subparagraph (A) shall be applied by substituting '$20,000' for '$10,000' for each year the taxpayer's spouse is a qualified farmer.

"(4) TIME WHEN CONTRIBUTION DEEMED MADE.—For purposes of this section, a taxpayer shall be deemed to have made a contribution to an asset rollover account on the last day of the preceding taxable year if the contribution is made on account of such taxable year and is made not later than the time prescribed by law for filing the return for such taxable year (not including extensions thereof).

"(d) QUALIFIED NET FARM GAIN; ETC.—For purposes of this section—

"(1) QUALIFIED NET FARM GAIN.—The term 'qualified net farm gain' means the lesser of—

"(A) the net capital gain of the taxpayer for the taxable year, or

"(B) the net capital gain for the taxable year determined by only taking into account gain (or loss) in connection with a disposition of a qualified farm asset.

"(2) QUALIFIED FARM ASSET.—The term 'qualified farm asset' means an asset used by a qualified farmer in the active conduct of the trade or business of farming (as defined in section 2032A(e)).

"(3) QUALIFIED FARMER.—

"(A) IN GENERAL.—The term 'qualified farmer' means a taxpayer who—

"(i) during the 5-year period ending on the date of the disposition of a qualified farm asset materially participated in the trade or business of farming, and

"(ii) 50 percent or more of such trade or business is owned by the taxpayer (or his spouse) during such 5-year period.

"(B) MATERIAL PARTICIPATION.—For purposes of this paragraph, a taxpayer shall be treated as materially participating in a trade or business if he meets the requirements of section 2032A(e)(6).

"(4) ROLLOVER CONTRIBUTIONS.—Rollover contributions to an asset rollover account may be made only from other asset rollover accounts.

"(e) DISTRIBUTION RULES.—For purposes of this title, the rules of paragraphs (1) and (2) of section 408(d) shall apply to any distribution from an asset rollover account.

"(f) INDIVIDUAL REQUIRED TO REPORT QUALIFIED CONTRIBUTIONS.—

"(1) IN GENERAL.—Any individual who—

"(A) makes a qualified contribution to any asset rollover account for any taxable year, or

"(B) receives any amount from any asset rollover account for any taxable year,

shall include on the return of tax imposed by chapter 1 for such taxable year and any succeeding taxable year (or on such other form as the Secretary may prescribe) information described in paragraph (2).

"(2) INFORMATION REQUIRED TO BE SUPPLIED.—The information described in this paragraph is information required by the Secretary which is similar to the information described in section 408(o)(4)(B).

"(3) PENALTIES.—For penalties relating to reports under this paragraph, see section 6693(b)."

(b) CONTRIBUTIONS NOT DEDUCTIBLE.—Section 219(d) of the Internal Revenue Code of 1986 (relating to other limitations and restrictions) is amended by adding at the end thereof the following new paragraph:

"(5) CONTRIBUTIONS TO ASSET ROLLOVER ACCOUNTS.—No deduction shall be allowed under this section with respect to a contribution under section 1034A."

(c) EXCESS CONTRIBUTIONS.—

(1) IN GENERAL.—Section 4973 of the Internal Revenue Code of 1986 (relating to tax on excess contributions to individual retirement accounts, certain section 403(b) contracts, and certain individual retirement annuities) is amended by adding at the end the following new subsection:

"(d) ASSET ROLLOVER ACCOUNTS.—For purposes of this section, in the case of an asset rollover account referred to in subsection (a)(1), the term 'excess contribution' means the excess (if any) of the amount contributed for the taxable year to such account over the amount which may be contributed under section 1034A."

(2) CONFORMING AMENDMENTS.—

(A) Section 4973(a)(1) of such Code is amended by striking "or" and inserting "an asset rollover account (within the meaning of section 1034A), or".

(B) The heading for section 4973 of such Code is amended by inserting "ASSET ROLLOVER ACCOUNTS," after "CONTRACTS".

(C) The table of sections for chapter 43 of such Code is amended by inserting "asset rollover accounts," after "contracts" in the item relating to section 4973.

(d) TECHNICAL AMENDMENTS.—

(1) Paragraph (1) of section 408(a) of the Internal Revenue Code of 1986 (defining individual retirement account) is amended by inserting "or a qualified contribution under section 1034A," before "no contribution".

(2) Subparagraph (A) of section 408(d)(5) of such Code is amended by inserting "or qualified contributions under section 1034A" after "rollover contributions".

(3)(A) Section 6693(b)(1) of such Code is amended by inserting "or 1034A(f)(2)" after "408(o)(4)" in subparagraph (A).

(B) Section 6693(b)(2) of such Code is amended by inserting "or 1034A(f)(2)" after "408(o)(4)".

(4) The table of sections for part III of subchapter O of chapter 1 of such Code is amended by inserting after the item relating to section 1034 the following new item:

"Sec. 1034A. Rollover of gain on sale of farm assets into asset rollover account."

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to sales and exchanges after the date of enactment of this Act.•

By Ms. MIKULSKI:

S. 1131. A bill to establish certain programs at the National Science Foundation to enhance the Nation's literacy and skill base in science and technology; to the Committee on Labor and Human Resources.

AMERICAN LEADERSHIP IN TECHNOLOGY ACT

• Ms. MIKULSKI. Mr. President, I am introducing today, the American Leadership in Technology Act [ALTA]. This bill will increase the National Science Foundation's support for undergraduate science and engineering programs.

To compete in the global marketplace, our country must maintain a world-class work force, one that is competitive across-the-broad spectrum of technological and industrial change. However, if we look at the statistics America is facing a critical loss of leadership in both science and technology.

And if we look at the education sector, America is also facing a shortage of young Americans who are capable and willing to major in science and engineering. In the year 2000, a large percentage of our population will be women and minorities. We need to ensure that these young people are included in the pipeline that feeds the science and engineering work force.

American industry, government, education, labor, small business, and the general employer community must work together to increase not only the number of Ph.D scientist in this country, but also the number of lab technicians and engineers.

My bill, ALTA, addresses this challenge by authorizing $30 million in the first fiscal year of operation, for the National Science Foundation to expand and improve advanced technician training programs in community colleges or associate-degree-granting colleges. The colleges must match each Federal dollar with private funds or inkind contributions.

These programs will expand and improve training in critical fields such as microelectronics, hydraulics, lasers, computers, and chemical technology.

The NSF would also designate 10 centers of excellence among community colleges to serve as clearinghouses and model training programs.

Community colleges have the most experience in providing work force training and technological training in our education system. Community colleges can tailor programs to meet local industry needs. They are also able to meet the needs of students who need this training the most; the adult workers displaced by plant closings; working people and parents who need flexible scheduling; handicapped people with special needs; high school graduates; and high school dropouts.

Our country must take advantage of every resource we have. The Nation's community college system has a demonstrated record of training industry's labor needs and this bill helps us put our resources where it works.

I hope that my colleagues will cosponsor this legislation.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 1131

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 "American Leadership in Technology Act of 1991.

SEC. 2. FINDINGS.

The Congress finds that—

(1) a world-class workforce will be increasingly essential to the economic future and well-being of the United States;

(2) the Nation's position in the global economy is challenged both by the growing workforce competence of foreign competitors and by the declining ratio of active American workers to retirees;

(3) American leadership in science is being undetermined by skill shortages in many technical and professional fields;

(4) science and mathematics education must be strengthened from elementary and secondary education through collegiate undergraduate education in order to enable more Americans to seek advanced study and careers in science, mathematics and engineering;

(5) American leadership in science and mathematics is being undermined by waning and insufficient student interest in science and mathematics at all levels of education.

(6) the improved productivity of the American workforce will require substantial upgrading and co-ordination of educational programs in science, mathematics, and technology, particularly at the associate degree level;

(7) mathematics and science programs in colleges and universities are poorly and insubstantially coordinated with programs in

the Nation's community colleges, technical colleges, and junior colleges;

(8) efforts to improve science, mathematics, and technology education can be improved not only by the increased use of innovative instructional technology, but also by revised curricula designed to increase student access to, and serve the technological skill needs of, employers;

(9) efforts to meet the shortages of technically trained workers in a wide variety of fields demands a national strategy to intensify and expand educational partnerships between industry and community colleges, technical colleges, junior colleges and institutions of higher education;

(10) more United States-born minorities, women, and other students could be attracted to science and engineering careers through stronger coordination between community colleges, technical colleges, junior colleges, and institutions of higher education; and

(11) the National Science Foundation should be more comprehensively programmed at all levels of education.

SEC. 3. DEFINITIONS.

For the purpose of this Act—

(1) the terms "advancing technology" and "advanced technology" include or refer to advanced technical activities such as the modernization, miniaturization, integration, and computerization of electronic, hydraulic, pneumatic, laser, nuclear, chemical, telecommunication, and other technological applications to enhance productivity improvements in manufacturing, communication, transportation, commercial, and similar economic and national security activities; and

(2) the term "associate-degree-granting college" means a post-secondary educational institution that has authority to award an associate degree or comparable technical certificate and has the mission of offering comprehensive education and training services to meet the needs of a prescribed community, including a two-year institution of higher education, or other postsecondary institution offering comprehensive associate degree programs in technical fields.

(3) the term "Director" means the Director of the National Science Foundation;

(4) the term "four-year institution of higher education" includes colleges and universities;

(5) the term "local educational agency" has the same meaning give such term in section 1471(12) of the Elementary and Secondary Education Act of 1965;

(6) the term "institution of higher education" has the same meaning given such term in section 1201(a) of the Higher Education Act of 1965; and

(7) the term "two-year institution of higher education" includes community colleges, technical colleges, and junior colleges.

TITLE I—ARTICULATION CONSORTIA

SEC. 101. ARTICULATION CONSORTIA.

(a) PROGRAM AUTHORIZED.—The Director shall pay the Federal share of awarding grants to eligible consortia to establish and operate programs which—

(1) enable greater numbers of students from two-year institutions of higher education to successfully transfer into science and engineering programs at four-year institutions of higher education;

(2) maximize the acceptance of credits of students who transfer from two-year institutions of higher education to four-year institutions of higher education;

(3) improve the quality of instruction in science, mathematics, and engineering programs through faculty development, including faculty exchanges and symposia among consortium partners; and

(4) strength career counseling services in two-year institutions of higher education for students who seek to major in science, mathematics, or pre-engineering courses.

(b) NUMBER OF GRANTS.—The Director shall award at least 1 grant in each State in each fiscal year pursuant to the provisions of this title.

(c) AWARD BASIS.—The Director shall award grants under this title on a competitive basis.

(d) SPECIAL RULE.—The Director shall only award a grant to an eligible consortium which has—

(1) engaged or will engage the industries of the State in job training programs at two-year institutions of higher education in an effort to meet the technical needs of the area served by such eligible consortium; and

(2) entered into an agreement among the four-year institution of higher education and each two-year institution of higher education participating in the consortium to facilitate the transfer of science and mathematics students from two-year institutions of higher education to four-year institutions of higher education.

SEC. 102. ELIGIBLE CONSORTIA.

For the purpose of this section the term "eligible consortia" means a four-year institution of higher education in partnership with two or more two-year institutions of higher education which serve the same intrastate region as such four-year institution of higher education.

SEC. 103. NATIONAL SCIENCE FOUNDATION ACTIVITIES.

In carrying out the provisions of this section, the Director shall—

(1) assist eligible consortia in submitting applications pursuant to section 104;

(2) assist eligible consortia in seeking assistance under other National Science Foundation undergraduate programs that complement or strengthen the work of the eligible consortia; and

(3) conduct evaluations of the grant program under this title.

SEC. 104. APPLICATION.

(a) IN GENERAL.—Each eligible consortium desiring a grant under this title shall submit an application to the Director at such time, in such manner, and accompanied by such information as the Director may reasonably require. Each such application shall—

(1) describe the activities and services for which assistance is sought;

(2) describe the science, mathematics and preengineering programs which the two-year institution of higher education offers to students; and

(3) contain such other assurances as the Director determines necessary to ensure compliance with the provisions of this title.

(b) APPLICATION PERIOD.—Applications submitted pursuant to subsection (a) may be for a period of one or three years.

SEC. 105. PAYMENTS; FEDERAL SHARE.

(a) PAYMENTS.—The Director shall pay to each eligible consortium having an application approved under section 104 the Federal share of the cost of the activities described in the application.

(b) FEDERAL SHARE.—(1) The Federal share of grants awarded under this title shall be 50 percent.

(2) The non-Federal share of grants awarded under this title may be in cash or in kind fairly evaluated, including planned equipment or services.

TITLE II—INSTRUCTION TECHNOLOGIES

SEC. 201. INSTRUCTION TECHNOLOGIES.

The Director shall establish a program to promote and support the development and dissemination of innovative technologies, including computer hardware and software, for science and technologies literacy instruction which emphasizes training and retraining workers for technological skills.

SEC. 202. FORMS OF ASSISTANCE.

In carrying out the provisions of this title, the Director shall—

(1) solicit proposals from associate-degree-granting institutions, in cooperation with local businesses, for the development and dissemination of innovative technologies designed to aid in the instruction of adults in literacy and technical skills relevant to the workplace;

(2) on a competitive basis, pay the Federal share of awarding grants to entities with demonstrated ability or outstanding potential to produce the innovative technologies materials described in paragraph (1);

(3) establish a revolving loan fund from which the Director shall make loans to educational institutions and other entities (including on-site, workplace literacy initiatives) providing literacy instruction and technical training for the acquisition and use of innovative technologies; and

(4) where feasible, consult, cooperate, and coordinate with analogous programs and policies of other relevant Federal agencies, especially programs and policies of the Department of Education.

SEC. 203. APPLICATION.

Each entity desiring financial assistance under this title shall submit an application to the Director at such time, in such manner, and accompanied by such information as the Director may reasonably require. Each such application shall—

(1) describe the activities and services for which assistance is sought; and

(2) contain such other assurances as the Director determines necessary to assure compliance with the provisions of this title.

SEC. 204. PAYMENTS; FEDERAL SHARE.

(a) PAYMENTS.—The Director shall pay to each entity having an application approved pursuant to section 203 the Federal share of the cost of the activities and services described in the application.

(b) FEDERAL SHARE.—(1) Except as provided in paragraph (3), the Federal share of grants awarded under this title shall be 50 percent.

(2) The non-Federal share of grants awarded under this title may be in cash or in kind fairly evaluated, including planned equipment or services.

(3) The Federal share of grants awarded under this title for the acquisition of innovative computer hardware or software shall be 50 percent, except that the Director may reduce or eliminate the Federal share in the case of such a grant awarded to—

(A) a nonprofit organization that qualifies for exemption from taxation under section 501(c) of the Internal Revenue Code of 1986;

(B) a commercial entity proposing to use such funds to provide retraining to prevent workforce layoffs or to train workers who are in imminent danger of dismissal for other employment; or

(C) a local educational agency serving a county or city where the children aged 5 to 17, inclusive, from families below the poverty level determined by the Bureau of the Census exceeds 15 percent of the total school population, taking into account the need for such entity and its ability to obtain other funding.

(c) DEFINITION.—For purposes of this section, the term "innovative technologies" includes computer hardware and software, interactive video disks, CD ROM programs, and other similar items specified by the Director.

TITLE III—TECHNICIAN TRAINING

SEC. 301. TECHNICIAN TRAINING.

(a) NATIONAL ADVANCED TECHNICIAN TRAINING PROGRAM.—(1) The Director shall pay the Federal share of awarding grants to accredited associate-degree-granting colleges or consortia thereof to enable such colleges or consortia to establish, operate, or expand advanced technician training programs. Such programs shall emphasize—

(A) collaborative activities with local employers;

(B) technical occupational training; and

(C) attracting men and women to such programs who are in need of retraining or upgrading in order to retain their jobs, or who are unemployed, especially workers dislocated by plant closings and technological change, and persons who have recently completed high school or who left high school prior to graduation.

(2) The Director shall award grants under this section on a competitive basis.

(3) In awarding grants under this section the Director shall give priority to advanced technician training programs which—

(A) include flexibility in scheduling in order to accommodate working individuals and parents; and

(B) address the adaptive and training needs of handicapped young individuals and adults.

(b) GRANT AMOUNT.—No grant awarded under this section shall exceed $500,000 per year.

(c) DIRECTOR RESPONSIBILITIES.—(1) In carrying out the provisions of this section, the Director shall—

(A) only award grants to accredited associate-degree-granting colleges which demonstrate the ability to provide competency-based technical training;

(B) consult with, cooperate with, and coordinate with the programs and policies of, the Department of Commerce and other relevant Federal agencies including the Departments of Labor, Education, and Defense; and

(C) work with the Nation's network and associate-degree-granting colleges to establish and maintain a readily accessible inventory of advanced technician training programs which are serving public and private employers and addressing the changing workforce demands of technology.

(2) The Director shall establish and maintain the inventory of advanced technician training programs described in paragraph 1(C) at the National Science Foundation or through a grant, contract, or cooperative agreement.

(d) APPLICATION.—Each associate-degree-granting college or consortia thereof desiring a grant under this section shall submit an application to the Director at such time, in such manner, and accompanied by such information as the Director may reasonably require. Each such application shall—

(1) describe the activities and services for which assistance is sought; and

(2) contain such other assurances as the Director determines necessary to ensure compliance with the provisions of this section.

(e) PAYMENTS; FEDERAL SHARE.—(1) The Director shall pay to each associate-degree-granting college or consortia thereof having an application approved under subsection (d) the Federal share of the cost of the activities described in the application.

(2) The Federal share of grants awarded under this section shall be 50 percent.

(3) The non-Federal share of grants awarded under this section may be in cash or in kind fairly evaluated, including planned equipment or services.

SEC. 302. USE OF FUNDS.

Grants awarded pursuant to section 301 shall be used for—

(1) the development of associate degree and training programs in advanced technology occupations by accredited associate-degree-granting colleges, and by consortia of such colleges, with particular emphasis on model instructional programs to prepare and upgrade technicians and to retain dislocated workers in state-of-the-art competencies in advanced technology occupations;

(2) the development in such colleges of faculty and instructors, both full- and part-time, in advanced technology fields such as laser technology, robotic technology, nuclear technology, computer technology, and fiber optics, and in advanced technology applications that integrate and synthesize emerging and existing technologies.

(3) the establishment of innovative partnership arrangements among associate-degree-granting colleges, the private sector, and the government to enhance the exchange of technical and scientific personnel, including programs providing faculty with opportunities for short-term assignments with industry;

(4) the development of cooperative advanced technician training programs with business, industry, labor, and government;

(5) the purchase or lease of state-of-the-art instrumentation essential to training and education programs designed to prepare and upgrade technicians in advanced technology fields;

(6) the stimulation of private sector participation in advanced technician training programs in associate-degree-granting colleges through the sharing of program costs, equipment loans and donations, and the cooperative use of laboratories, plants, and other facilities as training sites and to provide relevant state-of-the-art work experience opportunities for students enrolled in such programs; and

(7) the development and dissemination of instructional materials in support of advanced technician training programs in degree-granting colleges.

SEC. 303. NATIONAL CENTERS OF TECHNICIAN TRAINING.

(a) IN GENERAL.—The Director shall award grants to associate-degree-granting colleges to pay the Federal share of establishing and operating not less than 10 centers of excellence, of which—

(1) 5 such grants shall be awarded to associate-degree-granting colleges with exceptional programs of advanced technician training to enable such colleges to serve as national and regional clearinghouses for the benefit of other colleges that are striving to upgrade technical education programs; and

(2) 5 such grants shall be awarded to associate-degree-granting colleges that excel in undergraduate education in mathematics and science to enable such colleges to serve as national and regional clearinghouses for the benefit of both colleges and secondary schools that are striving to upgrade mathematics and science courses.

(b) GRANT BASIS.—The Director shall award grants under this section on a competitive basis.

(c) AMOUNT.—Each grant awarded under this section in each fiscal year shall not exceed $500,000.

(d) SPECIAL RULE.—To the extent practical the Director shall ensure that grants awarded under this section shall be dispersed throughout the United States.

(e) APPLICATION.—Each associate-degree-granting college desiring a grant under this section shall submit an application to the Director at such time, in such manner, and accompanied by such information as the Director may reasonably require. Each such application shall—

(1) describe the activities and services for which assistance is sought; and

(2) contain such other assurances as the Director determines necessary to ensure compliance with the provisions of this section.

(f) PAYMENTS; FEDERAL SHARE.—(1) The Director shall pay to each associate-degree-granting college having an application approved under subsection (e) the Federal share of the cost of the activities described in the application.

(2) The Federal share of grants awarded under this section shall be 50 percent.

(3) The non-Federal share of grants awarded under this section may be in cash or in kind fairly evaluated, including planned equipment or services.

SEC. 304. PARTNERSHIP GRANTS.

(a) IN GENERAL.—The Director shall pay the Federal share of awarding not less than 20 grants in each fiscal year to associate-degree-granting colleges to develop and strengthen partnerships in mathematics and science education with secondary schools located in the community served by such colleges.

(b) AWARD BASIS.—The Director shall award grants under this section on a competitive basis.

(c) GRANT AMOUNT.—Each grant awarded under this section in each fiscal year shall not exceed $500,000.

(d) APPLICATION.—Each associate-degree-granting college desiring a grant under this section shall submit an application to the Director at such time, in such manner, and accompanied by such information as the Director may reasonably require. Each such application shall—

(1) describe the activities and services for which assistance is sought; and

(2) contain such other assurances as the Director may reasonably require.

(e) PAYMENTS; FEDERAL SHARE.—(1) The Director shall pay to each associate-degree-granting college having an application approved under subsection (d) the Federal share of the cost of activities described in the application.

(2) The Federal share of grants awarded under this section shall be 50 percent.

(3) The non-Federal share of grants awarded under this section may be in cash or in kind fairly evaluated, including planned equipment or services.

SEC. 305. NATIONAL ADVISORY COUNCIL OR ADVANCED TECHNOLOGY TRAINING.

(a) IN GENERAL.—The Director shall appoint a 15-member National Advisory Council on Advanced Technician Training (hereafter in this title referred to as "Council"), to ensure that the programs assisted under this title are consistent with the needs of industry.

(b) RESPONSIBILITIES.—The Council shall—

(1) advise the Director on the goals and implementation of the programs assisted under this title;

(2) review the effectiveness of the programs assisted under this title; and

(3) report annually to the Director and the Congress on the programs assisted under this title.

(c) COMPOSITION.—The Council shall include representatives of industry, labor, associate-degree-granting colleges, the military, and economic development organizations.

(d) CHAIRMAN.—The chairman of the Council shall be elected by the Council and shall be a president or chairman of the governing board of an associate-degree-granting college.

(e) REPORT.—The Council and the Director shall jointly prepare and submit directly to the Congress, without review by the Office of Management and Budget, an annual report on the programs assisted under this title, which shall include—

(A) a review and evaluation of the effectiveness of such programs;

(B) a list of the associate-degree-granting college programs assisted under this title;

(C) a recommendation on the feasibility of expanding such programs; and

(D) such other recommendations, including recommendations for legislation, as the Council and the Director deem necessary.

TITLE IV—AUTHORIZATION OF APPROPRIATIONS

SEC. 401. AUTHORIZATION OF APPROPRIATIONS.

(a) ARTICULATION CONSORTIA.—There are authorized to be appropriated $30,000,000 for each of the fiscal years 1992, 1993, and 1994 to carry out the provisions of title I.

(b) INSTRUCTION TECHNOLOGIES.—There are authorized to be appropriated $30,000,000 for fiscal year 1991 to carry out the provisions of title II.

(c) TECHNICIAN TRAINING.—There are authorized to be appropriated, $30,000,000 for fiscal year 1992 and $40,000,000 for each of the fiscal years 1993 and 1994 to carry out the provisions of title III, of which—•

By Mr. INOUYE:

S. 1132. A bill to amend the Communications Act of 1934 to reauthorize appropriations for the Federal Communications Commission, and for other purposes; to the Committee on Commerce, Science, and Transportation.

FEDERAL COMMUNICATIONS COMMISSION AUTHORIZATION ACT

• Mr. INOUYE. Mr. President, I rise today to introduce the Federal Communications Commission [FCC] Authorization Act of 1991. This bill authorizes funding for the FCC in the amount of $133,500,000 for fiscal year 1992 and $163,500,000 for fiscal year 1993. The amount for fiscal year 1992 represents the amount requested by the President in his most recent budget submission. The bill I am introducing today also includes a number of provisions that the FCC has asked the Congress to consider. While I do not necessarily endorse every one of these suggestions, I believe that they are all worthy of consideration. I have thus included these recommendations in the bill I introduce today in order to initiate a discussion on the merits of these proposals.

The FCC is an independent regulatory agency that oversees interstate and foreign communications by wire and radio. With advances in new technologies and the opening of markets to competition, the FCC is constantly making key policy decisions that fundamentally affect the marketplace. The importance of the FCC and its actions cannot be underestimated. That is why, since 1981, the Congress has enacted legislation to establish authorization levels for the FCC. The Congress views such legislation as a way to increase its oversight of the FCC in the current dynamic environment.

Under the act, the FCC has primary jurisdiction over wire and radio communications. As a result, the FCC has regulatory authority over the interstate services of local and long distance telephone companies, radio and television broadcasters, satellite companies, cellular and other mobile telephone providers, cable television providers, private radio services—such as those used by taxis and ambulances, and local government and public safety services. The FCC also has ancillary—or secondary—authority over equipment manufacturers and information service providers. Because of the tremendous breadth of the FCC's regulatory authority, the decisions taken by the Commission have a direct and important impact on the lives of almost every citizen of this country.

The following is a summary of major provisions in the FCC authorization bill I am introducing today:

First, the short title is the Federal Communications Authorization Act of 1991.

Second, authorization of appropriations. The bill authorizes $133,500,000 for fiscal year 1992 and $163,500,000 for fiscal year 1993.

Third, travel reimbursement program. This section extends the travel reimbursement program through fiscal year 1994.

Fourth, patent license amendments. This section authorizes the FCC to obtain favorable terms on devices which utilize FCC-owned patents and thus help keep the FCC updated technically with state-of-the-art electronic radio direction-finding equipment.

Fifth, gift and bequest authority. This section authorizes the FCC to accept gifts and bequests, as well as money and property, to aid the FCC in carrying out its functions under the act.

Sixth, communications support from older Americans. This section extends the Older Americans Program through fiscal year 1993.

Seventh, fees for low-Earth orbit satellite systems. This section authorizes as part of the schedule of charges a fee schedule for low-Earth orbit satellite systems consisting of large numbers of technically identical, small satellites orbiting the Earth in nongeostationary paths.

Eighth, Hawaii monitoring station. This section extends the provision authorizing the relocation of the Hawaii monitoring station through fiscal year 1994.

Ninth, clarification of FCC refund authority. This section clarifies FCC authority to order refunds of excessive common carrier charges, regardless of whether the excessive charge represents a new charge or a revision of a preexisting charge.

Tenth, license modification. This section deletes a public hearing requirement, thus removing an inconsistency between the license modification procedures in sections 303(f) and 316 of the act and clarifying that the written procedures of section 316 govern in all cases of license modification.

Eleventh, electronic filing of applications. This section deletes the written signature requirement to permit the FCC to implement electronic filing of applications.

Twelfth, licensed operators. This section authorizes the FCC to waive the licensed operator requirement for broadcast stations.

Thirteenth, disclosure of intercarrier agreements. This section clarifies that proprietary information submitted by carriers in intercarrier agreements need not be disclosed, absent a compelling public interest.

Fourteenth, statute of limitations for forfeiture proceedings. This section increases the statute of limitations for forfeiture proceedings relating to a current license term from 3 years to 7 years after radio licensee misconduct and from 3 years to 5 years after TV licensee misconduct.

Fifteenth, clarification of the operator services legislation. This section places responsibility on aggregators as well as operator services companies to comply with the provisions of the Operator Services Act.

Sixteenth, clarification of the FCC's authority to award licenses to consortiums. This section clarifies that the FCC may choose to award common carrier licenses to a consortium of applicants rather than choose among competing applicants through a comparative hearing or lottery.

Seventeenth, fee exemption for noncommercial educational broadcast stations. This section clarifies the intent of the Congress in enacting the section 8 fee schedule to exempt noncommercial educational broadcast stations that operate on a noncommercial educational basis.

As mentioned earlier, these provisions have been submitted to the Congress by the FCC for consideration. I encourage parties to contact the Commerce Committee with their views of these proposals.

Mr. President, I look forward to continuing to work with the FCC Chairman, Mr. Alfred Sikes, and the other Commissioners at the FCC, to develop policies that will respond to the needs of the citizens of the United States and serve the public interest.

I ask unanimous consent that the full text of the bill be printed in the RECORD.

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

S. 1132

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

SHORT TITLE

SECTION. 1. This Act may be cited as the "Federal Communications Commission Authorization Act of 1991".

AUTHORIZATION OF APPROPRIATIONS

SEC. 2. Section 6 of the Communications Act of 1934 (47 U.S.C. 156) is amended to read as follows:

"SEC. 6. There are authorized to be appropriated for the administration of this Act by the Commission $133,500,000 for fiscal year 1992 and $163,500,000 for fiscal year 1993, together with such sums as may be necessary for increases resulting from adjustments in salary, pay, retirement, other employee benefits required by law, and other nondiscretionary costs, including the costs of moving, for each of the fiscal years 1992 and 1993.".

TRAVEL REIMBURSEMENT PROGRAM

SEC. 3. Section 4(g)(2)(D) of the Communications Act of 1934 (47 U.S.C. 154(g)(2)(D)) is amended by striking "1992" and inserting in lieu thereof "1994".

PATENT LICENSE AGREEMENTS

SEC. 4. Section 4(g) of the Communications Act of 1934 (47 U.S.C. 154(g)) is amended by adding at the end the following paragraph:

"(3) The Commission is authorized to acquire and to utilize technical equipment without compensation to the provider of the equipment, pursuant to negotiated patent license agreements.".

GIFT AND BEQUEST AUTHORITY

SEC. 5. Section 4(b) of the Communications Act of 1934 (47 U.S.C. 154(g)) as amended by section 4 of this Act, is further amended by adding at the end the following new paragraph:

"(4)(A) The Commission is authorized to accept, hold, administer, and use unconditional gifts, donations, and bequests of real, personal, and other property, including money, and voluntary and uncompensated services, as authorized by section 3109 of title 5, United States Code, in furtherance of its functions, notwithstanding any other provision of law.

"(B) For the purpose of Federal law on income taxes, estate taxes, and gift taxes, property or services accepted under the authority of this paragraph shall be deemed to be a gift, bequest, or devise to the United States.

"(C) The Commission shall promulgate regulations to carry out the provisions of this paragraph.".

COMMUNICATIONS SUPPORT FROM OLDER AMERICANS

SEC. 6. Section 6(a) of the Federal Communications Commission Authorization Act of 1988 (47 U.S.C. 154 note) is amended by striking "1988, 1989, 1990, and" and inserting in lieu thereof ", 1992, and 1993".

FEES FOR LOW-EARTH ORBIT SATELLITE SYSTEMS

SEC. 7. The Schedule of Charges under Section 8(g) of the Communications Act of 1934 (47 U.S.C. 15(8)) is amended by adding at the end of the matter under the heading "Common Carrier Services" the following:

"22. Low-Earth Orbit Satellite Systems	
a. Application for Authority to Construct	
(i) Lead Application	10,000.00
(ii) Additional Applications (per satellite)	500.00
b. Application for Authority to Launch & Operate	
(i) Lead Application	100,000.00
(ii) Additional Applications (per satellite)	10,000.00
c. Assignment or Transfer (per request)	25,000.00
d. Modification (per request)	25,000.00
e. Special Temporary Authority or Waiver of Prior Construction Autorization (per request)	2,500.00
f. Amendment of Application (per request)	5,000.00
g. Extension of Construction Permit/Launch Authorization (per request)	25,000.00".

HAWAII MONITORING STATION

SEC. 8. Section 9(a) of the Federal Communications Commission Authorization Act of 1988 (Public Law 100-594; 102 Stat. 3024) is amended by striking "1989, 1990, 1991, and 1992" and inserting in lieu thereof "1991, 1992, 1993, and 1994".

CLARIFICATION OF COMMISSION REFUND AUTHORITY

SEC. Section 204(a)(1) of the Communications Act of 1934 (47 U.S.C. 204(a)(1)) is amended—

(1) by striking "an increased charge" and inserting in lieu thereof "a revised charge";

(2) by striking "or increased" and inserting in lieu thereof "or revised";

(3) by striking "increased charges" and inserting in lieu thereof "revised charges";

(4) by striking "charge increased, or sought to be increased" and inserting in lieu thereof "new or revised charge, or a proposed new or revised charge"; and

(5) by striking "increased charge" and inserting in lieu thereof "new or revised charge".

LICENSE MODIFICATION

SEC. 10. Section 303(f) of the Communications Act of 1934 (47 U.S.C. 303(f)) is amended to read as follows:

"(f) Make such regulations not inconsistent with law as it may deem necessary to prevent interference between stations and to carry out the provisions of this Act;".

ELECTRONIC FILING OF APPLICATIONS

SEC. 11.(a) Sections 304 of the Communications Act of 1934 (47 U.S.C. 304) is amended by striking "signed a waiver of" and inserting in lieu thereof "waived".

(b) Section 30.8(b) of the Communications Act of 1934 (47 U.S.C. 308(b)) is amended by inserting "in any manner or form, including by electronic means, as the Commission may prescribe by regulation" immediately before the period at the end.

(c) Section 319(a) of the Communications Act of 1934 (47 U.S.C. 319(a)) is amended by inserting "in any manner or form, including by electronic means, as the Commission may prescribe by regulation" immediately before the period at the end.

LICENSED OPERATOR

SEC. 12. Section 318 of the Communications Act of 1934 (47 U.S.C. 318) is amended—

(1) by striking "(3) stations engaged in broadcasting (other than those engaged primarily in the function of rebroadcasting the signals of broadcast stations)"; and

(2) by striking "(4)" and inserting in lieu thereof "(3)".

DISCLOSURE OF INTERCARRIER AGREEMENTS AND THE FREEDOM OF INFORMATION ACT

SEC. 13. Section 412 of the Communications Act of 1934 (47 U.S.C. 412) is amended by striking "relating to foreign wire" and all that follows and inserting in lieu thereof "if such contract, agreement, or arrangement would be exempted from the application of section 552 of title 5, United States Code, pursuant to subsection (b)(4) of such section 552.".

STATUTE OF LIMITATIONS FOR FORFEITURE PROCEEDINGS

SEC. 14. Sections 503(b)(6) of the Communications Act of 1934 (47 U.S.C. 503(b)(6)) is amended to read as follows:

"(6) No forfeiture penalty shall be determined or imposed against any person under this subsection if—

"(A) such person holds a broadcast station license issued under title III of this Act and the required notice or notice of apparent liability is issued—

"(i) more than 1 year after the date the charge violation occurred; or

"(ii) more than 7 years after the date the charged violation occurred in the case of a radio broadcast station licensee and more than 5 years after the date the charged violation occurred in the case of a television broadcast station licensee, if in either such case such violation did not occur prior to the date of commencement of the current term of such licensee,

whichever is earlier; or

"(B) such person does not hold a broadcast station licensee issued under title III of this Act and the charged violation occurred more than 1 year prior to the date of issuance of the required notice or notice of apparent liability.

For purposes of this paragraph, 'date of commencement of the current term of such license' means the date of commencement of the last term of license for which the licensee has been granted such license by the Commission; a separate license term shall not be deemed to have commenced as a result of continuing a license in effect under section 307(c) of the Act pending decision on an application for renewal of the license.".

TELEPHONE OPERATOR SERVICES

SEC. 15. Section 226(d)(4)(A) of the Communications Act of 1934 (47 U.S.C. 226(d)(4)(A)) is amended by inserting "and aggregators" immediately after "operator services".

AUTHORITY TO GRANT CERTAIN LICENSES AND CONSTRUCTION PERMITS TO CONSORTIUMS

SEC. 16. Section 309 of the Communications Act of 1934 (47 U.S.C. 309) is amended by adding at the end the following new subsection:

"(j) In the case of two or more applications, found by the Commission to be acceptable for filing, for an initial license or construction permit to provide common carrier service which will involve any use of the electromagnetic spectrum, the Commission may grant such license or permit to a consortium consisting of each of the applicants who have filed such applications and who demonstrate their financial and technical qualifications to participate in such a consortium, if the Commission finds that a consortium would promote the public interest.".

EXEMPTION FOR CERTAIN BROADCAST LICENSEES

SEC. 17. Section 8(d)(1) of the Communications Act of 1934 (47 U.S.C. 158(d)(1)) is amended by striking the period at the end and inserting in lieu thereof the following: ", or to any licensee of a noncommercial education broadcast station seeking Commis-

sion authorizations or other action subject to a fee in any radio service that is or will be used in conjunction with such noncommercial educational broadcast station on a noncommercial education basis.".●

By Mr. KENNEDY (for himself, Mr. PELL, Ms. MIKULSKI, Mr. ADAMS, and Mr. ROBB):

S. 1133. A bill to establish a demonstration grant program to provide coordinated and comprehensive education, training, health, and social services to at-risk children and youth and their families, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. KENNEDY (for himself, Mr. SIMON, and Ms. MIKULSKI):

S. 1134. A bill to provide disadvantaged students with early intervention programs and scholarships to encourage such students to finish high school and to obtain a college education, and to upgrade the course of study undertaken by our Nation's secondary school students; to the Committee on Labor and Human Resources.

By Mr. KENNEDY (for himself, Mr. METZENBAUM, Mr. DODD, Ms. MIKULSKI, Mr. HATFIELD, Mr. KERRY, Mr. AKAKA, Mr. WIRTH, Mr. KOHL, and Mr. INOUYE):

S. 1135. A bill to provide financial assistance to eligible local educational agencies to improve urban and rural education, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. KENNEDY:

S. 1136. A bill to provide to States and local educational agencies to enable such agencies to develop programs that provide opportunities to parents, particularly parents of educationally deprived children, to select the public schools attended by their children, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. KENNEDY (for himself, Mr. ADAMS, Mr. SIMON, Ms. MIKULSKI, and Mr. HARKIN):

S. 1137. A bill to amend title IV of the Higher Education Act of 1965 to simplify the needs analysis; to the Committee on Labor and Human Resources.

EDUCATION LEGISLATION

Mr. KENNEDY. Mr. President, America's educational system is in urgent need of an overhaul. Too many schools are in a state of crisis and decay. A decade after the effort to improve them began, our schools have changed very little.

One out of every four students leaves school without graduating. In some school districts, half the students may drop out before they complete their schooling.

Nearly one-third of the Nation's secondary school students are enrolled in a math or science course taught by a teacher not qualified to teach that course.

In an international study of 13-year-olds, the U.S. students ranked last in math proficiency. But 68 percent of the students said they were good at mathematics.

A year ago, the White House and the Governors laid out an ambitious set of education goals for the Nation to achieve by the year 2000. These goals call for preparing children to start school ready to learn. They call for increases in the high school graduation rate, for high levels of competency in challenging subjects, for making our students first in the world in math and science, for achieving literacy by all Americans, and for making our schools safe and drug free.

This is an admirable list of objectives. If we achieve it, our schools will, once again, be the envy of the world.

But setting goals is the easy part. The hard part is achieving them. School districts cannot do this alone. Students and parents cannot do it by themselves. Teachers cannot do it alone either. The Federal Government cannot mandate it.

Rather we need a cooperative effort that brings together the many parties that have an interest in education. Rather than simply trying to pin the blame on others for the dismal condition of our schools, we must work together to improve them and meet the education goals.

President Bush has said that he intends to become the Education President, but to achieve our goals, Congress must also become the Education Congress. To make that happen, we must take the difficult steps needed to ensure that the Nation's schools will be adequate for the 21st century. That is America's best hope for continued growth and progress.

A month ago, President Bush announced a set of education strategies to meet the education goals. The proposals are important. Some are ideas that many of us in Congress have previously endorsed. Some of the ideas are controversial, and need careful study before we will be in a position to act.

My greatest concern with the President's proposals, however, is that they do not go far enough to meet the Nation's real needs. The most serious omission is the lack of any real commitment in the administration's program to the goal of school readiness. Earlier this month, I introduced S. 911, to make Head Start an entitlement for all eligible children, and to guarantee greater access to basic health care and childhood immunizations. In addition, with Senator PELL, I have introduced S. 329, to provide new incentives for teacher training and recruitment.

Today, I am introducing five additional bills to address other current problems in our schools.

The first bill deals with the need to ensure that all young children actually obtain the full array of social services to which they are already entitled. Under the Comprehensive Services for Youth Act of 1991, the Federal Government would make 5-year grants to partnerships of local schools and other social service agencies to provide social services for students in public schools and for out-of-school youth. Grantees would use administrative funds under this bill to pull together the various services for at-risk students and their families, and make the services available in the schools or at other convenient locations.

The second bill, called the Education USA Act, will provide grants for a comprehensive restructuring of urban and rural schools. Continued funds will be contingent on schools meeting self-imposed performance targets which move toward the national education goals. In addition, the legislation authorizes funds to renovate and repair school buildings in urban and rural districts.

The third bill, called ACCESS—the America's Commitment to College Education and Success for All Students Act—will motivate students to finish high school by telling at-risk children when they are in the sixth and seventh grades that if they stay in school and take a rigorous core curriculum, the Government will provide the necessary funds for them to attend college.

The fourth bill is the Public School Choice Act of 1991. This legislation authorizes grants to State and local education agencies to plan, implement, or expand programs that provide opportunities for parents to select the public school attended by their children. Those applying for grants must demonstrate that their programs will have the same elements of other high-quality choice programs.

I recently had the chance to visit parents, teachers, administrators, and students participating in the choice program in the Cambridge public schools in Massachusetts, which is one of the most respected choice programs in the country. I hope that this legislation will help make it possible for other school districts to implement similar programs.

The fifth bill I am introducing today provides for a streamlining of the application process for Federal student aid. Too many college students and their families are intimidated by the difficulty of getting student aid. This legislation—which will be considered part of the Higher Education Act—will make it much easier for students to apply for assistance.

Finally, early next month, I plan to introduce one further bill to deal with one other urgent aspect of our education crisis—the school-to-work transition.

This measure will be based on the recommendation of the bipartisan Marshall-Brock Commission on the Skills of the American Workforce. Nearly half of all American students go from

school to work, not to college, and any proposals to address our national eduction goals must deal with their needs as well.

Later today, President Bush will give an address on education in Minnesota. He is expected to announce that the Department of Education has completed work on its specific education proposals, and that the administration will send them to the Congress later this week. I commend Secretary Alexander and the Department for completing this legislation on schedule, and I look forward to working with the administration to expedite action by Congress.

Senator PELL, Senator HATCH, Senator KASSEBAUM, and I have agreed to introduce the administration's bill by request. While I have reservations about some of the parts of this legislation, I believe that a full and open debate on education policy is in the Nation's best interest and I intend to work as closely as possible with the administration to achieve our national education goals.

I look forward to the coming debate, and to working with the administration to develop the best possible bipartisan legislation.

Mr. President, I ask unanimous consent that the full text of the bills be printed in the RECORD.

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

S. 1133

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 "Comprehensive Services For Children and Youth Act of 1991".

SEC. 2. FINDINGS.

Congress finds that—

(1) growing numbers of children live in an environment of social and economic conditions that greatly increase the risk of academic failure, and inhibit opportunities to succeed;

(2) more than 20 percent of the Nation's children live in poverty while at the same time the Nation's infrastructure of social support for such children has greatly eroded, for example, 40 percent of eligible children do not receive free or reduced price lunches or benefit from food stamps, 25 percent of such children are not covered by health insurance, and only 20 percent of such children are accommodated in public housing;

(3) many at-risk students suffer the effects of inadequate nutrition and health care, overcrowded and unsafe living conditions and homelessness, family, gang and community violence, substance abuse, sexual abuse, child abuse, family migration, and limited English proficiency that often create severe barriers to learning and acquiring the skills needed to become literate, independent, and productive citizens;

(4) most at risk children and youth live in a single parent family for some period of their lives which results in insufficient opportunity for parental involvement in the education of such children;

(5) high proportions of disadvantaged and minority children live with teenage mothers for whom limited resources and services are available for their development and the development of their children;

(6) large numbers of at risk children and youth are recent immigrants or children of recent immigrants with limited English proficiency and significant unmet educational needs;

(7) services for at-risk students are unavailable, inadequately funded, often fragmented, and focused on narrow problems and not the needs of the whole child and family;

(8) school personnel and other social service providers may lack knowledge of available services for at-risk youth and their families, are constrained by bureaucratic obstacles from providing the services most needed, and have few resources or incentives to coordinate services;

(9) service providers for at-risk students such as teachers, social workers, health care providers, mental health professionals, juvenile justice workers and others are trained in separate institutions, practice in separate agencies, and pursue separate professional activities that hinder the coordination and integration of services;

(10) coordination and integration of services for at-risk students emphasizing prevention and early intervention offers an opportunity to avoid academic failure, teenage parenthood, poor mental health, school termination, low skill levels, unemployment, and limited future options; and

(11) coordination of services is more efficient for schools and social services agencies because it reduces bureaucracy and can often substitute prevention for more expensive crisis intervention.

SEC. 3. PURPOSES.

It is the purpose of this Act to make demonstration grants to eligible entities to improve the educational performance and future potential of at-risk children and youth by providing comprehensive and coordinated educational and social services at a single location that is accessible to and utilized by such children and youth to;

(1) focus school and community resources on coordinated prevention and early intervention strategies to address the needs of at-risk children and youth and their families holistically;

(2) facilitate effective transitions from preschool programs, including the Head Start Act and part H of the Individuals with Disabilities Education Act, to elementary school;

(3) facilitate school-to-work transition from secondary schools and alternative schools to job training, higher education and employment;

(4) identify and remove barriers to the provision of coordinated services to at-risk children and youth and their families;

(5) reduce administrative burdens for at-risk children and youth and their families by integrating services, regulations, data bases, eligibility requirements, assessments, application procedures and funding sources where possible;

(6) increase parental and community involvement in the educational and social development of at-risk youth; and

(7) replicate programs and strategies that provide high quality coordinated educational and social services and that are designed to facilitate long term institutional change in the manner in which services are delivered.

SEC. 4. GRANTS AUTHORIZED.

(a) IN GENERAL.—The Secretary is authorized to award grants to eligible entities to pay the Federal share of the costs of the activities described in section 7.

(b) SPECIAL REQUIREMENTS.—The Secretary shall award grants under this Act only to those programs that are designed to—

(1) co-locate a range of educational and social services;

(2) provide multi-year services to at-risk children and youth and their families; and

(3) serve the target population described in section 6.

(c) REQUIREMENT OF COORDINATION.—Grants may only be awarded under this Act to an eligible entity that agrees to coordinate activities carried out under other Federal, State, and local grants, received by the members of the partnership for purposes and target populations described in this Act, into an integrated service delivery system co-located at a school or other community-based site accessible to and utilized by at-risk youth.

(d) PRIORITY.—In providing assistance under this Act, the Secretary shall give priority to eligible entities that provide comprehensive services that extend beyond traditional school or service hours, that may include year round programs that provide services in the evenings and on weekends.

(e) DURATION.—Grants made under this Act may be awarded for a period of up to 5 years if the Secretary determines, through the interim reports described in section 8(e), that the eligible recipient has made satisfactory progress toward the achievement of the program objectives described in the application submitted pursuant to section 8(a).

(f) GEOGRAPHIC DISTRIBUTION.—In awarding grants to qualified applicants under this Act, the Secretary shall ensure—

(1) an equitable geographic distribution; and

(2) a distribution to both urban and rural areas with a high proportion of at-risk youth as defined by section 6.

(g) BONUS AWARDS.—

(1) IN GENERAL.—Beginning in the second year for which a grant is made available under this section, the Secretary may provide a bonus award to the grant recipient if such recipient has demonstrated, in the interim report submitted by such recipient under section 8(e), to the satisfaction of the Secretary that the recipient has increased the coordination and level of services provided to the target population above the levels anticipated for the year of the initial application or the most recent interim report.

(2) AMOUNT.—

(A) LEVEL OF SERVICES.—The amount of a bonus award under paragraph (1) shall be determined on a uniform scale that is established by the Secretary based on the level of additional services provided by the grant recipient in excess of the base level of the previous year for which an award was provided, or based on progress toward the identified outcomes measures established.

(B) FORM OF INCREASE.—An increase in the level of services, as required under subparagraph (A), may take the form of the number of persons served, or types of service provided, or any other form in which the grant recipient can demonstrate that the level of services provided in such year has increased above that in the previous year.

(C) OUTCOMES MEASURES.—Progress towards the identified outcomes measures, as required under subparagraph (A), may take the form of reduced school drop out rates, reduced repeat pregnancy rates, increased achievement, an increase in the population that is returning to school, or any other measure demonstrating improvement among the target population.

(D) LIMITATION.—The amount of a bonus award under this subsection shall not exceed an amount equal to 50 percent of the total amount received by the recipient in the previous year, including the base funding amount under the grant and the bonus award.

(3) USE OF FUNDS.—Amounts appropriated in any fiscal year in which a bonus award may be provided under this subsection shall be used as follows:

(A) The Secretary shall make payments under grants awarded under subsection (a) to all grantees entitled to such payments.

(B) After making the payments required under subparagraph (A), the Secretary may provide bonus awards to eligible grant recipients under this subsection.

(C) After complying with subparagraphs (A) and (B), the Secretary may award new grants under subsection (a) and planning grants under subsection (b).

SEC. 5. ELIGIBILITY.

(a) SERVICES FOR IN-SCHOOL YOUTH.—For the purposes of providing a grant under this Act to serve in-school children and youth, the term "eligible entity" means a partnership between a local education agency that is eligible for funds under chapter 1 of title I of the Elementary and Secondary Education Act of 1965, and at least one nonprofit community-based organization with a history of providing social services to low-income at-risk youth and their families, and which—

(1) shall also include public health, child welfare, social services, job training, public housing agencies or other public agencies providing services to low-income at-risk youth and their families; and

(2) may include private industry councils, or other relevant planning and program implementation boards providing services to low-income at-risk youth and their families.

(b) SERVICES FOR OUT-OF-SCHOOL YOUTH.—For purposes of providing a grant under this Act to serve out-of-school youth, the term "eligible entity" means a partnership between at least one public entity of the type described in paragraphs (1) or (2) of subsection (a), or a local education agency eligible for funds under chapter 1 of title I of the Elementary and Secondary Education Act of 1965, and at least one nonprofit community-based organization described in subsection (a).

SEC. 6. TARGET POPULATION.

In order to receive a grant under this Act, an eligible entity shall serve—

(1) students enrolled in schools participating in school-wide projects assisted under chapter 1 of title I of the Elementary and Secondary Education Act of 1965 and the families of such students;

(2) students enrolled in schools that are the most economically disadvantaged within the local educational agency, as determined by the local educational agency;

(3) out-of-school youth at-risk of having limited future options as a result of teenage pregnancy and parenting, substance abuse, recent immigration, disability, limited English proficiency, family migration, illiteracy, being the child of teen parent, living in a single parent household, or being a high school dropout; or

(4) any combination of in school and out of school youth;

and may serve the families of such students or youth.

SEC. 7. AUTHORIZED ACTIVITIES.

(a) IN GENERAL.—Each eligible entity receiving a grant under this Act may use such grant to plan, develop, acquire, expand, and improve school-based or community-based coordinated educational and social services programs to strengthen the educational performance and future potential of in school and out of school at-risk youth through cooperative agreements, contracts for services, or administrative coordination, in order to—

(1) plan and operate one-stop shopping programs in schools or nearby community-based service centers such as community action agencies, community-based organizations, community health centers, public housing developments, or other sites accessible to and utilized by at-risk youth—

(A) to provide the target population and their families described in section 6 with comprehensive and coordinated educational and social services;

(B) if necessary to accomplish the purposes of this Act, to support rental or lease payments, open and lock-up fees, or maintenance and operating and security costs; and

(C) to encourage the participation of service providers necessary to provide for the delivery of comprehensive services;

(2) design and implement, in conjunction with other activities authorized under this Act, unified eligibility procedures, integrated data bases or administrative structures, and secure confidentiality procedures that facilitate information-sharing and improve interagency communications, including developing local area telecommunications networks, software development, data base integration and management, and other applications of technology that improve coordination of services;

(3) provide at-risk youth with integrated needs assessment, case planning and case management services through staff support for interagency teams of service providers or hiring school-based social services coordinators or neighborhood youth corps; and

(4) provide at-risk students with integrated social services designed to ensure the smooth transition of preschool children to elementary school, and of students in secondary or alternative schools to job training, higher education or full employment.

(b) PLANNING GRANTS.—

(1) APPLICATION.—An eligible entity may submit and application to the Secretary for a planning grant for an amount not to exceed $50,000. Such grants shall be for periods of not to exceed one year.

(2) APPLICATION REQUIRED.—Each application for a planning grant under paragraph (1) shall—

(A) identify the members of the local planning council established under section 8(c); and

(B) describe the proposed planning activities of such local planning council.

(3) LIMIT ON PLANNING GRANTS.—Not more than 10 percent of the amounts appropriated in each fiscal year under this Act shall be used for grants under this subsection, nor shall an entity be eligible for more than one such planning grant.

(c) SUPPLEMENT AND NOT SUPPLANT.—Grant funds awarded under this Act shall be used to supplement and not supplant the amount of funds made available from non-Federal sources, for the activities assisted under this Act, in amounts that exceed the amounts expended for such activities in the year preceding the year for which the grant is awarded.

SEC. 8. APPLICATIONS.

(a) IN GENERAL.—Each eligible entity desiring a grant under this Act shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require. Such application shall include a comprehensive services plan that meets the requirements of subsection (b).

(b) CONTENTS OF PLAN.—Each plan submitted pursuant to subsection (a) shall—

(1) describe the target population for which services will be provided;

(2) describe the needs of target population;

(3) describe the baseline level of services provided by the eligible entity (the level and type of services being provided to the target population by the service providers participating in the program funded under this Act, on a date that is within 30 days of the date on which the application is submitted), and any baseline and outcome data against which the applicant desires to be measured for purposes of receiving a bonus award under section 4(g);

(4) describe the manner in which the eligible entity will assess the outcomes for the target population that result from the coordination of services provided by the partnership;

(5) describe the criteria by which the Secretary shall assess the increased level and coordination of services delivered and the progress towards meeting the outcomes measures documented through the coordinated service program;

(6) describe the services that will be provided to target populations through coordination activities supported under this Act and an inventory of, and their relationship to, other services and programs in the community serving the target population;

(7) describe the agencies that will participate in the partnership and in the policy council and services to be provided by each such agency;

(8) describe the activities for which assistance under this Act is sought;

(9) describe the overall and operational goals of the program;

(10) contain a description of the manner in which the eligible entity will improve the educational achievement or future potential of at-risk youth through more effective coordination of educational and social services, staff development and inter-agency training, and of parent and community involvement;

(11) describe the nature and location of all planned sites where services will be delivered and a description of services which will be provided at each site;

(12) include a description of the manner in which the applicant will integrate the services of the providers described in paragraph (6) into a comprehensive service delivery system;

(13) describe the procedures that will be used to maximize the utilization of available services;

(14) include a list of the Federal and non-Federal funding streams that will be used to provide services;

(15) describe the strategy by which the eligible entity will continue the commitment of the entity to the services provided with assistance received under this Act after such assistance is terminated; and

(16) provide evidence of the capacity of the program to serve as a model program for replication by local educational agencies.

(c) PLANNING COUNCIL.—

(1) ESTABLISHMENT.—Each eligible entity desiring a grant under this Act shall establish a coordinated services planning council to develop the application submitted pursuant to subsection (a).

(2) COMPOSITION.—The planning council described in paragraph (1) shall be composed of representatives of the entities that will be involved in providing comprehensive services

to low-income at-risk youth and their families, which shall include school personnel and community-based service providers and representatives of the target population (including youth and parents), and which may also include the local board of education, the superintendent of schools, public agencies serving at-risk youth and their families, parent teacher associations and potential employers.

(3) REPRESENTATION.—To the extent practicable, the planning council shall be balanced according to race, ethnicity, gender, and age.

(4) EXISTING ENTITY.—To the extent that an eligible entity has established a broadly representative planning body, prior to the date of enactment of this Act, that is comparable in membership to a planning council of the type described in this subsection, such eligible entity shall be considered to be in compliance with this subsection.

(d) REVIEW OF APPLICATIONS.—The Secretaries of Education and Health and Human Services shall jointly review applications submitted pursuant to subsection (a) and shall consult with the Secretaries of Labor and Housing and Urban Development, as appropriate.

(e) INTERIM REPORTS.—

(1) IN GENERAL.—A grant recipient under this Act shall, at the end of each year during the grant period, prepare and submit an interim report to the Secretary.

(2) CONTENTS.—An interim report submitted under paragraph (1) shall—

(A) describe the services that were provided during the year for which the report is prepared, in a manner that compares the level of services being provided on a date that is within 30 days of the date on which the report is submitted to the baseline level of services described in the most recent interim report submitted under this subsection, if any, or the plan submitted under section 8(b);

(B) describe the level of services that the recipient expects to provide in the year following the year for which the report is filed, as compared to the baseline level of services described in subparagraph (A), describe the criteria by which the Secretary shall assess future increases in services, and describe whether the recipient is seeking a bonus award under section 4(g);

(C) certify that no resources have been shifted away from other populations in order to serve the target population under this Act; and

(D) certify that the contents of the interim report are true and that the recipient has data available for independent verification of these results.

SEC. 9. FEDERAL COUNCIL ON CHILDREN, YOUTH, AND FAMILIES.

Section 918(k) of the Augustus F. Hawkins Human Services Reauthorization Act of 1990 (42 U.S.C. 12314(k)) is amended—

(1) in paragraph (3), by striking out "and" at the end thereof;

(2) in paragraph (4), by striking out the period and inserting in lieu thereof a semicolon; and

(3) by adding at the end thereof the following new paragraphs:

"(6) identify, and to the extent possible, eliminate program regulations or practices that impede coordination and collaboration;

"(7) develop and implement, to the extent possible, plans for creating jointly funded programs, unified assessments, eligibility, and application procedures, and confidentiality regulations that facilitate information-sharing; and

"(8) make recommendations to Congress concerning legislative action needed to facilitate the coordination of educational and social services.".

SEC. 10. STUDY.

(a) STUDY.—The Secretary shall conduct a study of the grants awarded under the Act to identify—

(1) the regulatory and statutory obstacles encountered in developing and implementing coordinated social services programs and recommendations for eliminating such obstacles; and

(2) the innovative procedures and program designs developed pursuant to this Act that are appropriate for replication elsewhere.

(b) EVALUATION.—The Secretary shall conduct an evaluation to determine the success of grants awarded under this Act in effectively achieving outcome measures and coordinating services for the target population.

(c) REPORT.—The Secretary shall report the results of the study conducted pursuant to subsection (a) to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate, together with recommendations for further legislative action to facilitate coordinated educational and social services.

SEC. 11. PAYMENTS; FEDERAL SHARE.

(a) PAYMENTS.—The Secretary shall pay to each eligible entity having an application approved under section 8 the Federal share of the cost of the activities described in the application.

(b) AMOUNT OF GRANTS.—No grant made under this Act shall be less than $100,000 nor exceed $500,000 in the first year of such grant (except as provided in section 7(b)).

(c) FEDERAL SHARE.—The Federal share shall be 80 percent.

(d) NON-FEDERAL SHARE.—The non-Federal share shall be equal to 20 percent and may be in cash or in kind, fairly evaluated including facilities or services.

(e) TECHNICAL ASSISTANCE.—The Secretary shall assist in maximizing the quality of services provided under grants awarded under this Act by providing technical assistance to grantees, by disseminating for replication models for coordination and collaboration that have proven successful.

(f) DISSEMINATION OF MODELS.—The Secretary shall disseminate information concerning successful models under this Act through the National Diffusion Network.

SEC. 12. DEFINITIONS.

For the purpose of this Act—

(1) the terms "educational services" and "educational service personnel or staff", unless otherwise specified, means professional and support staff providing services such as health education, nutrition education, school-day enrichment and remedial programs, tutoring, mentoring, homework assistance, special curricula such as English as a Foreign Language, family literacy, and parenting education and involvement programs;

(2) the term "local educational agency" has the same meaning provided in section 1471(12) of the Elementary and Secondary Education Act of 1965;

(3) the term "local government" means a city, county, township, or other general purpose unit of local government, an Indian reservation, or a consortium of more than one such entity acting together;

(4) the term "one-stop shopping program" means the co-location of educational and social services in a single site, including school wide projects under chapter 1 of title I of the Elementary and Secondary Education Act of 1965, school buildings serving students of the type described in section 6(2), or other community-based centers, public housing sites, or other locations accessible to and utilized by low-income at-risk youth;

(5) the term "Secretary", unless otherwise specified, means the Secretary of Education; and

(6) the term "social services" means case management, child nutrition, preventive and primary health and mental health services, developmental screening and referrals, individual, group and family counseling, substance abuse prevention and treatment, infant and toddler health and child care for children of school age parents, before and after school child care, child welfare services, recreation, juvenile delinquency prevention and court intervention, job counseling, training, and placement, and alternative independent living arrangements for at-risk youth from dysfunctional families, crisis intervention, gang and community violence counseling, and information and referral.

SEC. 13. AUTHORIZATION OF FUNDS.

There are authorized to be appropriated to carry out this Act, $50,000,000 for fiscal year 1992, $75,000,000 for fiscal year 1993, and such sums as may be necessary for each of the fiscal years 1994 through 1996.

S. 1134

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 "America's Commitment to College Education and Success for all Students Act of 1991" (ACCESS).

SEC. 2. EDUCATIONAL EXCELLENCE.

Part A of title IV of the Higher Education Act of 1965 is amended by inserting the following new subpart at the end thereof:

"Subpart 9—Educational Excellence

"SEC. 420C. DEFINITIONS.

"For the purpose of this subpart—

"(1) the term 'elementary school' has the same meaning given to such term by section 1471(8) of the Elementary and Secondary Education Act of 1965; and

"(2) the term 'State' means each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

"CHAPTER 1—EARLY INTERVENTION PROGRAMS

"SEC. 420D. PURPOSE.

"It is the purpose of this chapter to assist State educational agencies in establishing and expanding early intervention programs which encourage at-risk youth to finish secondary school and obtain a college education.

"SEC. 420E. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated $400,000,000 for fiscal year 1992, and such sums as may be necessary each of the fiscal years 1993, 1994, 1995, and 1996 to carry out the provisions of this subpart.

"SEC. 420F. ALLOTMENT.

"(a) IN GENERAL.—

"(1) FORMULA.—From the amount appropriated pursuant to the authority of section 420E in any fiscal year, the Secretary shall allot to each State educational agency an amount which bears the same relationship to such amount as the number of eligible students in such State in the preceding fiscal year bears to the number of eligible students in all States in such preceding fiscal year.

"(2) DEFINITION.—For the purpose of paragraph (1), the term 'eligible student' has the

same meaning given to such term in section 420L, except that the requirement of paragraph (1) of subsection (a) of such section shall not apply.

"(b) USE OF ALLOTMENT.—Each State educational agency receiving an allotment pursuant to subsection (a) shall use such allotment to establish and expand early intervention programs in accordance with this chapter.

"(c) RESERVATION.—Each State educational agency may reserve 5 percent of the allotment made pursuant to subsection (a) for administrative expenses.

"(d) REALLOTMENT.—Whenever the Secretary determines that any amount of an allotment made to a State educational agency under this subpart for a fiscal year will not be used by such State educational agency for carrying out the purpose for which the allotment was made, the Secretary shall make such amount available for carrying out such purpose to one or more other State educational agencies to the extent the Secretary determines that such other State educational agencies will be able to use such additional amount for carrying out such purpose. Any amount made available to a State educational agency from an appropriation for a fiscal year in accordance with the preceding sentence shall, for purposes of this subpart, be regarded as part of such State educational agency's allotment (as determined under subsection (a)) for such year, but shall remain available until the end of the succeeding fiscal year.

"SEC. 420G. EARLY INTERVENTION PROGRAMS AUTHORIZED.

"(a) IN GENERAL.—From amounts received pursuant to section 420F in any fiscal year, each State educational agency shall award grants to, or enter into contracts or cooperative agreements with, community based organizations, nonprofit organizations or elementary or secondary schools to enable such entities to establish or expand early intervention programs which encourage at-risk youth to finish secondary school and obtain a college education.

"(b) COMPETITIVE BASIS.—Each State educational agency receiving an allotment pursuant to section 420F shall award grants and enter into contracts and cooperative agreements pursuant to subsection (a) on a competitive basis.

"SEC. 420H. EARLY INTERVENTION PROGRAM AGREEMENT.

"(a) IN GENERAL.—Each State educational agency receiving an allotment under section 420F shall enter into an agreement with the Secretary.

"(b) CONTENTS.—Each agreement described in subsection (a) shall contain assurances that the State educational agency will award grants to, or enter into contracts or cooperative agreements with, community based organizations, nonprofit organizations or elementary or secondary schools to enable such entities to establish and expand early intervention programs that—

"(1) serve an entire sixth, seventh or eighth grade class at an elementary or secondary school;

"(2) select for participation in such programs any of the classes described in paragraph (1) on the basis of whether such class has a significant incidence of students at risk of dropping out of school as measured by family income, academic performance, attendance, discipline problems, and other factors affecting school performance, including teenage pregnancy or parenting, substance abuse, child abuse or neglect, or limited English proficiency;

"(3) include volunteer mentors and compensated program coordinators;

"(4) include a mechanism for informing all students of the availability of assistance provided pursuant to this chapter early enough in the schooling of such students so that a salutary motivational effect is possible; and

"(5) include skills and language assessment, tutoring, academic and personal counseling, family counseling and home visits.

"CHAPTER 2—SCHOLARSHIPS

"SEC. 420I. PURPOSE.

"It is the purpose of this chapter to award scholarships to encourage students to finish secondary school and obtain a college education, and to upgrade the course of study completed by our Nation's secondary school graduates.

"SEC. 420J. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1997, 1998, 1999, 2000, and 2001 to carry out the provisions of this part.

"SEC. 420K. SCHOLARSHIP PROGRAM.

"(a) IN GENERAL.—The Secretary is authorized to award scholarships to eligible students in accordance with the provisions of this chapter.

"(b) PERIOD OF AWARD.—Scholarships under this chapter shall be awarded for a period of 4 academic years.

"(c) USE AT ANY INSTITUTION PERMITTED.—An eligible student awarded a scholarship under this chapter may use such scholarship stipend to attend any institution of higher education approved by the Secretary.

"SEC. 420L. STUDENT ELIGIBILITY.

"(a) STUDENT ELIGIBILITY.—For the purpose of this chapter the term 'eligible student' means an individual who—

"(1) has participated in an early intervention program assisted under chapter 1;

"(2) is a graduate of a public or private secondary school or has the equivalent certificate of graduation as recognized by the State in which the eligible student resides;

"(3) not later than 2 years after such individual graduates or obtains an equivalent certificate in accordance with paragraph (1), has been admitted for enrollment or is enrolled at an institution of higher education;

"(4) is a recipient of a Pell Grant; and

"(5) has demonstrated academic achievement and preparation for postsecondary education by taking college preparatory level coursework in the following areas while in secondary school or the equivalent:

"(A) 4 years of English;

"(B) 3 years of science;

"(C) 3 years of mathematics;

"(D) either—

"(i) 3 years of history; or

"(ii) 2 years of history and 1 year of geography; and

"(E) 2 years of a foreign language.

"(b) LIMITATION.—For the purpose of this chapter the term 'eligible student' does not include an individual who—

"(1) has been awarded an associate or baccalaureate degree; or

"(2) has been convicted of a felony or a crime involving moral turpitude, except that an individual who has—

"(A) received a certificate of discharge from the appropriate State Department of Criminal Justice or from a correctional facility, or completed a period of probation as ordered by a court, such receipt or completion having occurred not less than 2 years prior to the date on which eligibility is being determined; or

"(B) been pardoned or otherwise released from the resulting ineligibility to participate in the scholarship program assisted under this chapter;

shall not be considered to be ineligible under this paragraph.

"(c) WAIVERS.—

"(1) EARLY INTERVENTION PROGRAM PARTICIPATION.—The Secretary may waive the requirement described in paragraph (1) of subsection (a) in the first 3 academic years that scholarships are awarded under this chapter for any student who was unable to participate in an early intervention program assisted under chapter 1 because such program was not available in the area in which such student resides.

"(2) LIMITED-ENGLISH PROFICIENT STUDENTS.—The Secretary may waive the requirement described in subparagraph (E) of paragraph (5) for any limited-English proficient student who is fluent in a language other than English and is participating in a program to teach such student the English language.

"SEC. 420M. EARLY INTERVENTION SCHOLARSHIP AGREEMENT.

"(a) IN GENERAL.—In order for a student to receive a scholarship under this part, the State educational agency serving the State in which such child resides shall have entered into an agreement with the Secretary.

"(b) CONTENTS.—Each agreement described in subsection (a) shall include provisions designed to ensure that—

"(1) all secondary school students in the State have equal and easy access to the coursework described in section 420L(a)(5);

"(2) the State educational agency has procedures in place to verify to the Secretary that students receiving a scholarship under this chapter have taken such coursework and that such coursework has been of a college preparatory level;

"(3) the State educational agency has procedures in place to notify institutions of higher education of the availability of scholarships under this chapter, so that such institutions may award additional scholarships in concert with the scholarships received under this chapter; and

"(4) the State educational agency has procedures in place to inform junior high school students and their families about the value of postsecondary education, the availability of student aid to meet college expenses, and the availability of scholarships under this chapter for students who take demanding courses, with particular emphasis on activities designed to ensure that students from low- and moderate-income families have access to such information.

"(c) SPECIAL RULE.—A State educational agency may use funds received pursuant to subpart 9 of this part to carry out the provisions of paragraphs (3) and (4) of subsection (b).

"SEC. 420N. STIPENDS AND SCHOLARSHIP CONDITIONS.

"(a) AMOUNT OF STIPEND.—

"(1) IN GENERAL.—Each eligible student awarded a scholarship under this chapter shall receive a stipend for each academic year of study for which the scholarship is awarded in an amount equal to—

"(A)(i) the costs of tuition and uniform compulsory fees (or in the case of students residing in States that pay the costs of tuition, the costs of room and board) normally charged a full-time student at a public institution of higher education located in the State in which such eligible student resides; minus

"(ii) the amount of any Pell Grant awarded to such student for such academic year; or

"(B) $1,000,

whichever is greater.

"(2) PRO-RATA REDUCTION.—If the amount appropriated pursuant to the authority of section 420J is insufficient to award stipends in accordance with paragraphs (1)(A) and (1)(B), then the Secretary shall make a pro-rata reduction of the amount of stipends awarded pursuant to paragraphs (1)(A) and (1)(B).

"(b) PELL RECIPIENT STATUS AND SATISFACTORY ACADEMIC PROGRESS.—In order to continue eligibility for a scholarship under this chapter—

"(1) for the second, third, and fourth year of postsecondary attendance, an eligible student shall maintain eligibility to receive a Pell Grant, including fulfilling the requirements for satisfactory academic progress as described in section 484(c), and continue to meet the requirements of section 420L; and

"(2) for the third and fourth year of postsecondary attendance, an eligible student shall maintain a grade point average of 3.0 on a 4.0 scale or the equivalent thereof, or any comparable measure as the Secretary may develop.

"(c) ASSISTANCE NOT TO EXCEED COST OF ATTENDANCE.—Scholarships awarded under this chapter, in combination with the Pell Grant and other student financial assistance, may not exceed the student's cost of attendance, as defined in section 472.

"SEC. 420O. APPLICATION.

"Each eligible student desiring a scholarship under this subpart shall submit an application to the Secretary at such time, in such manner and containing such information as such agency may reasonably require.".

S. 1135

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Education USA: School Restructuring, Goals and Results for America's Schools Act of 1991".

(b) TABLE OF CONTENTS.—The table of contents is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Findings.
Sec. 3. Statement of purpose.

TITLE I—URBAN AND RURAL SCHOOL IMPROVEMENT

Sec. 101. Authorization.
Sec. 102. Allotment of funds.
Sec. 103. Application.
Sec. 104. Planning period.
Sec. 105. Uses of funds.
Sec. 106. Accountability.
Sec. 107. Incentive awards to exemplary programs.
Sec. 108. Regulatory assessment.
Sec. 109. Local advisory group.
Sec. 110. Special rules.

TITLE II—SCHOOL BUILDING REPAIR AND RENOVATION

Sec. 201. Purpose; authorization of appropriations.
Sec. 202. Allotment of funds.
Sec. 203. Application.
Sec. 204. Repair and renovation.
Sec. 205. Environment and safety.
Sec. 206. Waiver.

TITLE III—EVALUATION OF RESULTS

PART A—URBAN SCHOOL RESEARCH AND EVALUATION

Sec. 311. Authorization.
Sec. 312. Assistant Secretary for Urban Education.
Sec. 313. Reservation; allotment; allocation.
Sec. 314. National Institute of Urban Education.
Sec. 315. Application.
Sec. 316. Uses of funds.

PART B—RURAL SCHOOL RESEARCH AND EVALUATION

Sec. 321. Authorization.
Sec. 322. Establishment; operation; uses of funds.
Sec. 323. Local rural school evaluation.
Sec. 324. Local applications.

TITLE IV—GENERAL PROVISIONS

Sec. 401. Interagency Council on Urban and Rural Schools.
Sec. 402. White House Conferences on Urban Education and Rural Education.
Sec. 403. National Commissions on Urban and Rural Education.
Sec. 404. Federal funds to supplement not supplant non-Federal funds.
Sec. 405. Definitions.

SEC. 2. FINDINGS.

The Congress finds that—

(1) the Nation will not be able to meet the national education goals unless urban and rural school districts can meet such goals;

(2) the ability of the Nation's major urban and rural school systems to meet the Nation's educational goals will determine the country's economic competitiveness and academic standing in the world community;

(3) the quality of public education has a direct effect on the economic development of the Nation's inner cities and rural areas;

(4) the success of urban and rural schools in boosting the achievement of minority youth attending such schools will determine the ability of the Nation to close the gap between the "haves and have-nots" in society;

(5) the cost to America's businesses to provide training to America's employees is approximately $30,000,000,000 per year;

(6) approximately one-third of the Nation's work force will be minority by the year 2000;

(7) urban and rural schools enroll a disproportionately large share of the Nation's "at-risk", African-American, Hispanic, limited-English proficient, and disabled children and youth;

(8) the academic performance of students in the average inner-city and rural public school system is below that of students in most other kinds of school systems;

(9) urban and rural school systems have higher dropout rates, more problems with health care and less parental participation than other kinds of school systems;

(10) urban and rural preschoolers have less access to early childhood development programs as do other children;

(11) shortages of teachers in urban and rural school systems are greater than such shortages in other kinds of school systems;

(12) declining numbers of minority high school graduates from inner cities and rural areas are pursuing postsecondary educational opportunities;

(13) urban school systems have greater problems with teen pregnancy, discipline, drug abuse and gangs than do other kinds of school systems;

(14) 75 percent of urban school buildings are over 25 years old, 33 percent of such buildings are over 50 years old, and the average rural school building is over 45 years old, and furthermore such buildings are often in serious disrepair and create poor and demoralizing working and learning conditions;

(15) solving the challenges facing our Nation's urban and rural schools will require the concerted and collaborative efforts of all levels of government and all sectors of the public and private community;

(16) State and Federal funding of urban and rural schools has not adequately reflected need; and

(17) Federal funding that is well targeted, flexible and accountable would contribute significantly to addressing the comprehensive needs of inner-city and rural schools.

SEC. 3. STATEMENT OF PURPOSE.

It is the purpose of this Act to provide financial assistance for those urban and rural schools most in need to encourage the comprehensive restructuring of America's schools and to support programs which improve performance through programs and projects designed to—

(1) assist urban and rural schools in meeting national education goals;

(2) encourage urban and rural schools to engage in school reform;

(3) improve the educational and social well being of urban and rural public school children;

(4) close the achievement gap between children attending urban and rural schools and other children, while improving the achievement level of all children nationally;

(5) renovate and repair aging urban and rural school buildings and facilities;

(6) conduct coordinated research on urban and rural education problems, solutions, promising practices, and distance learning technologies;

(7) improve the Nation's global economic and educational competitiveness by improving the country's urban and rural schools;

(8) encourage community, parental and business collaboration in the improvement of urban and rural schools; and

(9) review regulations the simplification of which might improve the achievement of urban and rural school children.

TITLE I—URBAN AND RURAL SCHOOL IMPROVEMENT

SEC. 101. AUTHORIZATION.

There are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1992, 1993, 1994, 1995, 1996, 1997, 1998, 1999, and 2000 to carry out the provisions of this title.

SEC. 102. ALLOTMENT OF FUNDS.

(a) RESERVATION.—From the amount appropriated or otherwise made available to carry out the provisions of this title for any fiscal year after the first fiscal year in which the Secretary awards allotments to State educational agencies under this title, the Secretary shall reserve 5 percent of such funds to provide competitive awards in accordance with section 107.

(b) ALLOTMENTS.—

(1) FEDERAL ALLOTMENT.—From the remainder of the funds not reserved under subsection (a), the Secretary shall allot to each State educational agency with an approved application in each fiscal year an amount which bears the same relationship to such funds as the amount all eligible local educational agencies with approved applications in the State were allocated under sections 1005 and 1006 of the Elementary and Secondary Education Act of 1965 in the preceding fiscal year bears to the total amount received under such sections in such preceding fiscal year by all eligible local educational agencies with approved applications in all States.

(2) STATE ALLOTMENT.—

(A) RESERVATION.—From amounts received pursuant to paragraph (1), each State educational agency may reserve 1 percent of such amount for administrative expenses.

(B) FORMULA.—From the remainder of amounts received pursuant to paragraph (1) in each fiscal year, each State educational agency shall allot to each eligible local educational agency with an approved application an amount which bears the same relationship to such funds as the amount such eligible local educational agency was allocated under sections 1005 and 1006 of the Elementary and Secondary Education Act of 1965 in the preceding fiscal year bears to the total amount received under such sections in such preceding fiscal year by all eligible local educational agencies with approved applications in the State.

(C) ADMINISTRATIVE COSTS.—Not more than 5 percent of any eligible local educational agency's allotment under this subsection may be used for administrative costs.

(d) REALLOTMENT.—Any amounts available for reallotment pursuant to subsections (a) and (b) shall be reallotted in the same manner as the original allotments were made.

(e) RESERVATION FOR COMMUNITY-BASED ORGANIZATIONS AND NONPROFIT PARTNERSHIPS.—

(1) IN GENERAL.—From the amounts allotted under subsection (b)(2) for any fiscal year, each eligible local educational agency shall reserve not more than 5 percent to make as many grants as practicable for activities in accordance with the national education goals and described in section 105 to—

(A) community-based organizations; or

(B) nonprofit partnerships among the eligible local educational agency, local colleges or universities, or area-wide collaboratives with private sector businesses who enter into an agreement with the eligible local educational agency.

(2) SPECIAL RULE.—Grants awarded pursuant to paragraph (1) shall be of sufficient size, scope and quality to be effective.

SEC. 103. APPLICATION.

(a) STATE APPLICATION.—

(1) IN GENERAL.—Each State educational agency desiring to receive an allotment in any fiscal year to carry out the provisions of this title shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

(2) CONTENTS.—Each application submitted pursuant to paragraph (1) shall—

(A) contain such information as the Secretary may reasonably require in order to make the allotment described in section 102(b)(1);

(B) inform the Secretary regarding any eligible local educational agency that fails to comply with the provisions of this title; and

(C) contain such other information or assurances as the Secretary determines necessary to ensure compliance with the provisions of this title.

(b) LOCAL APPLICATION.—

(1) IN GENERAL.—Any eligible local educational agency desiring to receive an allotment to carry out the provisions of this title, shall—

(A) develop and prepare an application with the local advisory group in accordance with section 109 of this Act;

(B) submit the application described in subparagraph (A) to the State educational agency at such time, in such manner and accompanied by such information as the State educational agency may reasonably require.

(2) CONTENTS OF LOCAL EDUCATIONAL AGENCY APPLICATION.—Each application submitted by an eligible local educational agency pursuant to paragraph (1) shall include a description of—

(A) the ranking of all schools in the eligible local educational agency by achievement, poverty, and racial isolation and how such schools will be served in accordance with section 110(a);

(B) the community served by the eligible local educational agency and the effects of the community on the educational conditions within the schools served by the eligible local educational agency;

(C) the collaboration in program planning with the local advisory group described in section 109;

(D) the goals selected by the eligible local educational agency pursuant to section 106(b), the rationale for choosing such goals over others, and a description of whether the goals selected differ between elementary and secondary schools in the district;

(E) how funds received under this title will be used to meet the national educational goals selected by the eligible local educational agency;

(F) how promising or successful models or programs will be replicated in designing activities assisted under this title;

(G) which federally funded programs and activities are being expanded under this title; and

(H) the statistical indicators and other criteria that the eligible local educational agency will use to measure progress toward meeting national education goals, and a description of what the local educational agency has done to ensure that any assessments used to measure such progress will not have a negative effect on minority or language minority students;

(3) DURATION.—Except as provided in section 106, the application described in paragraph (1) may be for a period of not more than 3 years.

(c) COMMUNITY-BASED ORGANIZATIONS AND NONPROFIT PARTNERSHIPS.—Any community-based organization or nonprofit partnership described in section 102(e) desiring to receive a grant from an eligible local educational agency pursuant to such section shall—

(1) prepare an application for approval by the local advisory group described in section 109 and submit such application to the eligible local educational agency;

(2) describe in the application the collaborative efforts undertaken with the eligible local educational agency in designing a program to meet the purposes of the Act; and

(3) describe in the application how funds will be used to help meet the education goals selected by the eligible local educational agency pursuant to subsection (b) of this section.

SEC. 104. PLANNING PERIOD.

Any eligible local educational agency requiring additional planning efforts to meet the provisions of this title may use the first 6 months of the initial program year for planning purposes, subject to approval by the State educational agency, except that no more than 15 percent of the first year's allotment shall be used for such purposes. A written report of the results of the plan shall be submitted to the State educational agency.

SEC. 105. USES OF FUNDS.

(a) IN GENERAL.—Funds allotted under section 102(b)(2) shall be used by eligible local educational agencies, or community-based organizations or nonprofit partnerships described in section 102(e) to meet national education goals through programs designed to—

(1) increase the academic achievement of urban and rural school children to at least the national average, including such education reform initiatives as—

(A) effective schools programs;

(B) tutoring, mentoring, and other activities to improve academic achievement directly;

(C) activities designed to increase the participation of minority and female students in entry level and advanced courses in mathematics and science;

(D) supplementary academic instruction;

(E) efforts to improve problem-solving and higher-order thinking skills;

(F) programs to increase student motivation for learning;

(G) efforts to lengthen the school day, school year or reduce class sizes;

(H) encouraging the establishment of rural school consortia to increase efficiency and course offerings; and

(I) inservice teacher training;

(2) ensure the readiness of all urban and rural children for school, including—

(A) full workday, full calendar-year comprehensive early childhood development programs;

(B) parenting classes and parent involvement activities;

(C) activities designed to coordinate prekindergarten and child care programs;

(D) efforts to integrate developmentally appropriate prekindergarten services into the overall school program;

(E) upgrading the qualifications of early childhood education staff and standards for programs;

(F) collaborative efforts with health and social service agencies to provide comprehensive services and to facilitate the transition from home to school;

(G) establishment of comprehensive child care centers in high schools for student-parents and their children; and

(H) augmenting early childhood development programs to meet the special educational and cultural needs of limited-English proficient and migrant preschool children;

(3) increase the graduation rates of urban and rural students to at least the national average, including—

(A) dropout prevention activities and support services for students at-risk of dropping out of school;

(B) re-entry, outreach and support activities to recruit students who have dropped out of school to return to school;

(C) development of systemwide policies and practices that encourage students to stay in school;

(D) efforts to provide individualized student support, such as mentoring programs;

(E) collaborative activities between schools, parents, community groups, agencies and institutions of higher education aimed at preventing individuals from dropping out of school;

(F) programs to increase student attendance; and

(G) alternative programs for students, especially bilingual, special education and migrant students, who have dropped out of school or are at-risk of dropping out of school;

(4) prepare urban and rural school graduates to enter higher education, pursue careers and exercise their responsibilities as citizens, including—

(A) activities designed to increase the number and percentages of students, particularly minority students, enrolling in post-secondary educational institutions after graduation from secondary schools;

(B) in-school youth employment, vocational education, and career education programs that improve the transition from school to work;

(C) activities designed in collaboration with colleges and universities to assist urban and rural school graduates in completing higher education;

(D) efforts to increase voter registration among eligible high school students attending schools served by eligible local educational agencies;

(E) activities designed to promote community service and volunteerism among students, parents, teachers, and the community;

(F) civic education, law-related education and other programs designed to enhance responsible citizenship and understanding of the political process; and

(G) encouraging a positive role for rural public schools in local rural entrepreneurship and the identification of rural community economic development opportunities;

(5) recruit and retain qualified teachers, including—

(A) school-based management projects and activities;

(B) programs designed to increase the status of the teaching profession;

(C) alternative routes to certification for qualified individuals from business, the military and other fields;

(D) efforts to recruit and retain teachers in critical shortage areas, including early childhood teachers, mathematics and science teachers, and special education and bilingual teachers;

(E) upgrading the skills of teacher aides and paraprofessionals to assist such individuals in becoming certified teachers;

(F) efforts specifically designed to increase the number of minority teachers in urban and rural schools;

(G) programs designed to "grow your own" teachers;

(H) incentives for teachers to work in inner-city and rural schools; and

(I) collaborative activities with colleges and universities to revise and upgrade teacher training programs to meet the needs of urban and rural school students; and

(6) decrease the use of drugs and alcohol among urban and rural students, and to enhance the physical and emotional health of such students, including—

(A) activities designed to improve the self-esteem and self-worth of urban and rural students;

(B) the provision of health care services and other social services and the coordination of such services with other health care providers;

(C) programs designed to improve safety and discipline and reduce in-school violence, vandalism and gang activity;

(D) activities that begin in the early grades and are designed to prevent drug and alcohol abuse and smoking among students;

(E) collaborative activities with other agencies, businesses, and community groups to discourage the advertisement and glorification of drugs and alcohol;

(F) efforts to enhance health education and nutrition education; and

(G) alternative schools, and schools-within-schools programs, including bilingual, migrant and special education programs for students with special needs.

(b) SPECIAL RULE.—Funds allotted under section 102(b)(2) may be used by eligible local educational agencies, or community-based organizations or nonprofit partnerships described in section 102(e) for the planning, development, operation, or expansion of programs and activities which are designed to assist urban and rural schools in meeting national education goals, and may include—

(1) training of teachers and other educational personnel in subject areas, or instructional technology and methods that would improve the delivery of services in urban and rural settings in any of the national education goal areas, including staff development efforts which emphasize multicultural, gender and disability bias-free curricula;

(2) coordination and collaboration with other municipal agencies, child care organizations, universities or the private sector;

(3) parental involvement and outreach efforts and other activities designed to enhance parental encouragement of student learning;

(4) guidance counseling, psychological, social work, and other support services that contribute to progress in achieving national education goals;

(5) efforts to acquire and improve access to educational technology, including distance learning technologies;

(6) programs to serve homeless children, desegregating children, immigrants, migrants, or other highly mobile populations, even if such individuals do not attend a school assisted under this title;

(7) efforts to improve, reform and strengthen the curriculum, especially efforts to enhance critical thinking skills among urban and rural students, and efforts to coordinate services across grade levels; and

(8) other activities designed to assist in achieving the national education goals.

(c) PRIORITY.—Each local educational agency submitting an application under this section shall give priority in designing the program assisted under this title to activities that replicate successful efforts in other local educational agencies or expand successful programs within the eligible local educational agency.

SEC. 106. ACCOUNTABILITY.

(a) IN GENERAL.—The State educational agency may award an allotment under this title to an eligible local educational agency to enable such an agency to operate a program under this title for a period of not more than 3 years. If an eligible local educational agency receiving an allotment under this title meets the accountability requirements described in subsection (b) at the end of 3 years and the requirements described in subsection (c) at the end of each year, as determined by the State educational agency, such agency shall be eligible to continue the project with funds under this title for an additional 3 years if such agency so desires.

(b) REQUIREMENTS TO MOVE TOWARD NATIONAL EDUCATION GOALS.—

(1) PROGRAM CONTINUATION.—If, after 3 years of receiving an allotment under this title, an eligible local educational agency is able to demonstrate to the satisfaction of the State educational agency that it has increased the achievement within the lowest 2 quartiles of students in schools assisted under this title as measured by the statistical indicators and other criteria specified in the application in comparison to the year prior to the initiation of the project, then such agency shall be eligible to continue the project with funds under this title for an additional 3 years upon reapplication under section 103.

(2) SPECIAL RULE.—If, after 3 years of receiving an allotment under this title, an eligible local educational agency is able to demonstrate progress on meeting at least 3 other national education goals as measured by the criteria described in paragraph (3), then such agency shall be deemed to have met the requirements of paragraph (1) so long as the average achievement level of the schools assisted under this title did not decline in any of the 3 previous school years.

(3) CRITERIA.—For purposes of paragraph (2), the criteria are:

(A) The number or percentage of preschool children served by the eligible local educational agency is greater than the average such number or percentage in the 3 previous school years.

(B) The secondary school graduation rate in the eligible local educational agency is greater than the average such rate for the 3 previous school years.

(C) The percentage of secondary school graduates in the eligible local educational agency enrolled in postsecondary education is greater than such percentage for the 3 previous school years.

(D) The percentage of the teaching force in the eligible local educational agency who are minorities is greater than the average such percentage for the 3 previous school years.

(E) The incidence of discipline, drug-related or in-school crime in the eligible local educational agency is less than the average such incidence in the 3 previous school years.

(c) COLLECTION OF DATA AND CERTIFICATION.—

(1) IN GENERAL.—Each eligible local educational agency, community-based organization, or nonprofit partnership described in section 102(e) receiving an allotment under this title shall annually collect and submit to the State educational agency data based on the statistical indicators and other criteria described in the application submitted by such eligible local educational agency for the purposes of monitoring progress in achieving national education goals in accordance with paragraph (2). Such data shall include multiple measures or indicators of each variable, and may take into consideration the mobility of students in the schools served under this title or other special factors.

(2) CERTIFICATION.—

(A) Each eligible local educational agency receiving an allotment pursuant to section 102(b)(2) shall annually certify to the State educational agency that such eligible local educational agency has—

(i) complied with the provisions of section 106(c); and

(ii) made progress toward meeting national education goals and the goals described in section 103(b)(2)(D).

(B) The certification described in subparagraph (A) shall be reviewed by an independent educational performance auditor for compliance with clauses (i) and (ii) of subparagraph (A).

SEC. 107. INCENTIVE AWARDS TO EXEMPLARY PROGRAMS.

From amounts reserved pursuant to section 102(a) or otherwise made available, the Secretary is authorized to make competitive awards to eligible local educational agencies on behalf of individual schools participating in a program assisted under this title which demonstrate to the satisfaction of the Secretary at least 3 of the following:

(1) Unusual or exemplary progress in achieving the national education goals through programs described in section 105.

(2) Exemplary or unusually effective collaborative arrangements between the schools, community-based organizations, agencies, parent groups, colleges and businesses.

(3) Identification, review and removal of potential barriers to student performance in the national education goal areas, such as suspensions and expulsions, in-grade retentions, ability grouping, and lack of access to

course offerings in pre-algebra, introductory algebra, higher mathematics, science and foreign languages.

(4) Substantial expansion of the hours schools assisted under this title remain open for community use or student after-school recreation.

SEC. 108. REGULATORY ASSESSMENT.

(a) REPORT ON URBAN AND RURAL PUBLIC SCHOOLS.—In order to assist eligible local educational agencies under this Act in improving the performance of the school children enrolled in the schools served by such agencies, the Secretary shall, not later than January 1, 1993, prepare a report on the impact of Federal regulations, guidelines and policies on urban and rural public schools.

(b) CONTENTS OF REPORT.—The report shall analyze the impact of Federal legal, regulatory, policy and organizational requirements on the time and resources that eligible local educational agencies assisted under this Act have for educating students, including fiscal resources, staff time, facilities, instructional equipment, and services. The report shall make recommendations on how best to simplify Federal regulations, guidelines and policies so that more resources can be devoted to improving urban and rural school performance. The report shall also identify the regulations whose waiver might be used as incentives or rewards for unusual progress toward meeting national education goals.

(c) SPECIFIC ISSUES FOR ANALYSIS.—In preparing the report required by subsection (a), the Secretary shall analyze—

(1) the effect of regulatory requirements on local program flexibility and management within eligible local educational agencies;

(2) the effect of regulatory requirements on the size, cost and composition of administrative practices within eligible local educational agencies;

(3) the extent to which regulatory requirements are duplicative or contradictory;

(4) the amount of time and resources that school administrators and teachers must spend responding to data requests and reporting requirements pursuant to Federal law;

(5) the extent to which regulatory requirements are related to instructional rather than noninstructional practices in eligible local educational agencies;

(6) the relationship between specific regulatory requirements and the educational performance of urban and rural students; and

(7) how the waiver or simplification of regulatory requirements could enhance the performance of urban and rural school children and the progress of urban and rural schools in meeting national education goals.

(d) SAMPLE DATA.—The Secretary may, in developing the report described in subsection (a), use appropriate sampling techniques.

(e) CONSULTATION WITH CONGRESS.—The Secretary shall consult with the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate concerning the design of the report described in this section.

SEC. 109. LOCAL ADVISORY GROUP.

(a) ESTABLISHMENT.—Any eligible local educational agency desiring to receive an allotment under this Act shall form a local advisory group.

(b) COMPOSITION.—

(1) IN GENERAL.—Each local advisory group described in subsection (a) shall be composed of representatives of groups such as—

(A) local government agencies;

(B) community-based organizations;

(C) service providers;

(D) teachers;

(E) parents;

(F) colleges and universities;

(G) businesses;

(H) principals and other school administrators and school personnel;

(I) counselors, school psychologists and social workers;

(J) students;

(K) State educational agencies and State boards of education;

(L) labor;

(M) Offices of the mayor;

(N) religious leaders; and

(O) organizations with an interest in improving urban and rural education and expertise in the delivery of services needed by the schools selected to participate in a program assisted under this Act.

(2) APPOINTMENT.—The superintendent of schools and the president of the board of education of the eligible local educational agency applying for funds under this title shall appoint the members of the local advisory group, in consultation with teachers from the eligible local educational agency. The local advisory group may contain as many members as is necessary to ensure a comprehensive community-wide program to improve education in the schools served by the eligible local educational agency.

(3) REPRESENTATION.—The local advisory group shall be representative of the community and shall be balanced according to the race, ethnicity, native language background, and gender of its members, to the extent practicable.

(c) FUNCTIONS.—The local advisory group shall—

(1) advise the eligible local educational agency on the design and conduct of a needs assessment for all schools expected to participate in the program assisted under this title;

(2) assist in planning for community-wide collaboration in service delivery for students in schools expected to be served by the program assisted under this title;

(3) advise the eligible local educational agency and the community on how they can work together to use multiple service providers;

(4) advise and assist the eligible local educational agency on the implementation of the program assisted under this title and review evaluations of such program's success;

(5) review and approve applications submitted to the eligible local educational agency by community-based organizations pursuant to section 103(c);

(6) advise the eligible local educational agency on strategies for increasing parent involvement and the number of school volunteers and role models in schools; and

(7) review the success of community-based programs assisted under this title for progress on the national education goals.

(d) USE OF EXISTING LOCAL ADVISORY GROUP.—To the extent that an eligible local educational agency has established a broadly representative local advisory group before enactment of this Act that is comparable to the local advisory group described in this section, such existing local advisory group shall be considered to be in compliance with the provisions of this section.

SEC. 110. SPECIAL RULES.

(a) RANKING OF SCHOOLS IN LOCAL EDUCATIONAL AGENCIES SERVING MORE THAN ONE SCHOOL TO DETERMINE RELATIVE NEED.—

(1) RANKING.—

(A) IN GENERAL.—Each eligible local educational agency desiring to receive an allotment under this title shall, in order to determine which schools are most in need of services under this title, separately rank all schools under the jurisdiction of such agency on the basis of—

(i) achievement;

(ii) poverty; and

(iii) racial isolation.

(B) SPECIAL RULES.—(i) Eligible local educational agencies may rank elementary and secondary schools separately or together for purposes of this subsection.

(ii) Eligible local educational agencies participating in a consortium may rank elementary and secondary schools separately for each local educational agency participating in the consortium for purposes of this subsection.

(2) PERCENTAGE OF SCHOOLS TO BE SERVED.—Each eligible local educational agency that receives an allotment under this title shall serve at least 10 percent, but not more than 20 percent, of the schools under the jurisdiction of such agency.

(3) CRITERIA FOR SCHOOLS TO BE SERVED.—Subject to the provisions of paragraph (2) of this section, each eligible local educational agency that receives an allotment under this title—

(A) shall serve any school that is determined to be most in need with respect to all 3 rankings described in paragraph (1);

(B) may serve any school that is determined to be most in need with respect to any 1 or more of such rankings; and

(C) may serve any school that received assistance under this title in a previous fiscal year.

(b) FLEXIBILITY.—Each eligible local educational agency shall have the flexibility to serve homeless children, desegregating students, immigrants, migrants or other highly mobile populations within the program assisted under this title.

(c) CHAPTER 1 SCHOOL IMPROVEMENT PLAN.—The approved program for any school served under sections 1020 and 1021 of the Elementary and Secondary Education Act of 1965, may be considered sufficient to meet the requirements of the provisions of section 106(b)(1) of this Act.

TITLE II—SCHOOL BUILDING REPAIR AND RENOVATION

SEC. 201. PURPOSE; AUTHORIZATION OF APPROPRIATIONS.

(a) PURPOSE.—It is the purpose of this title to provide assistance to eligible local educational agencies to assist such agencies in repairing, and renovating, instructional facilities in urban and rural schools.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1992, 1993, 1994, 1995, 1996, 1997, 1998, 1999, and 2000 to carry out the provisions of this title.

SEC. 202. ALLOTMENT OF FUNDS.

(a) ALLOTMENTS.—

(1) FEDERAL ALLOTMENT.—In each fiscal year, the Secretary shall allot to each State educational agency with an approved application, an amount which bears the same relationship to such funds as the amount all eligible local educational agencies with approved applications in the State were allocated under sections 1005 and 1006 of the Elementary and Secondary Education Act of 1965 in the preceding fiscal year bears to the total amount received under such sections in such preceding fiscal year by all eligible local educational agencies with approved applications in all States.

(2) STATE ALLOTMENT.—

(A) RESERVATION.—From amounts received pursuant to paragraph (1), each State educational agency may reserve 1 percent of such amount for administrative expenses.

(B) FORMULA.—From the remainder of amounts received pursuant to subparagraph (A) in each fiscal year, each State educational agency shall allot to each eligible local educational agency within the State with an approved application—

(i) 33 percent of such funds on the basis of the number of children in the eligible local educational agency between the ages of 5 and 17 who are members of families whose income does not exceed the income official poverty line (as defined by the Office of Management and Budget), according to the most recent decennial census, divided by the number of all such children in all eligible local educational agencies in the State;

(ii) 33 percent of such funds on the basis of the number of school buildings used for instructional purposes in the eligible local educational agency, divided by the number of all such buildings in all eligible local educational agencies in the State; and

(iii) 33 percent of such funds on the basis of the number of school buildings in the eligible local educational agency which are used for instructional purposes and which are more than 25 years old, divided by the number of all such buildings in all eligible local educational agencies in the State.

(b) REALLOTMENT.—Any amounts available for reallotment pursuant to subsections (a) and (b) shall be reallotted in the same manner as the original allotments were made.

SEC. 203. APPLICATION.

(a) STATE APPLICATION.—

(1) IN GENERAL.—Each State educational agency desiring to receive an allotment in any fiscal year to carry out the provisions of this title shall submit to the Secretary an application at such time, in such manner and accompanied by such information as the Secretary reasonably may require.

(2) CONTENTS.—Each application submitted pursuant to paragraph (1) shall—

(A) contain such information as the Secretary may reasonably require in order to make the allotment described in section 202(a)(1); and

(B) contain such other information and assurances as the Secretary determines necessary to ensure compliance with the provisions of this title.

(b) LOCAL APPLICATION.—

(1) IN GENERAL.—Any eligible local educational agency desiring to receive an allotment to carry out the provisions of this title shall submit to the State educational agency an application at such time, in such manner and accompanied by such information as the State educational agency may reasonably require.

(2) DURATION.—Each application submitted pursuant to paragraph (1) shall be for a period of not more than 3 years.

(3) ANNUAL REVIEW.—Each application submitted pursuant to paragraph (1) shall be subject to annual review.

(4) CONTENTS.—Each application submitted pursuant to paragraph (1) shall contain—

(A) an assessment of needs for building repair, renovation and construction;

(B) the name and location of all sites scheduled for repair, renovation or construction and a description of the activities planned at each site; and

(C) a description of accounting procedures used to assure proper disbursement of Federal funds.

SEC. 204. REPAIR AND RENOVATION.

Each eligible local educational agency receiving an allotment under section 202(a)(2) shall use 50 percent of such allotment to conduct programs for—

(1) repair and renovation of school buildings used for instruction;

(2) installation or upgrading of school security and communications systems;

(3) construction of new buildings that will serve to replace old facilities that are most cost effectively torn down rather than renovated;

(4) alterations to buildings to meet special program, curricula, or school-site management needs;

(5) alterations to buildings to meet certain special population needs, such as the needs of homeless children and preschool children;

(6) alterations to school buildings to enable such buildings to serve as one-stop family support centers;

(7) facilities' costs associated with lengthening the school day or school year; and

(8) upgrading of and alterations to buildings to accommodate new instructional technology, including the installation of distance learning equipment and related technologies.

SEC. 205. ENVIRONMENT AND SAFETY.

Each eligible local educational agency receiving an allotment under section 202(a)(2) shall use 50 percent of such allotment to conduct programs for—

(1) energy conservation;

(2) removal or containment of environmentally hazardous material, such as asbestos, lead and radon;

(3) meeting the requirements of section 504 of the Rehabilitation Act of 1973; and

(4) meeting local, State or Federal laws or regulations enacted or promulgated since the initial construction of a building related to fire, air, light, noise, waste disposal, building height or other.

SEC. 206. WAIVER.

The State educational agency may waive the 50 percent requirements described in sections 204 and 205 for any eligible local educational agency that demonstrates to the satisfaction of the State educational agency a greater need for services described in section 204 or 205.

SEC. 207. APPLICATION OF THE DAVIS-BACON ACT.

All laborers and mechanics employed by contractors or subcontractors in any construction, alteration, or repair, including painting and decorating, of projects, buildings, and works which are federally assisted under this Act, shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Act of March 3, 1931 (commonly known as the Davis-Bacon Act), as amended (40 U.S.C. 276a-276a-5). The Secretary of Labor shall have, with respect to such labor standards, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267) and section 2 of the Act of June 1, 1934, as amended (48 Stat. 948, as amended; 40 U.S.C. 276(c)).

TITLE III—EVALUATION OF RESULTS

PART A—URBAN SCHOOL RESEARCH AND EVALUATION

SEC. 311. AUTHORIZATION.

There are authorized to be appropriated to the National Institute for Urban Education such sums as may be necessary for each of the fiscal years 1992, 1993, 1994, 1995, 1996, 1997, 1998, 1999 and 2000 to carry out the provisions of this title.

SEC. 312. ASSISTANT SECRETARY FOR URBAN EDUCATION.

(a) AMENDMENT TO THE DEPARTMENT OF EDUCATION ORGANIZATION ACT.—Title II of the Department of Education Organization Act (20 U.S.C. 3401 et seq.) is amended—

(1) in section 202(b)(1) by—

(A) striking "and" at the end of subparagraph (F);

(B) striking the period at the end of subparagraph (G) and inserting a semicolon and "and"; and

(C) inserting at the end thereof the following new subparagraph:

"(H) an Assistant Secretary for Urban Education."; and

(2) inserting at the end thereof the following new section:

"SEC. 215. NATIONAL INSTITUTE FOR URBAN EDUCATION.

"There shall be in the Department a National Institute for Urban Education, established in accordance with title III of the Education USA: School Restructuring, Goals and Results for America's Schools Act of 1991.".

(b) AMENDMENT TO TITLE V.—Section 5315 of title 5, United States Code is amended by striking "Assistant Secretaries of Education (6)" and inserting "Assistant Secretaries of Education (7)".

SEC. 313. RESERVATION; ALLOTMENT; ALLOCATION.

(a) RESERVATION FOR NATIONAL INSTITUTE OF URBAN EDUCATION.—From the amount appropriated or otherwise made available to carry out the provisions of this title in any fiscal year, the Assistant Secretary for Urban Education (hereafter in this title referred to as the "Assistant Secretary") shall reserve 20 percent of such funds for the operation of the National Institute for Urban Education (hereafter in this title referred to as the "Institute").

(b) ALLOTMENTS TO URBAN ELIGIBLE LOCAL EDUCATIONAL AGENCIES.—From the remainder of sums not reserved under subsection (a), the Assistant Secretary shall make allotments to each urban eligible local educational agency with an approved application in an amount which bears the same relation to such remainder as the number of students enrolled in the urban eligible local educational agency bears to the total number of students enrolled in all urban eligible local educational agencies.

SEC. 314. NATIONAL INSTITUTE OF URBAN EDUCATION.

(a) ESTABLISHMENT.—From amounts reserved under section 313(a), the Assistant Secretary shall establish an institute to be known as the National Institute of Urban Education.

(b) FUNCTIONS.—The Institute shall—

(1) assist urban eligible local educational agencies under this Act, or consortia of such agencies, in developing research and evaluation activities to assess progress toward meeting the national education goals;

(2) provide for the conduct of research which will assist urban schools in enhancing learning, teaching, and system management;

(3) provide training in research and evaluation methods and techniques that meet the purposes of this Act;

(4) evaluate and disseminate among urban eligible local educational agencies results of activities conducted pursuant to title I of this Act;

(5) design and coordinate, in consultation with urban eligible local educational agency activities, a comprehensive and cohesive research and evaluation strategy for assessing progress under this Act;

(6) serve as a clearinghouse on urban education research and evaluation findings, policies, and practices;

(7) design, test, define, and promote common indicators of progress toward the national education goals; and

(8) design, develop, and test new multiple-measures of school progress toward the national education goals.

(c) GOVERNANCE.—The Institute shall have a Governing Board.

(1) COMPOSITION AND APPOINTMENT.—

(A) COMPOSITION.—The Governing Board shall consist of 22 members, selected from a pool of candidates nominated by the superintendent and the president of the Board of Education of the urban eligible local educational agencies.

(B) APPOINTMENT.—The Majority Leader of the House of Representatives and the Majority Leader of the Senate shall each appoint six members to the Governing Board from individuals nominated pursuant to subparagraph (A). The Minority Leader of the House of Representatives and the Minority Leader of the Senate shall each appoint 3 members to the Governing Board from individuals nominated pursuant to subparagraph (A). The Secretary shall appoint 4 members to the Governing Board from individuals nominated pursuant to subparagraph (A).

(2) TERMS OF OFFICE.—

(A) IN GENERAL.—Members of the Governing Board shall be appointed for a period of 3 years.

(B) REAPPOINTMENT.—Members of the Governing Board may be reappointed to the Governing Board.

(3) DUTIES.—The Governing Board shall—

(A) establish the national research and evaluation program for the Institute;

(B) review the programs and activities of the Institute; and

(C) issue an annual report to the Congress and the public on the progress of urban schools in meeting the goals of this Act.

(4) LEADERSHIP.—The Assistant Secretary shall be the primary individual responsible for the daily operation of the Institute.

(5) STAFF.—Such personnel as the Institute deems necessary may be appointed to carry out the functions of the Institute.

(d) CONTRACTS AND GRANTS.—

(1) IN GENERAL.—The Institute may award grants to or enter into contracts with urban eligible local educational agencies, universities, research and development centers, private corporations, or regional educational laboratories to carry out the duties of the Institute.

(2) COMPETITIVE AWARDS.—Grants and contracts awarded under paragraph (1) shall be awarded on a competitive basis.

SEC. 315. APPLICATION.

(a) IN GENERAL.—Any urban eligible local educational agency desiring to receive an allotment under section 303(b) shall—

(1) submit an application to the Assistant Secretary;

(2) consult with the Department of Education, local universities, research institutes, laboratories, or centers for purposes of planning and implementing a plan of research and technical assistance for the urban eligible local educational agency and schools of the local educational agency participating in programs assisted under title I; and

(3) describe in the application a research and technical assistance plan and how assistance provided under this title will be used to assess progress on the national education goals.

(b) CONSORTIA.—Urban eligible local educational agencies may pool their allotments under section 313(b), in whole or in part, to design and conduct cooperative data collection, evaluation and information dissemination activities.

SEC. 316. USES OF FUNDS.

Funds allotted to urban eligible local educational agencies under section 313(b) may be used for—

(1) collaborative and coordinated research and evaluation of educational techniques or approaches used in multiple urban eligible local educational agencies;

(2) evaluation of projects assisted under title I;

(3) collection and dissemination of information on successful projects and approaches assisted under title I;

(4) design and implementation of extension service programs to allow an urban eligible local educational agency to provide technical assistance to individual schools and teachers involved in projects assisted under title I;

(5) provision of data and information management services to individual schools assisted under title I;

(6) provision of staff training in schools assisted under title I;

(7) evaluation of progress made by urban eligible local educational agencies assisted under this Act in meeting national education goals;

(8) provision of staff training in test interpretation and use for diagnostic purposes;

(9) provision of information to parents on test results and test interpretation;

(10) provision of technology and training in its research and evaluation uses;

(11) development of assessment tools of students in individualized instruction;

(12) research on school policies and practices which may be barriers to the success of students in school; and

(13) development and testing of new multiple, alternative assessments of student progress toward the national education goals which are race and gender bias-free and sensitive to limited-English proficient and disabled students.

PART B—RURAL SCHOOL RESEARCH AND EVALUATION

SEC. 321. AUTHORIZATION.

There are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1992, 1993, 1994, 1995, 1996, 1997, 1998, 1999, and 2000 to carry out the provisions of this part.

SEC. 322. ESTABLISHMENT; OPERATION; USES OF FUNDS.

(a) ESTABLISHMENT.—From amounts appropriated pursuant to the authority of section 321, the Secretary shall establish for each region a center to be known as the "National Rural Regional Education Research Center" (hereafter in this part) referred to as the "Center".

(b) OPERATION.—Each Center shall be operated by the regional educational laboratory supported by the Secretary pursuant to section 405(d)(4)(A) of the General Education Provisions Act that is located in the region in which the Center is located.

(c) USE OF FUNDS.—Each Center shall—

(1) conduct independent research in rural education and distance learning technologies;

(2) evaluate the progress of rural schools receiving funds under title I of this Act toward meeting the national education goals;

(3) serve as clearinghouses on rural education research findings, policies, and practices;

(4) develop measurements of progress of rural schools;

(5) disseminate results of evaluations and research on rural schools to other Centers and rural school districts and parents;

(6) develop collaborative arrangements and consortia among rural schools in each region to conduct joint research and evaluation activities;

(7) replicate successful models and program approaches in rural schools;

(8) provide technical assistance and outreach services for rural schools in each region;

(9) provide staff training; and

(10) develop curricula to assist rural schools in moving toward meeting the national education goals.

SEC. 323. LOCAL RURAL SCHOOL EVALUATION.

From the amount appropriated pursuant to the authority of section 321 or otherwise made available to carry out the provisions of this part in any fiscal year, each Center shall reserve 25 percent of such funds received for direct grants to rural eligible local educational agencies within the region served by such Center and which are participating in a program assisted under title I to conduct local school district research and evaluation of efforts toward meeting the national education goals.

SEC. 324. LOCAL APPLICATIONS.

Any eligible rural local educational agency desiring to receive a grant under this part shall—

(1) submit an application to the Center;

(2) describe in such application the research and evaluation activities for measuring progress on the national education goals;

(3) consult with local universities, research institutes, and other rural groups in developing a local research and evaluation application; and

(4) describe capacities for conducting evaluations with funds provided under this part.

TITLE IV—GENERAL PROVISIONS

SEC. 401. INTERAGENCY COUNCIL ON URBAN AND RURAL SCHOOLS.

(a) ESTABLISHMENT.—There is established the Interagency Council on Urban and Rural Schools (hereafter in this section referred to as the "Council").

(b) COMPOSITION.—

(1) IN GENERAL.—The Council shall consist of—

(A) the Secretary of Education, who shall serve as Chairperson of the Council;

(B) the Secretary of Labor;

(C) the Secretary of Health and Human Services;

(D) the Secretary of Agriculture;

(E) the Attorney General of the United States;

(F) the Secretary of Energy;

(G) the Secretary of Commerce;

(H) the Director of the Environmental Protection Agency;

(I) the Director of the Commission on Civil Rights;

(J) the Chairperson of the Advisory Commission on Intergovernmental Relations;

(K) the Chairpersons of the National Endowments on the Arts and the Humanities;

(L) the Director of the National Science Foundation;

(M) the Secretary of Housing and Urban Development; and

(N) such other officers of the Federal Government as may be designated by the President or the Chairperson of the Council to serve wherever matters within the jurisdiction of the agency headed by such an officer are to be considered by the Council.

(2) REPRESENTATION.—Each individual described in paragraph (1) may designate a per-

son to represent such individual on the Council.

(3) DURATION.—Each member shall be appointed for as long as such member serves as the head of the appropriate department or agency.

(4) PRINCIPAL ADVISOR.—The Chairperson of the Council shall be the President's principal advisor on urban and rural schools.

(c) QUORUM.—Seven members of the Council shall constitute a quorum for the purposes of transmitting recommendations and proposals to the President, but a lesser number may meet for other reasons.

(d) MEETINGS.—The Council shall meet at least 2 times each year. When a Council member is unable to attend a meeting, the Council member shall appoint an appropriate Assistant Secretary or an equivalent individual from the department or agency of the member to represent the member for that meeting.

(e) DUTIES OF THE COUNCIL.—The Council shall—

(1) review programs and activities conducted by each department or agency represented on the Council to determine the effects of such programs and activities on the ability of urban and rural schools to meet national education goals;

(2) track progress of urban and rural schools in meeting national education goals;

(3) solicit information and advice from experts in urban and rural education and representatives of urban schools on how the Federal Government may improve the programs and activities of the Federal Government which serve urban and rural school students;

(4) review regulations across various departments or agencies of the Federal Government for duplication or contradiction;

(5) issue an annual report to Congress and the President on the progress urban and rural schools are making in meeting national education goals, and on how Congress might change Federal programs to improve the effectiveness of such programs in urban and rural schools;

(6) review and make recommendations regarding ways to improve or streamline various Federal data collection activities in urban and rural schools; and

(7) conduct such research as may be helpful to urban and rural school practitioners in improving the performance of students attending urban and rural schools.

SEC. 402. WHITE HOUSE CONFERENCES ON URBAN EDUCATION AND RURAL EDUCATION.

(a) AUTHORIZATION TO CALL CONFERENCES.—

(1) IN GENERAL.—The President is authorized to—

(A) call and conduct a White House Conference on Urban Education (hereafter in this section referred to as the "Urban Conference"); and

(B) call and conduct a White House Conference on Rural Education (hereafter in this section referred to as the "Rural Conference").

(2) SPECIAL RULE.—For the purpose of this section the term "Conferences" means the Urban Conference and the Rural Conference.

(3) DATE.—The Conferences described in paragraph (2) shall be held not earlier than November 1, 1992, and not later than October 30, 1994.

(4) PURPOSE.—The purposes of the Conferences shall be to—

(A) develop recommendations and strategies for the improvement of urban and rural education;

(B) marshal the forces of the private sector, governmental agencies at all levels, parents, teachers, communities, and education officials to assist urban and rural schools in achieving national education goals; and

(C) conduct the initial planning for a permanent national advisory commission on urban education and on rural education.

(b) COMPOSITION OF CONFERENCES.—

(1) IN GENERAL.—The Conferences shall each be composed of—

(A) representatives of eligible public school systems, including board of education members, school superintendents and classroom teachers;

(B) representatives of the Congress, the Department of Education and other Federal agencies;

(C) State elected officials and representatives from State educational agencies; and

(D) individuals with special knowledge of and expertise in urban and rural education, respectively.

(2) SELECTION.—The President shall select one-third of the participants of each Conference, the Speaker of the House of Representatives shall select one-third of such participants, and the President pro tempore of the Senate shall select the remaining one-third of such participants.

(3) REPRESENTATION.—In selecting the participants of each of the Conferences the President, the Speaker of the House of Representatives, and the President pro tempore of the Senate shall ensure that the participants are as representative of the ethnic, racial, and language diversity of urban and rural areas as is practicable.

(c) REPORTS.—

(1) IN GENERAL.—The final reports of each of the Conferences, containing such findings and recommendations as may be made by the Conferences, shall be submitted to the President not later than 120 days following the termination of the Conferences. The final reports shall be made public and, within 90 days after receipt by the President, transmitted to the Congress together with a statement of the President containing recommendations for implementing the reports.

(2) PUBLICATION AND DISTRIBUTION.—The Conferences are authorized to publish and distribute the reports described in this section. Copies of the reports shall be provided to the Federal depository libraries and made available to local urban and rural school leaders.

(d) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There are authorized to be appropriated for fiscal year 1993 such sums as may be necessary to carry out the provisions of this section.

(2) AVAILABILITY.—Amounts made available pursuant to the authority of paragraph (1) shall remain available until expended.

SEC. 403. NATIONAL COMMISSIONS ON URBAN AND RURAL EDUCATION.

(a) ESTABLISHMENT.—(1) There is established an Augustus F. Hawkins National Commission on Urban Education (referred to hereafter as the "Hawkins Commission") and a Carl D. Perkins National Commission on Rural Education (referred to as the "Perkins Commission").

(2) For the purpose of this section the term "Commissions" means the Hawkins Commission and the Perkins Commission.

(b) MEMBERSHIP.—

(1) IN GENERAL.—The Commissions shall each be composed of 12 members. Four of the members of each of the Commissions shall be appointed by the President. Four of the members of each of the Commissions shall be appointed by the Speaker of the House of Representatives, including two Members of the House of Representatives, of which 1 shall be from each political party. Four of the members of each of the Commissions shall be appointed by the President pro tempore of the Senate, including 2 members of the Senate, of which 1 shall be from each political party.

(2) CHAIRPERSON.—The Chairpersons of each of the Commissions shall be elected by the members of each of the respective Commissions and shall continue to serve for the duration of the Commissions.

(3) VACANCIES.—Any vacancy in the Commissions shall be filled in the same manner as the original appointment.

(c) STUDIES.—

(1) HAWKINS COMMISSION.—The Hawkins Commission shall make a study of the following issues:

(A) DEMOGRAPHIC CHANGES.—Demographic changes in student enrollment and classroom teachers in the 10-year period prior to the date of enactment of this Act.

(B) SPECIAL NEEDS.—Numbers and types of special needs of students in urban schools.

(C) UNSERVED OR UNDERSERVED STUDENTS.—Number of unserved or underserved students in urban schools eligible for assistance under the Head Start Act, chapter 1 of title I of the Elementary and Secondary Education Act of 1965, School Dropout Demonstration Assistance Act of 1988, Drug Free Schools and Communities Act of 1986, Carl D. Perkins Vocational and Applied Technology Education Act, Education of Individuals with Disabilities Act and other Federal programs.

(D) STUDENT PERFORMANCE.—Program and management efforts in urban schools designed to enhance student performance, and reasons for the effectiveness of such efforts.

(E) FINANCIAL SUPPORT.—Financial support and funding needs of urban schools from local, State, and Federal sources.

(F) COLLABORATIVE EFFORTS.—Collaborative efforts and programs between urban schools, the private sector, and community groups.

(G) SUPPLY NEEDS.—Supply needs for teachers in urban schools in the 10-year period beginning on the date of enactment of this Act.

(2) PERKINS COMMISSION.—The Perkins Commission shall make a study of the following issues:

(A) DEMOGRAPHIC CHANGES.—Demographic changes in student enrollment and classroom teachers in the 10-year period prior to the date of enactment of this Act.

(B) SPECIAL NEEDS.—Numbers and types of special needs of students in rural schools.

(C) UNSERVED OR UNDERSERVED STUDENTS.—Number of unserved or underserved students in rural schools eligible for assistance under the Head Start Act, chapter 1 of title I of the Elementary and Secondary Education Act of 1965, School Dropout Demonstration Assistance Act of 1988, Drug Free Schools and Communities Act of 1986, Carl D. Perkins Vocational and Applied Technology Education Act, Education of Individuals with Disabilities Act and other Federal programs.

(D) STUDENT PERFORMANCE.—Program and management efforts in rural schools designed to enhance student performance, and reasons for the effectiveness of such efforts.

(E) FINANCIAL SUPPORT.—Financial support and funding needs of rural schools from local, State, and Federal sources.

(F) COLLABORATIVE EFFORTS.—Collaborative efforts and programs between rural schools, the private sector, and community groups.

(G) SUPPLY NEEDS.—Supply needs for teachers in rural schools in the 10-year pe-

riod beginning on the date of enactment of this Act.

(d) REPORTS.—

(1) IN GENERAL.—The Commissions shall each prepare and submit a report and recommendations to the President and to the appropriate committees of the Congress on the findings of the study required by this section. The reports shall be submitted as soon as practicable.

(2) PROPOSAL FOR CHANGES IN FEDERAL LEGISLATION.—The reports submitted under this section shall include proposals for changes in Federal legislation.

(e) STAFF.—Such personnel as the Commissions deem necessary may be appointed by the Commissions 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 subtitle III of chapter 53 of such title relating to classification and General Schedule pay rates, but no individual so appointed shall be paid in excess of the rate authorized for level III of the Executive Schedule.

(f) COMPENSATION.—

(1) IN GENERAL.—Members of the Commissions who are officers or full-time employees of the United States shall serve without compensation in addition to that received for their services as officers or employees of the United States. Such members may be allowed travel expenses and per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code.

(2) SPECIAL RULE.—Members of the Commissions who are not officers or full-time employees of the United States may receive such per diem and travel allowance as is provided by the United States Code for persons in the Government service employed intermittently.

(g) ADMINISTRATION.—

(1) IN GENERAL.—The Commissions or, on the authorization of the Commissions, any committee thereof, may, for the purpose of carrying out the provisions of this section, hold such hearings and sit and act at such times and such places within the United States as the Commissions or such committee may deem advisable.

(2) CONSULTATION.—In carrying out its duties under this section, the Commissions shall consult with other Federal agencies, representatives of State and local governments, and private organizations to the extent feasible.

(3) INFORMATION.—The Commissions are authorized to secure directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality, information, suggestions, estimates, and statistics for the purpose of this section, and each such department, bureau, agency, board, commission, office, establishment, or instrumentality is authorized and directed, to the extent permitted by law, to furnish such information, suggestions, estimates, and statistics directly to the Commissions, upon request by the Chair.

(4) CONTRACTS.—The Commissions are authorized to enter into contracts to secure the necessary data and information to conduct its work and to obtain the services of experts and consultants.

(5) COOPERATION.—The heads of all Federal agencies are, to the extent practicable, directed to cooperate with the Commissions in carrying out this section.

(6) SPECIAL RULE.—The Commissions are authorized to utilize, with the consent of such agencies, the services, personnel, information, and facilities of other Federal, State, local, and private agencies with or without reimbursement.

(h) TERMINATION.—The Commissions shall terminate 3 years after the date of its first meeting.

(i) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There are authorized to be appropriated for fiscal year 1993 such sums as may be necessary to carry out the provisions of this section.

(2) AVAILABILITY.—Amounts appropriated pursuant to the authority of paragraph (1) shall remain available until expended or until the termination of the Commissions, whichever occurs first.

SEC. 404. FEDERAL FUNDS TO SUPPLEMENT NOT SUPPLANT NON-FEDERAL FUNDS.

An eligible local educational agency may use funds received under this Act only so as to supplement and, to the extent practicable, increase the level of funds that would, in the absence of such Federal funds, be made available from non-Federal sources for the education of students participating in activities assisted under this Act and in no case may such funds be used to supplant such funds from such non-Federal sources.

SEC. 405. DEFINITIONS.

Except as otherwise provided, for the purposes of this Act—

(1) the term "central city" has the same meaning as that used by the United States Census Bureau;

(2) the term "community-based organization" means a private nonprofit organization which is representative of a community or significant segments of a community and which has a proven record of providing effective educational or related services to individuals in the community;

(3) the term "eligible local educational agency" includes an urban eligible local educational agency and a rural eligible local educational agency;

(4) the term "institution of higher education" has the meaning given to such term in section 1201(a) of the Higher Education Act of 1965;

(5) the term "local educational agency" has the meaning given to such term in section 1471(12) of the Elementary and Secondary Education Act of 1965;

(6) the term "metropolitan statistical area" has the same meaning as that used by the United States Census Bureau;

(7) the term "poverty level" means the criteria of poverty used by the Bureau of the Census in compiling the most recent decennial census for a family of 4 in such form as those criteria have been updated by increases in the Consumer Price Index for All Urban Consumers;

(8) the term "region" means each region of the United States in which there is a regional educational research laboratory supported by the Secretary pursuant to section 405(d)(4)(A) of the General Education Provisions Act;

(9) the term "rural eligible local educational agency" means a local educational agency—

(A) that is located in a county—

(i) in which at least 30 percent of the children enrolled in the schools of such county are eligible to be counted under section 1005 of the Elementary and Secondary Education Act of 1965; and

(ii) which is not in a metropolitan statistical area;

(B) in which at least 30 percent of the children enrolled in the schools of such local educational agency live at or below the poverty level; or

(C) in which the total enrollment in the schools of such local educational agency is less than 300 students and that does not serve schools located in a metropolitan statistical area;

(10) the term "Secretary", except as otherwise specified, means the Secretary of Education;

(11) the term "State" means each of the several States and the District of Columbia, but does not include Guam, American Samoa, the Commonwealth of Puerto Rico, the United States Virgin Islands, the Commonwealth of the Northern Mariana Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, and Palau;

(12) the term "State educational agency" has the meaning given to such term in section 1471(23) of the Elementary and Secondary Education Act of 1965; and

(13) the term "urban eligible local educational agency" means a local educational agency—

(A) that serves the largest central city in a State;

(B) in which the enrollment in the schools of such agency is greater than 30,000 students and which serves a central city with a population of at least 200,000 in a metropolitan statistical area; or

(C)(i) that serves a central city with a total population of 50,000 or more in a State; and

(ii) in which at least 30 percent of the individuals under 18 years of age in such city live at or below the poverty level.

S. 1136

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 "Public Schools Choice Act of 1991".

SEC. 2. PROGRAM AUTHORIZED.

(a) PROGRAM AUTHORIZED.—

(1) IN GENERAL.—The Secretary is authorized to award grants to eligible entities to enable such eligible entities to plan, implement, or expand a program that provides opportunities for parents, particularly parents of educationally disadvantaged children, to select the public school attended by their children.

(2) PLANNING GRANTS.—The Secretary may award a grant to an eligible entity for a period of not more than 1 year to enable such eligible entity to plan the program described in paragraph (1).

(3) OPERATING GRANTS.—The Secretary may award a grant to an eligible entity for a period of not more than 5 years to enable such eligible entity to operate the program described in paragraph (1).

(b) AWARD BASIS.—The Secretary shall award grants pursuant to subsection (a) on a competitive basis.

(c) GEOGRAPHIC DISPERSION.—The Secretary shall ensure that grants awarded pursuant to subsection (a) benefit students in urban and rural areas.

SEC. 3. PAYMENTS; MATCHING REQUIREMENTS; NON-FEDERAL SHARE.

(a) PAYMENTS.—The Secretary shall make annual grant payments to eligible entities which the Secretary determines are in compliance with the provisions of this Act.

(b) MATCHING REQUIREMENTS.—

(1) Local educational agency.—In order for a local educational agency or a consortium of local educational agencies to receive an operating grant pursuant to section 2(a)(3), such agency shall—

(A) provide 10 percent of the costs of the program described in the application submitted pursuant to section 4 in the first fiscal year that such agency receives a grant payment pursuant to such section;

(B) provide 25 percent of such costs in such second year;

(C) provide 35 percent of such costs in such third or fourth year; and

(D) provide 50 percent of such costs in such fifth year.

(2) STATE EDUCATIONAL AGENCY.—In order for a State educational agency to receive a planning grant pursuant to section 2(a)(2) or an operating grant pursuant to section 2(a)(3), such agency shall provide 50 percent of the costs of the program described in the application submitted pursuant to section 4 in each fiscal year that such agency receives a grant payment pursuant to such sections.

(c) NON-FEDERAL SHARE.—The costs of programs required to be paid by local educational agencies pursuant to subsection (a) and a State educational agency pursuant to subsection (b) may be in cash or in kind fairly evaluated, including planned equipment or services.

SEC. 4. APPLICATION.

(a) APPLICATION REQUIRED.—

(1) IN GENERAL .—Each eligible entity desiring a planning or operating grant under this Act shall submit to the Secretary an application at such time, in such manner and containing or accompanied by such information as the Secretary may reasonably require.

(2) CONTENTS.—Each application described in paragraph (1) shall—

(A) describe the activities and services for which assistance is sought;

(B) describe the need for the grant;

(C) describe the objectives of the program to be assisted and describe how such objectives shall be fulfilled;

(D) contain assurances that any program assisted under this Act shall not—

(i) in the case of a grant to a State educational agency, result in segregation in schools within the State based upon race, religion, color, national origin, sex, or handicap, or impede the progress of desegregation among schools in the State; or

(ii) in the case of a grant to a local educational agency or consortium thereof, result in such segregation or impede the progress of desegregation among the schools served by such local educational agency;

(E) contain assurances that grant funds shall be used to develop mechanisms to foster access to schools participating in a program assisted under this Act on a nondiscriminatory basis and without regard to educational or economic disadvantage; and

(F) describe how the program assisted under this Act shall meet each of the requirements described in subsection (b);

(b) ADDITIONAL REQUIREMENTS FOR OPERATING GRANTS.—In addition to the information described in subsection (a), each eligible entity desiring an operating grant pursuant to section 2(a)(3) shall include in the application submitted pursuant to subsection (a) assurances that—

(1) parents and teachers have been actively involved in the design of the program;

(2) all parents in the communities for which the grant is being sought have the opportunity to choose a school for their child;

(3) a comprehensive system of parent information and counseling is available, including outreach efforts for parents of disadvantaged children;

(4) all students shall have access to free and appropriate transportation, especially students from low and middle income families;

(5) a fair and equitable process shall be used to select participants for programs which have more eligible applicants than space available;

(6) thorough evaluations measure student participation and achievement;

(7) a local educational agency or consortium of local educational agencies participating in a program assisted under this Act have procedures in place to identify and improve those schools that are the least popular with parents; and

(8) student assignment and transfer policies do not discriminate on the basis of handicapping condition.

SEC. 5. DEFINITIONS.

For the purposes of this Act—

(1) the term "eligible entity" means a local educational agency, a consortium of local educational agencies, or a State educational agency;

(2) the term "local educational agency" has the same meaning given to such term in section 1471(12) of the Elementary and Secondary Education Act of 1965;

(3) the term "Secretary" means the Secretary of Education; and

(4) the term "State educational agency" has the same meaning given to such term in section 1471(23) of the Elementary and Secondary Education Act of 1965.

SEC. 6. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated $100,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993, 1994, 1995, and 1996.

S. 1137

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

SECTION 1. BEOG PURPOSE.

(a) IN GENERAL.—Section 411 of the Higher Education Act of 1965 (hereafter in this Act referred to as the "Act") (20 U.S.C. 1070a) is amended—

(1) by amending paragraph (1) of subsection (b) to read as follows: "(1) The purpose of this subpart is to provide a basic grant that (A) as determined under paragraph (2), will contribute to a student's cost of attendance (as defined in section 472 of part F); and (B) in combination with reasonable parental or student contribution and supplemented by the programs authorized under subparts 2 and 3 of this part, will meet 75 percent of a student's cost of attendance (as defined in section 472), unless the institution determines that a greater amount of assistance would better serve the purposes of section 401.";

(2) in the matter preceding subparagraph (A) of subsection (f)(1), by striking "an estimate of the eligibility index" and inserting "the federal eligibility number (determined in accordance with section 473 of part F) as part of the contractor's regular output";

(3) in subsection (f)—

(A) in paragraph (1)—

(i) in subparagraph (A), by striking "eligibility index" and inserting "federal eligibility number";

(ii) in subparagraph (B), by striking "eligibility index" and inserting "federal eligibility number"; and

(iii) in subparagraph (D), by striking "eligibility index" and inserting "federal eligibility number"; and

(B) in paragraph (3)—

(i) by striking "1986-1987" and inserting "1993-1994"; and

(ii) by striking "eligibility index" and inserting "federal eligibility number"; and

(C) by inserting at the end thereof the following new paragraph:

"(4) For purposes of calculating awards under this subpart, institutions of higher education shall use—

"(A) the student's federal eligibility number (determined in accordance with section 473 of part F);

"(B) the amount of tuition and fees normally assessed a student carrying the same academic workload as determined by the institution, and including costs for rental or purchase of any equipment, materials, or supplies required of all students in the same course of study; and

"(C) the student's enrollment status.".

(b) CONFORMING AMENDMENTS.—Subsection (b) of section 411 of the Act is further amended—

(1) in paragraph (3), by striking "411F" and inserting "472"; and

(2) in paragraph (4), by striking "411F" and inserting "472".

SEC. 2. REPEALERS.

Sections 411A, 411B, 411C, 411D, 411E, and 411F of the Act (20 U.S.C. 1070a-1, 1070a-2, 1070a-3, 1070a-4, 1070a-5, 1070a-6, and 1070a-7) are repealed.

SEC. 3. AMOUNT OF NEED.

Section 471 of the Act (20 U.S.C. 1087kk) is amended by striking "subparts 1 and 3" and inserting "subpart 1".

SEC. 4. COST OF ATTENDANCE.

Section 472 of the Act (20 U.S.C. 1087ll) is amended—

(1) in the matter proceeding paragraph (1), by striking "except for subpart 1 of part A and";

(2) by amending paragraph (3) to read as follows:

"(3) an allowance (as determined by the institution) based on the expenses reasonably incurred for room and board costs for—

"(A) students residing at home with parents;

"(B) students residing in institutionally owned or operated housing; and

"(C) all other students";

(3) in paragraph (5), by inserting "(as determined by the institution)" after "costs";

(4) by striking "and" at the end of paragraph (8);

(5) by striking the period at the end of paragraph (9) and inserting a semicolon and "and"; and

(6) by inserting at the end thereof the following new paragraph:

"(10) for any student, additional educational expenses determined by the institution to be necessary for the student's program of study.".

SEC. 5. FEDERAL ELIGIBILITY.

Section 473 of the Act (20 U.S.C. 1087mm) is amended to read as follows:

"(a) FEDERAL ELIGIBILITY.—For the purpose of this title and except as provided in subsection (b), the term 'family contribution' with respect to any student means the amount which the student and his or her family may be reasonably expected to contribute toward his or her postsecondary education for the award year for which the determination is made, as determined in accordance with this part.

"(b) ADJUSTMENTS IN THE CASE OF PELL GRANTS.—

"(1) IN GENERAL.—For purposes of the program described in subpart 1 of part A, the term 'family contribution' is modified to exclude—

"(A) the standard income contribution determined in accordance with section 480(j) of this part; and

"(B) veterans' educational benefits determined in accordance with sections 476(a)(3) and 477(a)(4) of this part.

"(2) SPECIAL RULE.—Notwithstanding the adjustment required by paragraph (1), any calculated contribution from student income shall be used in determining the family contribution for purposes of the program in subpart 1 of part A.

"(c) FEDERAL ELIGIBILITY NUMBER.—

"(1) IN GENERAL.—The expected family contribution, as modified in paragraphs (1) and (2) of this subsection, shall be the 'federal eligibility number'.

"(2) PELL GRANTS.—For purposes of the program under subpart 1 of part A, eligibility is determined using the federal eligibility number.".

SEC. 6. DATA ELEMENTS USED IN DETERMINING EXPECTED FAMILY CONTRIBUTION.

Section 474 of the Act (20 U.S.C. 1087nn) is amended—

(1) in paragraph (1), by striking "dependent student" and inserting "student using the Parents First model";

(2) by amending paragraph (3) to read as follows:

"(3) the number of family members who are enrolled in, on at least a half-time basis, a program of postsecondary education and for whom the family may reasonably be expected to contribute to such family members' postsecondary education, except that (A) in the case of the Parent First model, only the dependent children of the parents are included, and (B) in the case of the Students First models, the student, spouse, and dependents of the student are included;";

(3) in paragraph (4), by striking "dependent student" and inserting "student using the Parents First model"; and

(4) by amending paragraphs (6), (7), and (8) to read as follows:

"(6) the age of (A) the older parent in the case of a student using the Parents First model, and (B) the student in the case of a student using a Students First model;

"(7) the additional expenses incurred (A) in the case of a student using the Parents First model, when both parents of the student are employed or when the family is headed by a single parent who is employed, or (B) in the case of a student using a Students First model, when both the student and his or her spouse are employed or when the employed student qualifies as a surviving spouse or as a head of a household under section 2 of the Internal Revenue Code of 1986; and

"(8) except for the program in subpart 1 of part A, (A) the standard income contribution, and (B) the student's veterans educational benefits.".

SEC. 7. FEDERAL ELIGIBILITY FOR PARENTS FIRST MODEL.

(a) AMENDMENT TO TEXT.—Section 475 of the Act (20 U.S.C. 1087oo) is amended to read as follows:

"(a) COMPUTATION OF EXPECTED FAMILY CONTRIBUTION.—For each student using the Parents First model, the expected family contribution is equal to the sum of—

"(1) the parents' contribution (determined in accordance with subsection (b));

"(2) the student contribution from income (determined in accordance with subsection (g); and

"(3) the student (and spouse) contribution from assets (determined in accordance with subsection (h)),

except that a family receiving public assistance (as defined in section 480(c)) or a family with a parents' earned income less than the earned income limitation under section 32 of the Internal Revenue Code of 1986 (relating to the earned income credit) at the time of application shall be considered to have a zero family contribution.

"(b) PARENTS' CONTRIBUTION FROM ADJUSTED AVAILABLE INCOME.—The parents' contribution from adjusted available income is equal to the amount determined by—

"(1) computing adjusted available income by adding—

"(A) the parents' available income (determined in accordance with subsection (c)); and

"(B) the parents' income supplemental amount from assets (determined in accordance with subsection (d));

"(2) assessing such adjusted available income in accordance with the assessment schedule set forth in subsection (e); and

"(3) dividing the assessment resulting under paragraph (2) by the number of the dependent children of the parent(s) who will be attending, on at least a half-time basis, a program of postsecondary education during the award period for which assistance under this title is requested;

except that the amount determined under this subsection shall not be less than zero.

"(c) PARENTS' AVAILABLE INCOME.—

"(1) IN GENERAL.—The parents' available income is determined by deducting from total income (as defined in section 480)—

"(A) Federal income taxes;

"(B) an allowance for State and other taxes, determined in accordance with paragraph (2);

"(C) an allowance for social security taxes, determined in accordance with paragraph (3);

"(D) an income protection allowance, determined in accordance with paragraph (4); and

"(E) an employment expense allowance, determined in accordance with paragraph (5).

"(2) ALLOWANCE FOR STATE AND OTHER TAXES.—The allowance for State and other taxes is equal to an amount determined by multiplying total income (as defined in section 480) by a percentage determined according to the following table (or a successor table prescribed by the Secretary under section 478):

Percentages for Computation of State and Other Tax Allowance

If parent's State or territory of residence is—	And parent's total income is— less than $15,000	And parent's total income is— $15,000 or more
	then the percentage is—	
Alaska, Puerto Rico, Wyoming	3	2
American Samoa, Guam, Louisiana, Nevada, Texas, Trust Territory, Virgin Islands.	4	3
Florida, South Dakota, Tennessee, New Mexico	5	4
North Dakota, Washington	6	5
Alabama, Arizona, Arkansas, Indiana, Mississippi, Missouri, Montana, New Hampshire, Oklahoma, West Virginia.	7	6
Colorado, Connecticut, Georgia, Illinois, Kansas, Kentucky.	8	7
California, Delaware, Idaho, Iowa, Nebraska, North Carolina, Ohio, Pennsylvania, South Carolina, Utah, Vermont, Virginia, Canada, Mexico.	9	8
Maine, New Jersey	10	9
District of Columbia, Hawaii, Maryland, Massachusetts, Oregon, Rhode Island.	11	10
Michigan, Minnesota	12	11
Wisconsin	13	12
New York	14	13

"(3) ALLOWANCE FOR SOCIAL SECURITY TAXES.—The allowance for social security taxes is equal to the amount earned by each parent multiplied by the social security withholding rate appropriate to the tax year of the earnings, up to the maximum statutory social security tax withholding amount for that same tax year.

"(4) INCOME PROTECTION ALLOWANCE.—The income protection allowance is the amount of expenses that would be associated with support of an individual or family, and above which income could be considered to be available for educational expenses. The income protection allowance is determined by the following table (or a successor table prescribed by the Secretary under section 478);";

Income Protection Allowance

Family size (including student)	Number in college: 1	2	3	4	5	For each additional subtract:
2	$10,370	$8,600				
3	12,910	11,150	$9,380			
4	15,940	14,180	12,410	$10,640		
5	18,810	17,050	15,280	13,510	$10,500	
6	22,010	20,240	18,470	16,700	14,930	$1,770
For each additional add:	2,490	2,490	2,490	2,490	2,490	

"(5) EMPLOYMENT EXPENSE ALLOWANCE.—The employment expense allowance is determined as follows:

"(A) If both parents were employed in the year for which their income is reported and both have their incomes reported in determining the expected family contribution, such allowance is equal to the lesser of $2,100 or 35 percent of the earned income of the parent with the lesser earned income.

"(B) If a parent qualifies as a head of household as defined in section 2 of the Internal Revenue Code, such allowance is equal to the lesser of $2,100 or 35 percent of his or her earned income.

For any award year after award year 1993–1994, this paragraph shall be applied by increasing the dollar amount specified in subparagraphs (A) and (B) to reflect increases in the amount and percent of the Bureau of Labor Statistics budget of the marginal costs for meals away from home, apparel and upkeep, transportation, and housekeeping

services for a two-worker versus one-worker family.

"(d) PARENTS' INCOME SUPPLEMENTAL AMOUNT FROM ASSETS.—

"(1) IN GENERAL.—Except as provided in paragraph (5), the parents' income supplemental amount from assets is equal to—

"(A) the parental net worth (determined in accordance with paragraph (2)); minus

"(B) the asset protection allowance (determined in accordance with paragraph (3)) except that the resulting amount shall not be less than zero; multiplied by

"(C) the asset conversion rate (determined in accordance with paragraph (4)).

"(2) PARENTAL NET WORTH.—The parental net worth is calculated by adding—

"(A) the current balance of checking and savings accounts and cash on hand;

"(B) the net value of investments and real estate, including the net value in the principal place of residence (except that the value of the principal place of residence is determined in accordance with paragraph (6));

"(C) the adjusted net worth of a business, computed on the basis of the net worth of such business (hereafter in this subsection referred to as 'NW'), determined in accordance with the following table (or a successor table prescribed by the Secretary under section 478):

Adjusted Net Worth of a Business

If the net worth of a business is—	Then the adjusted net worth is:
Less than $1	$0
$1–$75,000	40 percent of NW
$75,001–$225,000	$30,000 plus 50 percent of NW over $75,000
$225,001–$370,000	$105,000 plus 60 percent of NW over $225,000
$370,001 or more	$192,000 plus 100 percent of NW over $370,000

and

"(D) the adjusted net worth of a farm, computed on the basis of the net worth of such farm (hereafter in this subsection referred to as 'NW'), determined in accordance with the following table (or a successor table prescribed by the Secretary under section 478):

Adjusted Net Worth of a Farm

If the net worth of a farm is—	Then the adjusted net worth is:
Less than $1	$0
$1–$75,000	35 percent of NW
$75,001–$225,000	$26,250 plus 45 percent of NW over $75,000
$225,001–$370,000	$93,750 plus 55 percent of NW over $225,000
$370,001 or more	$173,500 plus 95 percent of NW over $370,000

"(3) ASSET PROTECTION ALLOWANCE.—The asset protection allowance is calculated according to the following table:

Asset Protection Allowances for Families and Students

If the age of the oldest parent is—	And there are	
	two parents	one parent
	Then the asset protection allowance is—	
25 or less	$0	$0
26	2,300	1,700
27	4,500	3,300
28	6,800	5,000
29	9,000	6,700
30	11,300	8,400
31	13,600	10,000
32	15,800	11,700
33	18,100	13,400
34	20,300	15,100
35	22,600	16,700
36	24,900	18,400
37	27,100	20,100

Asset Protection Allowances for Families and Students—Continued

If the age of the oldest parent is—	And there are	
	two parents	one parent
	Then the asset protection allowance is—	
38	29,400	21,800
39	31,600	23,400
40	33,900	25,100
41	34,800	25,700
42	35,700	26,200
43	36,400	26,800
44	37,300	27,300
45	38,300	28,000
46	39,300	28,700
47	40,300	29,200
48	41,600	29,900
49	42,700	30,600
50	43,800	31,400
51	45,200	32,100
52	46,300	32,900
53	47,800	33,700
54	49,300	34,700
55	50,500	35,500
56	52,100	36,400
57	53,700	37,500
58	55,700	38,300
59	57,400	39,500
60	59,100	40,600
61	61,200	41,700
62	63,400	42,900
63	65,300	44,100
64	67,600	45,400
65 or more	69,900	46,900

"(4) ASSET CONVERSION RATE.—The asset conversion rate is 12 percent.

"(5) INCOME SUPPLEMENTAL AMOUNT.—For purposes of determining the income supplemental amount from assets, for families who (A) have total income (determined in accordance with section 480(a)) which is equal to or less than $20,000; and (B) who, at the time of application, have filed a 1040A or 1040EZ pursuant to the Internal Revenue Code of 1986, or are not required to file pursuant to such Code, the income supplemental amount from assets is zero";

"(6) VALUE AND NET VALUE OF PRINCIPAL PLACE OF RESIDENCE.—(A) For purposes of determining the value of the principal place of residence such value shall be the lesser of—

"(i) the current market value; or

"(ii) three times the total income (as determined in accordance with section 480(a)).

"(B) The net value of the principal place of residence is determined by subtracting outstanding liabilities or indebtedness against the assets from the value described in subparagraph (A).

"(e) ASSESSMENT SCHEDULE.—The adjusted available income (as determined under subsection (b)(1) and hereafter in this subsection referred to as 'AAI') is assessed according to the following table (or a successor table prescribed by the Secretary under section 478:

Parents' Assessment From Adjusted Available Income (AAI)

If AAI is—	Then the assessment is—
Less than –$3,409	–$750
–$3,409 to $9,300	22% of AAI
$9,301 to $11,600	$2,046 + 25% of AAI over $9,300
$11,601 to $14,000	$2,621 + 29% of AAI over $11,600
$14,001 to $16,300	$3,317 + 34% of AAI over $14,000
$16,301 to $18,700	$4,099 + 40% of AAI over $16,300
$18,701 or more	$5,059 + 47% of AAI over $18,700

"(f) COMPUTATIONS IN CASE OF SEPARATION, DIVORCE, REMARRIAGE, OR DEATH.—

"(1) DIVORCED OR SEPARATED PARENTS.—Parental income and assets for a student whose parents are divorced or separated are determined under the following procedures:

"(A) Include the income and assets of both parents regardless of whom the student resides with.

"(B) If the preceding criterion does not apply, include only the income and assets of the parent who provided the greater portion of the student's support for the 12-month period preceding the date of application.

"(C) If neither of the preceding criteria apply, include only the income and assets of the parent who provided the greater support during the most recent calendar year for which parental support was provided.

"(2) DEATH OF A PARENT.—Parental income and assets in the case of the death of any parent is determined as follows:

"(A) If either of the parents have died, the student shall include only the income and assets of the surviving parent.

"(B) If both parents have died, the student shall not report any parental income or assets.

"(3) REMARRIED PARENTS.—Income in the case of a parent whose income and assets are taken into account under paragraph (1), or a parent who is a widow or widower and whose income and assets are taken into account under paragraph (2), has remarried, is determined as follows: The income and assets of that parent's spouse shall be included in determining the student's expected family contribution if—

"(A) the student's parent and the stepparent are married as of the date of application for the award year concerned; and

"(B) the student does not qualify under the Students First definition.

"(g) STUDENT CONTRIBUTION FROM INCOME.—

"(1) IN GENERAL.—For the purpose of this title, (except for the program under subpart 1 of part A), the student contribution from available income under this section is equal to—

"(A) a standard income contribution of $900 for a first-year undergraduate student; or

"(B) a standard income contribution of $1,100 for any other student.

"(2) STANDARD INCOME CONTRIBUTION.—The standard income contribution is updated according to section 478.

"(h) STUDENT (AND SPOUSE) CONTRIBUTION FROM ASSETS.—

"(1) IN GENERAL.—The student's (and spouse's) contribution from assets is equal to—

"(A) the student's (and spouse's) net worth (determined in accordance with paragraph (2)); multiplied by

"(B) the asset conversion rate (determined in accordance with paragraph (3));

except that the student's (and spouse's) contribution from assets shall not be less than zero.

"(2) STUDENT'S NET WORTH.—The student's net worth is calculated by adding—

"(A) the current balance of checking and savings accounts and cash on hand;

"(B) the net value of investments and real estate, including the net value in the principal place of residence (except that the value of the principal place of residence is determined in accordance with paragraph (4);

"(C) the adjusted net worth of a business, computed on the basis of the net worth of such business (hereafter referred to as 'NW'), determined in accordance with the following table (or a successor table prescribed by the Secretary under section 478):

Adjusted Net Worth of a Business

If the net worth of a business is—	Then the adjusted net worth is:
Less than $1	$0
$1–$75,000	40 percent of NW
$75,001–$225,000	$30,000 plus 50 percent of NW over $75,000
$225,001–$370,000	$105,000 plus 60 percent of NW over $225,000
$370,001 or more	$192,000 plus 100 percent of NW over $370,000

and

"(D) the adjusted net worth of a farm, computed on the basis of the net worth of such farm (hereafter referred to as 'NW'), determined in accordance with the following table (or a successor table prescribed by the Secretary under section 478):

Adjusted Net Worth of a Farm

If the net worth of a farm is—	Then the adjusted net worth is:
Less than $1	$0
$1–$75,000	35 percent of NW
$75,001–$225,000	$26,250 plus 45 percent of NW over $75,000
$225,001–$370,000	$93,750 plus 55 percent of NW over $225,000
$370,001 or more	$173,500 plus 95 percent of NW over $370,000

"(3) ASSET CONVERSION RATE.—The asset conversion rate is 35 percent.

"(4) VALUE AND NET VALUE OF PRINCIPAL PLACE OF RESIDENCE.—(A) For purposes of determining the value of the principal place of residence, such value shall be the lesser of—

"(i) the current market value; or

"(ii) three times the total income (as determined in accordance with section 480(a)).

"(B) The net value of the principal place of residence is determined by subtracting outstanding liabilities or indebtedness against the assets from the value described in subparagraph (A).

"(i) ADJUSTMENTS FOR ENROLLMENT PERIODS OTHER THAN 9 MONTHS.—For periods of enrollment other than nine months, the parents' contribution from adjusted available income is determined as follows:

"(1) For periods of enrollment less than 9 months, the parents' contribution from adjusted available income (determined in accordance with subsection (b)) is divided by 9 and the result multiplied by the number of months enrolled.

"(2) For periods of enrollment greater than 9 months—

"(A) the parents' adjusted available income (determined in accordance with subsection (b)(1)) is increased by the difference between the income protection allowance (determined in accordance with subsection (c)(4)) for a family of four and a family of five, each with one child in college;

"(B) the resulting revised parents' adjusted available income is assessed according to subsection (e) and adjusted according to subsection (b)(3) to determine a revised parents' contribution from adjusted available income;

"(C) the original parents' contribution from adjusted available income is subtracted from the revised parents' contribution from adjusted available income, and the result is divided by 12 to determine the monthly adjustment amount; and

"(D) the original parents' contribution from adjusted available income is increased by the product of the monthly adjustment amount multiplied by the number of months greater than 9 for which the student will be enrolled.

"(j) ADJUSTMENTS FOR ENROLLMENT PERIODS OTHER THAN 9 MONTHS.—For periods of enrollment other than 9 months, the student's contribution is adjusted based on individual circumstances.".

(b) AMENDMENT TO HEADING.—The heading for section 475 of the Act is amended to read as follows:

"FEDERAL ELIGIBILITY FOR PARENTS FIRST MODEL".

SEC. 8. FEDERAL ELIGIBILITY FOR STUDENTS FIRST MODEL WITHOUT DEPENDENT CHILDREN.

(a) AMENDMENT TO TEXT.—Section 476 of the Act (20 U.S.C. 1087pp) is amended to read as follows:

"(a) COMPUTATION OF EXPECTED FAMILY CONTRIBUTION.—For each student using the Students First model, the expected family contribution is determined by—

"(1) dividing the student's (and spouse's) contribution from income (determined in accordance with subsection (b)) by the number of family members who will be attending, on at least a half-time basis, a program of postsecondary education during the award period for which assistance under this title is requested, except that the student (and spouse's) contribution from income shall not be less than the standard income contribution of $1,350;

"(2) dividing the student's (and spouse's) contribution from assets (determined in accordance with subsection (c)) by the number of family members who will be attending, on at least a half-time basis, a program of postsecondary education during the award period for which assistance under this title is requested;

"(3) adding the resulting figures except that a family receiving public assistance (as defined in section 480(c)) at the time of application shall be considered to have a zero family contribution; and

"(4) adding veterans' benefits determined in accordance with section 480(e).

"(b) STUDENT'S (AND SPOUSE'S) CONTRIBUTION FROM INCOME.—

"(1) IN GENERAL.—The student's (and spouse's) contribution from income is determined by deducting from total income—

"(A) Federal income taxes;

"(B) an allowance for State and local income taxes, determined in accordance with paragraph (2);

"(C) the allowance for social security taxes, determined in accordance with paragraph (3);

"(D) an income protection allowance determined in accordance with paragraph (4); and

"(E) assessing such available income in accordance with paragraph (5), except the resulting amount shall not be less than zero.

"(2) ALLOWANCE FOR STATE AND LOCAL INCOME TAXES.—The allowance for State and local income taxes is equal to an amount determined by multiplying total taxable income (as defined in section 480) by a percentage determined according to the following table (or a successor table prescribed by the Secretary under section 478):

Percentages for Computation of State and Local Income Tax Allowance

If the students' State or territory of residence is—	The percentage is—
Alaska, American Samoa, Florida, Guam, Nevada, South Dakota, Tennessee, Texas, Trust Territory, Virgin Islands, Washington, Wyoming.	0
Connecticut, Louisiana, Puerto Rico	1
Arizona, New Hampshire, New Mexico, North Dakota	2
Alabama, Colorado, Illinois, Indiana, Kansas, Mississippi, Missouri, Montana, Nebraska, New Jersey, Oklahoma.	3

Percentages for Computation of State and Local Income Tax Allowance—Continued

If the students' State or territory of residence is—	The percentage is—
Arkansas, Georgia, Iowa, Kentucky, Maine, Pennsylvania, Utah, Vermont, Virginia, West Virginia, Canada, Mexico.	4
California, Idaho, Massachusetts, North Carolina, Ohio, Rhode Island, South Carolina.	5
Hawaii, Maryland, Michigan, Wisconsin	6
Delaware, District of Columbia, Minnesota, Oregon	7
New York	8

"(3) ALLOWANCE FOR SOCIAL SECURITY TAXES.—The allowance for social security taxes is equal to the amounts earned by the student (and spouse) each multiplied by the social security withholding rate appropriate to the tax year of the earnings, up to the maximum statutory social security tax withholding amount for that same tax year.

"(4) INCOME PROTECTION ALLOWANCE.—The income protection allowance is the amount of expenses that would be associated with support of an individual or family, and above which income could be considered to be available for educational expenses. The income protection allowance is a monthly allowance for periods of nonenrollment. The income protection allowance is determined by the following table (or a successor table prescribed by the Secretary under section 478):

Income Protection Allowance

Student marital status	Number in college	
	Student only	Student and spouse
Unmarried	$5,185	—
Married	$10,370	$8,600

"(5) ASSESSMENT OF AVAILABLE INCOME.—The student's (and spouse's) available income (determined in accordance with paragraph (1) of this section) is assessed at 70 percent.

"(c) STUDENT'S (AND SPOUSE'S) CONTRIBUTION FROM ASSETS.—

"(1) IN GENERAL.—The student's (and spouse's) contribution from assets is equal to—

"(A) the student's (and spouse's) net worth (determined in accordance with paragraph (2)); minus

"(B) the asset protection allowance (determined in accordance with paragraph (3)); multiplied by

"(C) the asset conversion rate (determined in accordance with paragraph (4));

except that the student's (and spouse's) contribution from assets shall not be less than zero.

"(2) STUDENT'S NET WORTH.—The student's net worth is calculated by adding—

"(A) the current balance of checking and savings accounts and cash on hand;

"(B) the net value of investments and real estate, including the net value in the principal place of residence (except that the value of the principal place of residence is determined in accordance with paragraph (5));

"(C) the adjusted net worth of a business, computed on the basis of the net worth of such business (hereafter referred to as 'NW'), determined in accordance with the following table (or a successor table prescribed by the Secretary under section 478):

Adjusted Net Worth of a Business

If the net worth of a business is—	Then the adjusted net worth is:
Less than $1	$0

Adjusted Net Worth of a Business—Continued

If the net worth of a business is—	Then the adjusted net worth is:
$1–$75,000	40 percent of NW
$75,001–$225,000	$30,000 plus 50 percent of NW over $75,000
$225,001–$370,000	$105,000 plus 60 percent of NW over $225,000
$370,001 or more	$192,000 plus 100 percent of NW over $370,000

and

"(D) the adjusted net worth of a farm, computed on the basis of the net worth of such farm (hereafter referred to as 'NW'), determined in accordance with the following table (or a successor table prescribed by the Secretary under section 478):

Adjusted Net Worth of a Farm

If the net worth of a farm is—	Then the adjusted net worth is:
Less than $1	$0
$1–$75,000	35 percent of NW
$75,001–$225,000	$26,250 plus 45 percent of NW over $75,000
$225,001–$370,000	$93,750 plus 55 percent of NW over $225,000
$370,001 or more	$173,500 plus 95 percent of NW over $370,000

"(3) ASSET PROTECTION ALLOWANCE.—The asset protection allowance is calculated according to the following table:

Asset Protection Allowances for Students Without Dependents

If the age of the student is—	Then the asset protection allowance is—
25 or less	$0.
26	1,700
27	3,300
28	5,000
29	6,700
30	8,400
31	10,000
32	11,700
33	13,400
34	15,100
35	16,700
36	18,400
37	20,100
38	21,800
39	23,400
40	25,100
41	25,700
42	26,200
43	26,800
44	27,300
45	28,000
46	28,700
47	29,200
48	29,900
49	30,600
50	31,400
51	32,100
52	32,900
53	33,700
54	34,700
55	35,500
56	36,400
57	37,500
58	38,300
59	39,500
60	40,600
61	41,700

Asset Protection Allowances for Students Without Dependents—Continued

If the age of the student is—	Then the asset protection allowance is—
62	42,900
63	44,100
64	45,400
65 or more	46,900

"(4) ASSET CONVERSION RATE.—The asset conversion rate is 35 percent.

"(5) VALUE AND NET VALUE OF PRINCIPAL PLACE OF RESIDENCE.—(A) For purposes of determining the value of the principal place of residence, such value shall be the lesser of—

"(i) the current market value; or

"(ii) three times the total income (as determined in accordance with section 480(a)).

"(B) The net value of the principal place of residence is determined by subtracting outstanding liabilities or indebtedness from the value described in subparagraph (A).

"(d) ADJUSTMENTS FOR ENROLLMENT PERIODS OTHER THAN 9 MONTHS.—For periods of enrollment other than 9 months, the student's contribution is adjusted based on individual circumstances.".

(b) AMENDMENT TO HEADING.—The heading to section 476 is amended to read as follows:

"FEDERAL ELIGIBILITY FOR STUDENTS FIRST MODEL WITHOUT DEPENDENT CHILDREN".

SEC. 9. FEDERAL ELIGIBILITY FOR STUDENTS FIRST MODEL WITH DEPENDENT CHILDREN.

(a) AMENDMENT TO TEXT.—Section 477 of the Act (20 U.S.C. 1087qq) is amended to read as follows:

"(a) COMPUTATION OF EXPECTED FAMILY CONTRIBUTION.—For each student using the Students First model, the expected family contribution is equal to the amount determined by—

"(1) computing adjusted available income by adding—

"(A) the family's available income (determined in accordance with subsection (b)); and

"(B) the family's income supplemental amount from assets (determined in accordance with subsection (c)); and

"(2) assessing such adjusted available income in accordance with an assessment schedule set forth in subsection (d);

"(3) dividing the assessment resulting under paragraph (2) by the number of family members who will be attending, on at least half-time basis, a program of postsecondary education during the award period for which assistance under this title is requested, except that the amount determined under this subsection shall not be less than the standard income contribution of $1,350 and a family receiving public assistance (as defined in section 480(c)) at the time of application shall be considered to have a zero family contribution; and

"(4) adding veterans' benefits as determined in accordance with section 480(e).

"(b) FAMILY'S AVAILABLE INCOME.—

"(1) IN GENERAL.—The family's available income is determined by deducting from total income (as defined in section 480)—

"(A) Federal income taxes;

"(B) an allowance for State and other taxes, determined in accordance with paragraph (2);

"(C) an allowance for social security taxes, determined in accordance with paragraph (3);

"(D) an income protection allowance, determined in accordance with paragraph (4); and

"(E) an employment expense allowance, determined in accordance with paragraph (5), except that the resulting available income shall not be less than zero.

"(2) ALLOWANCE FOR STATE AND OTHER TAXES.—The allowance for State and other taxes is equal to an amount determined by multiplying total income (as defined in section 480) by a percentage determined according to the following table (or a successor table prescribed by the Secretary under section 478):

Percentages for Computation of State and Other Tax Allowance

If parent's State or territory of residence is—	And student's total income is—	
	less than $15,000	$15,000 or more
	then the percentage is—	
Alaska, Puerto Rico, Wyoming	3	2
American Samoa, Guam, Louisiana, Nevada, Texas, Trust Territory, Virgin Islands.	4	3
Florida, South Dakota, Tennessee, New Mexico.	5	4
North Dakota, Washington	6	5
Alabama, Arizona, Arkansas, Indiana, Mississippi, Missouri, Montana, New Hampshire, Oklahoma, West Virginia.	7	6
Colorado, Connecticut, Georgia, Illinois, Kansas, Kentucky.	8	7
California, Delaware, Idaho, Iowa, Nebraska, North Carolina, Ohio, Pennsylvania, South Carolina, Utah, Vermont, Virginia, Canada, Mexico.	9	8
Maine, New Jersey	10	9
District of Columbia, Hawaii, Maryland, Massachusetts, Oregon, Rhode Island.	11	10
Michigan, Minnesota	12	11
Wisconsin	13	12
New York	14	13

"(3) ALLOWANCE FOR SOCIAL SECURITY TAXES.—The allowance for social security taxes is equal to the amount earned by the student and the amount earned by the student's spouse each multiplied by the social security withholding rate appropriate to the tax year of the earnings, up to the maximum statutory social security tax withholding amount for that same tax year.

"(4) INCOME PROTECTION ALLOWANCE.—The income protection allowance is the amount of expenses that would be associated with support of an individual or family, and above which income could be considered to be available for educational expenses. The income protection allowance is determined by the following table (or a successor table prescribed by the Secretary under section 478):

Income Protection Allowance

Family size (including student)	Number in college					For each additional subtract:
	1	2	3	4	5	
2	$10,370	$8,600				
3	12,910	11,150	$9,380			
4	15,940	14,180	12,410	$10,640		
5	18,810	17,050	15,280	13,510	$10,500	
6	22,010	20,240	18,470	16,700	14,930	$1,770

For each

Income Protection Allowance—Continued

Family size (including student)	Number in college: 1	2	3	4	5	For each additional subtract:
additional add:	2,490	2,490	2,490	2,490	2,490	

For each additional family member add $2,490.
For each additional college student subtract $1,770.

"(5) EMPLOYMENT EXPENSE ALLOWANCE.—The employment expense allowance is determined as follows:

"(A) If both the student and a spouse were employed in the year for which their income is reported and both have their incomes reported in determining the expected family contribution, such allowance is equal to the lesser of $2,100 or 35 percent of the earned income of the student or spouse with the lesser earned income.

"(B) If a student qualifies as a head of household as defined in section 2 of the Internal Revenue Code, such allowance is equal to the lesser of $2,100 or 35 percent of his or her earned income.

For any award year after award year 1993–1994, this paragraph shall be applied by increasing the dollar amount specified in subparagraphs (A) and (B) to reflect increases in the amount and percent of the Bureau of Labor Statistics budget of the marginal costs for meals away from home, apparel and upkeep, transportation, and housekeeping services for a two-worker versus one-worker family.

"(c) FAMILY'S INCOME SUPPLEMENTAL AMOUNT FROM ASSETS.—

"(1) IN GENERAL.—The family's income supplemental amount from assets is equal to—

"(A) the family net worth (determined in accordance with paragraph (2)); minus

"(B) the asset protection allowance (determined in accordance with paragraph (3)) except that the resulting amount shall not be less than zero; multiplied by

"(C) the asset conversion rate (determined in accordance with paragraph (4)).

"(2) FAMILY NET WORTH.—The family net worth is calculated by adding—

"(A) the current balance of checking and savings accounts and cash on hand;

"(B) the net value of investments and real estate, including the net value in the principal place of residence (except that the value of the principal place of residence is determined in accordance with paragraph (5);

"(C) the adjusted net worth of a business, computed on the basis of the net worth of such business (hereafter referred to as 'NW'), determined in accordance with the following table (or a successor table prescribed by the Secretary under section 478):

Adjusted Net Worth of a Business

If the net worth of a business is—	Then the adjusted net worth is:
Less than $1	$0
$1–$75,000	40 percent of NW
$75,001–$225,000	$30,000 plus 50 percent of NW over $75,000
$225,001–$370,000	$105,000 plus 60 percent of NW over $225,000
$370,001 or more	$192,000 plus 100 percent of NW over $370,000

"(D) the adjusted net worth of a farm, computed on the basis of the net worth of such farm (hereafter referred to as 'NW'), determined in accordance with the following table (or a successor table prescribed by the Secretary under section 478):

Adjusted Net Worth of a Farm

If the net worth of a farm is—	Then the adjusted net worth is:
Less than $1	$0
$1–$75,000	35 percent of NW
$75,001–$225,000	$26,250 plus 45 percent of NW over $75,000
$225,001–$370,000	$93,750 plus 55 percent of NW over $225,000
$370,001 or more	$173,500 plus 95 percent of NW over $370,000

"(3) ASSET PROTECTION ALLOWANCE.—The asset protection allowance is calculated according to the following table:

Asset Protection Allowances for Families and Students

If the age of the student is—	And the student is married	And the student is unmarried
	then the asset protection allowance is—	
25 or less	$0	$0
26	2,300	1,700
27	4,500	3,300
28	6,800	5,000
29	9,000	6,700
30	11,300	8,400
31	13,600	10,000
32	15,800	11,700
33	18,100	13,400
34	20,300	15,100
35	22,600	16,700
36	24,900	18,400
37	27,100	20,100
38	29,400	21,800
39	31,600	23,400
40	33,900	25,100
41	34,800	25,700
42	35,700	26,200
43	36,400	26,800
44	37,300	27,300
45	38,300	28,000
46	39,300	28,700
47	40,300	29,200
48	41,600	29,900
49	42,700	30,600
50	43,800	31,400
51	45,200	32,100
52	46,300	32,900
53	47,800	33,700
54	49,300	34,700
55	50,500	35,500
56	52,100	36,400
57	53,700	37,500
58	55,700	38,300
59	57,400	39,500
60	59,100	40,600
61	61,200	41,700
62	63,400	42,900
63	65,300	44,100
64	67,600	45,400
65 or more	69,900	46,900

"(4) ASSET CONVERSION RATE.—The asset conversion rate is 12 percent.

"(5) VALUE AND NET VALUE OF PRINCIPAL PLACE OF RESIDENCE.—(A) For purposes of determining the value of the principal place of residence, such value shall be the lesser of—

"(i) the current market value; or

"(ii) three times the total income (as determined in accordance with section 480(a)).

"(B) The net value is determined by subtracting outstanding liabilities or indebtedness against the assets from the value described in subparagraph (A).

"(d) ASSESSMENT SCHEDULE.—The adjusted available income (as determined under subsection (a)(1) and hereafter referred to as 'AAI') is assessed according to the following table (or a successor table prescribed by the Secretary under section 478):

Assessment From Adjusted Available Income (AAI)

If AAI is—	Then the assessment is—
Less than –$3,409	–$750
–$3,409 to $9,300	22% of AAI
$9,301 to $11,600	$2,046 + 25% of AAI over $9,300
$11,601 to $14,000	$2,621 + 29% of AAI over $11,600
$14,001 to $16,300	$3,317 + 34% of AAI over $14,000
$16,301 to $18,700	$4,099 + 40% of AAI over $16,300
$18,701 or more	$5,059 + 47% of AAI over $18,700

"(e) ADJUSTMENT FOR ENROLLMENT PERIODS OTHER THAN 9 MONTHS.—For periods of enrollment other than 9 months, the student's contribution is adjusted based on individual circumstances.".

(b) AMENDMENT TO HEADING.—The heading to section 477 of the Act is amended to read as follows:

"FEDERAL ELIGIBILITY FOR STUDENTS FIRST MODEL WITH DEPENDENT CHILDREN".

SEC. 10. SIMPLIFIED NEEDS ANALYSIS.

Section 479 of the Act (20 U.S.C. 1087ss) is repealed.

SEC. 11. DISCRETION OF STUDENT AID ADMINISTRATORS.

Section 479A of the Act (20 U.S.C. 1087tt) is amended—

(1) in the first sentence, by striking "attendance or the data required to calculate the expected student contribution or parent contribution (or both)" and inserting "attendance, the data required or methodology used to calculate the expected student or parent contribution (or both), or the expected student or parent contribution (or both)";

(2) by amending the third sentence to read as follows: "Special circumstances shall be conditions pertaining to an individual student."; and

(3) by repealing subsections (b) and (c).

SEC. 12. DEFINITIONS.

(a) IN GENERAL.—Section 480 of the Act (20 U.S.C. 1087vv) is amended—

(1) by amending subsection (a) to read as follows:

"(a) TOTAL INCOME.—(1) Except as provided in paragraph (2), the term 'total income' is equal to adjusted gross income plus untaxed income and benefits for the preceding tax year minus excludable income (as defined in subsection (f)).

"(2) Except for amounts earned from work under part C of this title, no portion of any student financial assistance received from any program by an individual shall be included as income in the computation of expected family contribution for any program funded in whole or in part under this Act.";

(2) in subsection (b)—

(A) in the matter preceding paragraph (1), by striking "parent contributions or the contributions of independent students with dependents (including spouses)" and inserting "contributions calculated under the Parents First or Students First models described in sections 475 and 476"; and

(B) in paragraph (7) by inserting "from any source to the student or" after "paid";

(3) by amending subsection (c) to read as follows:

"(c) PUBLIC ASSISTANCE.—The term 'public assistance' means income maintenance programs, including aid to families with dependent children under a State plan approved under part A of title IV of the Social Security Act and aid to dependent children.";

(4) by amending subsection (d) to read as follows:

"(d) STUDENTS FIRST AND PARENTS FIRST.—

"(1) STUDENTS FIRST.—The term 'Students First' with respect to a student means any individual who—

"(A) is 24 years of age or older by July 1 of the award year;

"(B) is an orphan or ward of the court;

"(C) is a veteran (as defined in section 480(e)) of the Armed Forces of the United States;

"(D) is a graduate or professional student;

"(E) has legal dependents other than a spouse; or

"(F) is a student for whom a financial aid administrator makes a documented determination that the student meets the Students First requirements by reason of other unusual circumstances.

"(2) PARENTS FIRST.—The term 'Parents First' with respect to a student means any student who does not meet the Students First requirements described in paragraph (1).";

(5) by amending subsection (e) to read as follows:

"(e) VETERAN AND VETERANS' BENEFITS.—

"(1) VETERAN.—The term 'veteran' has the meaning given such term in section 101(2) of title 38, United States Code.

"(2) VETERANS' BENEFITS.—The term 'veterans' benefits', with respect to a student, includes the following benefits received by the student during the award year:

"(A) Financial assistance for specially selected members of the Reserve Officer Training Corps pursuant to section 2107 or 2107a of title 10, United States Code.

"(B) Educational assistance for members of the Selected Reserve pursuant to chapter 106 of such title.

"(C) Educational assistance for persons enlisting in the Armed Forces for active duty pursuant to chapter 107 of such title.

"(D) The monthly allowance payable to a student enrolled for advanced training in the Senior Reserve Officers' Training Corps for advanced training.

"(E) Educational assistance pursuant to chapter 30 of title 38, United States Code, relating to the All-Volunteer Force Educational Assistance Program.

"(F) An allowance, loan, or other form of monetary assistance authorized by section 1504 of title 38, United States Code, relating to training and rehabilitation for veterans with service-connected disabilities.

"(G) Payments pursuant to chapter 32 of title 38, United States Code, relating to post-Vietnam era veterans' educational assistance.

"(H) Educational assistance pursuant to chapter 35 of title 38, United States Code, relating to survivors' and dependents' educational assistance.

"(I) Payments pursuant to section 156 of Public Law 97-377 for survivors of certain members and former members of the Armed Forces.

"(J) Payment of the monthly contribution of a participant in the Post-Vietnam Era Veterans' Educational Assistance Program provided for under chapter 32 of title 38, United States Code, as authorized by section 903(a) of the Department of Defense Authorization Act, 1981 (10 U.S.C. 2141 note), and monthly assistance payments to a spouse or child as authorized by section 903(c) of such Act.";

(6) by amending subsection (f) to read as follows:

"(f) EXCLUDABLE INCOME.—The term 'excludable income' means any student financial assistance awarded based on need as determined in accordance with the provisions of this part, except any income earned from work under part C of this title.";

(7) in subsection (g) by striking "net"; and

(8) by inserting at the end thereof the following new subsection:

"(j) STANDARD INCOME CONTRIBUTION.—

"(1) IN GENERAL.—The term 'standard income contribution' means the amount the student is expected to contribute to the student's postsecondary educational expenses and is equal to—

"(A) $900 for first year undergraduate students who use the Parents First model;

"(B) $1,100 for all students who use the Parents First model who are not described in subparagraph (A); and

"(C) $1,350 for all students who use one of the Students First models.

"(2) UPDATE.—The standard income contribution is updated according to section 478 of this part.".

(b) CONFORMING AMENDMENT.—The subsection heading for subsection (b) of section 480 of the Act is amended by striking "INDEPENDENT STUDENTS WITH DEPENDENTS" and inserting "STUDENTS".

SEC. 13. FORMS AND REGULATIONS.

Subsection (a) of section 483 of the Act (20 U.S.C. 1091(a)) is amended by amending paragraphs (1) and (2) of subsection (a) to read as follows: "(1)(A) The Secretary, in cooperation with representatives of agencies and organizations involved in student financial assistance, shall prescribe a simplified application form to be used to determine the need and eligibility of a student for financial assistance under parts A, C, and E of this title and to determine the need of a student for the purpose of part B of this title.

"(B) For the purpose of collecting eligibility and other data for the purpose of part B, guaranty agencies, in cooperation with the Secretary, shall develop separate, identifiable loan application documents that applicants or institutions in which the students are enrolled or accepted for enrollment shall submit directly to eligible lenders and on which the applicant shall clearly indicate a choice of lender.

"(C) To minimize the data collection necessary through any application form, the Secretary shall establish data base matches with the Immigration and Naturalization Service, the Social Security Administration, the Selective Service, the data bases authorized under sections 485B and 485C of part G of this title, and other data bases as appropriate.

"(D) After the requirements of subparagraph (C) of this section are satisfied, the Secretary shall, to the extent funding is available, ensure according to the following priority order that no student or parent of a student shall be charged a fee for processing the form prescribed by the Secretary whether the student completes that form or any other approved form for the first three institutions of higher education or State agencies, if that student—

"(i) is receiving public assistance;

"(ii) has total income equal to or less than $20,000;

"(iii) has total income greater than $20,000 but less than or equal to $40,000; or

"(iv) has total income greater than $40,000.

"(E) After the requirements of subparagraph (D) of this section are satisfied, the Secretary shall, to the extent funding is available, ensure that no student or parent of a student shall be charged a fee for processing the form prescribed by the Secretary whether the student completes that form or any other approved form for any institutions of higher education or State agencies.

"(F) A student or parent may be charged a fee for processing an institutional or a State financial aid form or data elements that is not required by the Secretary.

"(2) The Secretary shall, to the extent practicable, enter into not less than 2 contracts with States, institutions of higher education, or private organizations for the purpose of processing the application required under this subsection and issuing eligibility reports.".

Mr. WOFFORD. Mr. President, first, I congratulate the senior Senator from Massachusetts for another instructive, inventive, important set of proposals which I, along with many others I am sure, will want to join in enthusiastically. I was studying them last night, and I salute him for the leadership that this country needs.

By Mr. JOHNSTON (for himself and Mr. WALLOP):

S. 1138. A bill to amend the Nuclear Waste Policy Act of 1982 to direct the Secretary of Energy to carry out site characterization activities at the Yucca Mountain site in Nevada, and for other purposes; to the Committee on Energy and Natural Resources.

NUCLEAR WASTE POLICY ACT AMENDMENTS

• Mr. JOHNSTON. Mr. President, today I am introducing legislation with my colleague Senator WALLOP that will pave the way for moving forward with the Department of Energy's program for storage and disposal of commercial nuclear waste. This legislation is essential if we are serious about solving the problem of nuclear waste in this country.

This legislation is identical to the nuclear waste provisions of the administration's national energy strategy submitted to the Congress in February of this year. It has the support of the Department of Energy and the Environmental Protection Agency. It has been reviewed and commented on by the Nuclear Regulatory Commission and by other experts on the issue of nuclear waste. In short, this legislation represents a workable solution to an important national problem that must be faced up to by the administration and the Congress.

Four years ago, the Congress amended the Nuclear Waste Policy Act of 1982 and directed the Department of Energy to conduct site characterization and testing of a single repository site located at Yucca Mountain, Nevada. The 1982 act had set up an extensive repository site selection process that involved potential sites in 23 States. By

1987, however, the costs of the program had multiplied several-fold, and Congress decided to streamline the process to focus on a single repository site. The idea behind the 1987 amendments was to conduct testing and site characterization of a single location—moving on to other sites only if that first site proved to be technically unsuitable.

Unfortunately, 4 years later, the Department of Energy has yet to even begin the site characterization and testing program at the Yucca Mountain site. The department's program is ready to go but they have not been able to obtain the necessary State permits to begin site characterization. There has been litigation, and there has been contentious debate. But there has not been any testing. And we still do not know anything more than we knew in 1987 about the technical suitability of the Yucca Mountain site.

So, we are introducing this legislation today because this is an issue that must be dealt with by the Congress. Storage and disposal of nuclear waste is not a technical problem. But, unfortunately, it is a political and an emotional problem. It is a problem that boils down to two very simple facts: Nuclear waste must be disposed of somewhere; But no one wants it to be in his or her State.

But, of course, nuclear waste is already in storage on site at nuclear reactors all around the country. In fact, nuclear waste is currently in temporary storage in 33 States around the country. There is no safety reason that this waste cannot continue to be stored at these sites for the foreseeable future. But I believe it would be an abrogation of our responsibility in Congress to let that happen.

It had been my hope that Congress would not have to legislate in order to gain access to the Yucca Mountain site for testing. But, unfortunately, it is becoming apparent that we may need to do just that.

The Committee on Energy and Natural Resources has held two hearings on nuclear waste so far this year. At those hearings, we have heard from all of the key players in the nuclear waste debate. Several facts have been established at those hearings. First, the Department of Energy is ready to initiate new site characterization work at Yucca Mountain. Second, the Department of Energy needs to be able to conduct this site testing in order to assess the suitability of the site. And, third, there is no technical reason to disqualify the Yucca Mountain site at this time.

In March, the Secretary of Energy, Adm. James Watkins, made a persuasive case for the need for legislation to allow the site characterization process to move forward. The need for that legislation—and the paramount national interest in proceeding with site characterization at Yucca Mountain—was echoed by the Deputy Administrator of the EPA, F. Henry Habicht II, at the committee's second hearing earlier this month.

It is important to point out that what we are talking about here is moving forward with the site characterization process. What we are talking about here is the testing and evaluation of the geology and rock characteristics of Yucca Mountain. What we will be trying to analyze during site characterization is whether the geology is suitable for a repository.

When we talk about site characterization, we are not talking about any kind of experimentation or testing that would ever require the use of radioactive waste. There is simply no risk from radiation during site characterization. The purpose of site characterization is simply to study the site.

It is with some regret that I am introducing this bill today. This is an issue that puts me at odds with my good friends from Nevada here in the Senate, Senator BRYAN and Senator REID. But we have looked for other ways to solve this problem, and we have not found any other solution.

It had been my hope that some agreement could be worked out between the Federal Government and the State of Nevada that would allow the Department of Energy's testing program to move forward. I have consistently asked the Governor of Nevada, and his representatives, if such an agreement is possible. But, unfortunately, that does not seem to be possible.

The State of Nevada has repeatedly stated publicly that it intends to use any lawful means to "frustrate the Federal program." At the committee's March 21 hearing, Governor Miller said that the State's position had not changed and that the State will use the "legal process to try and thwart" the Federal program.

We simply cannot ignore the paramount national interest in dealing with the problem of nuclear waste disposal. It would be much easier to put this issue on the back burner and leave it to future generations to solve. But that is not an option. This is an issue that must be dealt with by the administration and the Congress. The administration has taken the first step by submitting this legislation. Now, the Congress must fulfill its responsibility by acting on this legislation.

Mr. President, I ask unanimous consent that the text of the bill and a summary of the provisions of the bill be printed in the RECORD following my statement.

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

S. 1138

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled, That this Act may be referred to as the Nuclear Waste Policy Amendments Act of 1991.

SEC. 2. Section 113(a) of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10133(a)) is amended to read as follows:

"(a) IN GENERAL.—(1) The Secretary shall carry out, in accordance with this section, appropriate site characterization activities at the Yucca Mountain site. The Secretary shall consider fully the comments received under subsection (b)(2) of this section and section 112(b)(2) of this Act and shall, to the maximum extent practiable and in consultation with the Governor of the State of Nevada, conduct site characterization activities in a manner that minimizes any significant adverse environmental impacts identified in those comments or in the environmental assessment submitted under subsection (b)(1) of this section.

"(2) Notwithstanding any other law, for the purpose of site characterization activities, a Federal agency administering a law, ordinance, or regulation that imposes a requirement for a permit, license, right of way, certification, approval, or other authorization, shall administer the application of that law, ordinance, or regulation to site characterization activities conducted by the Secretary under this Act without regard to whether its administration has been, or could be, delegated to a State or superseded by a comparable State law.

"(3)(A) A requirement for a permit, license, right of way, certification, approval, or other authorization imposed by a State, local, or tribal law, ordinance, or regulation does not apply to site characterization activities under this Act.

"(B) The Secretary shall carry out site characterization activities under this Act notwithstanding a denial of, or refusal to act on, an application for a permit, license, right of way, certification, approval, or other authorization required by a State, local, or tribal law, ordinance, or regulation.

"(4) Notwithstanding paragraph (3), in carrying out site characterization activities under this Act, the Secretary shall consider the views of State, local, and tribal officials regarding the substantive provisions of State and local laws, ordinances, and regulations.

"(5) An action to contest the constitutionality of a provision of this subsection must be brought within 60 days of the date of the enactment of the Nuclear Waste Policy Amendments Act of 1991. A court may not enjoin site characterization activities carried out by the Secretary under this Act in an action brought to contest the constitutionality of a provision of this subsection except as part of a final judgment.

"(6) Paragraphs (2), (3), (4), and (5) of this subsection apply only to site characterization activities conducted or begun before the Secretary submits to the Commission under section 114(b) of this Act (42 U.S.C. 10134(b)) an application for a construction authorization for a repository.

"(7) The exclusion or inclusion of any provisions contained in paragraphs (2), (3), (4), or (5) of this subsection in a negotiated proposed agreement developed under title IV of this Act shall not affect any determinations regarding either the reasonableness or appropriateness of such an agreement.".

SEC. 3. Sections 145(b) and 148(d) (1) and (2) of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10165(b) and 10168(d) (1) and (2)) are repealed.

SUMMARY OF THE NUCLEAR WASTE PROVISIONS INCLUDED IN THE ADMINISTRATION'S NATIONAL ENERGY STRATEGY LEGISLATION (S. 570) AND THE NUCLEAR WASTE POLICY AMENDMENTS ACT OF 1991

YUCCA MOUNTAIN

The Administration's legislation would reiterate the Department's authority to conduct site characterization activities at Yucca Mountain and set forth a process to ensure compliance with federal environmental statutes during site characterization. Under the legislation, administration of the requirements of any federal statute would be carried out by the federal agency administering the statute rather than the state. The legislation would also waive any requirements for additional permits under state law, but require the Department to consider the views of the state on the substantive provisions of those laws. All of these provisions would apply only for the period of site characterization and testing.

MONITORED RETRIEVABLE STORAGE

The Nuclear Waste Policy Act authorizes the Department to conduct a site selection process for an MRS facility and to construct and operate an MRS facility if a suitable site is found. However, the Department is constrained on the timing for site selection, construction, and operation of an MRS because its schedule is linked to the repository schedule. Under the provisions of the Act, the MRS is "linked" to the repository in the following way: (1) An MRS cannot be selected until repository site characterization is successfully completed; and (2) construction of an MRS cannot begin until the NRS has issued a construction authorization for a repository.

The provisions of the Administration's legislation would de-link the repository and MRS schedule to allow the Department to initiate a site selection process and to construct an MRS at a suitable site. The Department believes that an MRS is an important part of the overall waste management system and would be more valuable if its schedule were not linked to the repository schedule. By de-linking the schedules, the Department believes it would be able to develop an MRS facility that could be ready to open by 1998. The 1982 Act established a January 31, 1998 date by which the Department is obligated to accept spent fuel from utilities.●

● Mr. WALLOP. Mr. President, it is with some degree of frustration that I rise today to join Senator JOHNSTON in introducing legislation to provide for Federal permitting of site characterization activities at Yucca Mountain, NV. My frustration stems from the inability of the Federal Government to proceed with a testing program because of the orchestrated efforts of the State of Nevada to stop the program.

At the onset let me say that I am one of the strongest supporters of States' rights in Congress. It has always been my belief that broad guidelines set forth by the Federal Government are best implemented by Governors and legislators close to the problem. But that unique contract is predicated on the willingness of both the Federal Government and the States to act in good faith.

For the last 200 years, Congress has sought a balance between federalism and Federal preemption. Indeed, one of the primary reasons for a Senate in a bicameral legislature is to safeguard the rights of the less populous States against predatory actions of the masses.

In the early 1970's, for example, there were those in Washington who worried that my State was becoming the banana republic of energy. They feared that populists and ranchers would snooker elected officials into prohibiting the mining of low-sulphur coal. Wyoming people knew the coal belonged to the Federal Government, but they were the ones who would suffer from dynamite blasts that would crack the foundations of their homes, and fugitive dust from massive earth movers that would blind their cattle, and careless drag lines that would sever their vital water aquifers.

Well, we didn't become a banana republic. The Governor, the legislature, ranchers, environmentalists, and miners all sat down together and crafted a State surface mining law that became the model for the 1977 Federal Surface Mining Control and Reclamation Law. Today, Wyoming leads the Nation in annual coal production and does so in an environmentally sound manner that has become a world class standard.

Why did we succeed in Wyoming? Because we all worked together with a respect toward local concerns and an eye on the national interest.

Twenty years later, the State of Nevada faces a similar challenge, but instead of low-sulphur coal, the controversy centers around nuclear waste disposal at Yucca Mountain. And in that regard, it is important to note that this legislation involves only the right of the Federal Government to test a site that is totally on Federal lands. No spent nuclear fuel will be delivered to the site during the testing phase. Site characterization will result only in a determination whether the site is suitable or if we need to look elsewhere.

From the hearings we have held in the Committee on Energy and Natural Resources on Yucca Mountain, it is apparent that the passions of the people of Nevada are as heartfelt and genuine as those of my neighbors in the Powder River Basin of Wyoming. But in spite of repeated attempts by the Department of Energy to address the concerns of the State, the position of Nevada's leaders is that, instead of working toward a joint solution, they will use any lawful means to frustrate the Federal purpose to test the site.

There is no question that the resolution of the nuclear waste disposal issue is central to our efforts to maintain this Nation's option to produce electricity through nuclear power. We thought we were on the way to resolving the issue when we adopted the Nuclear Waste Policy Act in 1982 and its amendments in 1987. Yet here we are, nearly a decade later, not only without a repository site selected, but hamstrung in our efforts to even test the suitability of a potential site.

The testing program at Yucca Mountain continues to be bounced around in legal gymnastics initiated by the State of Nevada. Even though the State has been ordered to consider the permit applications now at issue in the Federal court in Nevada, the decision on the permits and the number of hoops the Department of Energy may be required to jump through in the process are unknown. Only three permits of the 19 or 20 required to do the site characterization are now under consideration by the court. Given the State's publicly avowed intention to "thwart the Federal purpose," why would anyone believe that the remaining permits will not meet a fate similar to the first three?

I have always been loathe to impose the Federal will on a State unless the Federal purpose is of such national significance that no other choice exists. The disposal of spent nuclear fuel presents just such a situation. Approximately 18,000 tons of spent fuel sits on 112 commercial reactor sites around the country. It is accumulating at the rate of 2,000 tons per year. Our schedule for accepting this spent fuel for disposal has already slipped from 1998 to 2010. Yet we cannot even begin testing a possible site for a repository. Given the history of the Yucca Mountain site characterization attempts, I must, albeit somewhat reluctantly, give my support to this legislation.●

By Mr. NUNN (for himself, Mr. BUMPERS, Mr. ROTH, Mr. KASTEN, Mr. RUDMAN, Mr. DIXON, Mr. BOND, Mr. BAUCUS, and Mr. WALLOP):

S. 1139. A bill to further the goals of the Paperwork Reduction Act to have Federal agencies become more responsible and publicly accountable for reducing the burden of Federal paperwork on the public, and for other purposes; to the Committee on Governmental Affairs.

PAPERWORK REDUCTION ACT OF 1991

● Mr. NUNN. Mr. President, I rise this afternoon to introduce the Paperwork Reduction Act of 1991.

I am especially pleased that this bill enjoys strong bipartisan support. Senator BUMPERS and Senator KASTEN, the chairman and ranking Republican member of the Committee on Small Business, have agreed to serve as principal cosponsors. We are joined by many of our present and former colleagues from the committee including Senators DIXON, BOND, BAUCUS, WALLOP, and RUDMAN, and by Senator ROTH, the ranking Republican member of the Committee on Governmental Affairs.

The bill makes a series of amendments that will strengthen the Paper-

work Reduction Act of 1980. It reemphasizes the fundamental responsibilities of each Federal agency to minimize Federal paperwork burdens on the public. In enhances the opportunities for the public to participate in the process of evaluating the burdens of proposed paperwork requirements as well as previously approved paperwork requirements that are up for renewal. It takes steps to assure that agency assessments of paperwork burdens on the public are realistic and accurately communicated to the individuals or groups to be burdened.

The enhancements to the 1980 act being proposed today will also assure that the Office of Information and Regulatory Affairs [OIRA] can continue to exercise effectively its responsibilities under the act. The bill seeks to enhance OIRA's role as the focal point within OMB for governmentwide management policies relating to the full spectrum of information resources.

We live in an age of information. Demands for information are constantly placed by us, and are being placed upon us. The key is to effectively manage the process. Clearly, Government has a need for information to govern effectively. But left unrestrained, individual agencies have an essentially insatiable appetite for information and regulations. The key is to collect only that information which is needed and to do so in the least burdensome way to the public. That is one of the fundamental purposes of the Paperwork Reduction Act of 1980.

The amendments being proposed today will ensure that OIRA remains an effective check upon the executive agencies, determining if they have fulfilled the responsibilities imposed on them by the act. As President Carter said when he signed the Paperwork Reduction Act into law in 1980, it was intended to "regulate the regulators". Some have asserted that this authority has, at times, been abused during the 10 years of experience under the act, especially during the early 1980's. I am convinced that those days are now behind us. And, for me, the effective remedy to cases of abuse is vigorous oversight by the committees of jurisdiction rather than generally restricting OIRA's authorities under the act.

To demonstrate strong congressional support for the vigorous implementation of the act by OIRA and by the individual agencies, the bill being offered today provides a 5-year authorization of appropriations for OIRA.

Unlike other legislative proposals from the last Congress, the bill we are offering is focused on what is right about the Paperwork Reduction Act of 1980. Our bill seeks to build upon the strengths of the 1980 act, to focus upon its fundamental objective of providing the process by which paperwork burdens on the public are held to the absolute minimum, while assuring that agencies can obtain the information they need and can effectively use to carry out their program responsibilities. Our bill reaffirms the fundamental purposes and principles of the 1980 act, which was sponsored by our former colleague from Florida, Lawton Chiles. Many of us were cosponsors of his original legislation, and supported his efforts to nurture the act to its full potential throughout his tenure in the Senate.

The 1980 act emphasized public participation and assured public protections. Our bill seeks to improve further the process of public participation in the structuring of paperwork requirements that are to be levied upon the public. It affords additional protections to the public should any individual agency office choose to circumvent the act's requirements—an assessment as to need, as to practical utility, and whether the requirement is the least burdensome alternative—through the imposition of a booklet on paperwork requirements.

Our bill modernizes the act's current requirements regarding the setting of paperwork reduction goals. Those who take issue with the Paperwork Reduction Act's basic objectives would eliminate the process of setting goals for the reduction of paperwork burdens. The sponsors, and numerous supporters of this legislation, believe that the annual reporting of paperwork burdens on a governmentwide and agency basis, and the pursuit of paperwork reduction goals, serve a very beneficial purpose. This process helps to focus the attention of agency managers on the totality of the paperwork burden confronting the public as they assess the need and methodology of their proposed paperwork requirements or those being assessed for renewal.

Mr. President, it is the cumulative effect of many agency information requirements, often seeking the same or very similar information, that is drowning the small business community.

The bill we are introducing today enjoys strong support within the small business community. It is supported by the National Federation of Independent Business [NFIB], by the Small Business Legislative Council [SBLC], by National Small Business United [NSBU], and many of the hundreds of individual small business associations across the Nation that are affiliated with SBLC and NSBU.

It was at the request of the small business community that we pursued a series of modifications to legislation in the Committee on Governmental Affairs during the last Congress. That effort was supported by a majority of members of the Committee on Small Business and many of my colleagues on the Committee on Governmental Affairs. Despite much effort, in the final analysis, the end-product of that process was found to be wanting for a variety of reasons by many in the private sector and within the Senate. It was not acted upon before the close of the 101st Congress.

With an opportunity to more thoroughly and thoughtfully reflect upon the events in the last Congress, a coalition of groups representing the business community, urged upon us, and upon the President, that a fresh approach, a positive approach was needed in the 102d Congress. For them the fundamental objective of amendments to the 1980 act should be to enhance its effectiveness and restore its full vitality. They urged us not to accept an approach grounded on an abiding distrust of OIRA or reflecting an abandonment of the fundamental purposes and processes inherent in the 1980 act.

Mr. President, the Paperwork Reduction Act of 1991 being offered today adopts such a positive approach. It expresses continued support for the purposes and principles of the Paperwork Reductions Act of 1980. It strengthens agency responsibilities and the public protections inherent in the act's fundamental framework. It assures that all federally sponsored paperwork burdens, including so-called third-party paperwork burdens, will be subject to the act's standards, review processes, and public protection provisions. It assures that OIRA will continue to be the focal point within the executive branch for the act's effective implementation.

Mr. President, given the approach taken in this bill, I have every reason to believe that additional groups within the business community will support this legislation along with NFIB, SBLC, NSBU, the U.S. Chamber of Commerce, and the National Association of Manufacturers, and the group that has dedicated more than four decades to the paperwork reduction issue, the Business Council on the Reduction of Paperwork [BCORP].

Given my many recent conversations with the new Governor of Florida, our former colleague Lawton Chiles, it is clear that the Paperwork Reduction Act looks even more important from his new position. I am quite confident, Mr. President, that our bill will gradually garner strong support from the National Governors Association and other groups representing State and local governments.

Similarly, Mr. President, I have every reason to believe that the Paperwork Reduction Act of 1991 will be strongly supported in time by many within the educational and nonprofit communities. The paperwork demands associated with the management of Federal grants, and other Federal mandates on these institutions, has made them steadfast supporters of the 1980 act. In addition, our bill includes a very beneficial provision authorizing demonstration programs to test inno-

vative approaches to minimize paperwork burdens, a proposal recommended by the educational community.

Finally, I have every expectation that the administration will look favorably upon the positive approach taken in the Paperwork Reduction Act of 1991 and express its support for this bill. The Paperwork Reduction Act remains a natural complement to the efforts of this President, or any President, to effectively manage and coordinate the overall regulatory process within the executive branch.

We invite our colleagues to join us in cosponsoring this legislation.

Mr. President, I ask unanimous consent that a summary of the bill and copies of several letters appear in the RECORD following my remarks.

Mr. President, I also ask unanimous consent that the 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. 1139

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 "Paperwork Reduction Act of 1991".

SEC. 2. TABLE OF CONTENTS.

Sec. 1. Short title.
Sec. 2. Table of contents.

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TITLE III—ENHANCING FEDERAL AGENCY RESPONSIBILITY AND ACCOUNTABILITY FOR REDUCING THE BURDEN OF FEDERAL PAPERWORK

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Sec. 302. Agency responsibilities for controlling and reducing the burden of Federal paperwork.

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Sec. 506. Technical and conforming amendments.

TITLE VI—EFFECTIVE DATES

Sec. 601. Effective dates.

TITLE I—AUTHORIZATION OF APPROPRIATIONS

SEC. 101. AUTHORIZATION OF APPROPRIATIONS.

Section 3520(a) of title 44, United States Code, is amended by striking out "$5,500,000 for each of the fiscal years 1987, 1988, and 1989." and inserting in lieu thereof "$7,000,000 for fiscal year 1992, $7,000,000 for fiscal year 1993, $8,000,000 for fiscal year 1994, $8,000,000 for fiscal year 1995, and $8,000,000 for fiscal year 1996.".

TITLE II—REDUCING THE BURDEN OF FEDERAL PAPERWORK ON THE PUBLIC

SEC. 201. REEMPHASIZING THE NEED TO REDUCE THE BURDEN OF FEDERAL PAPERWORK ON THE PUBLIC.

Section 3501 of title 44, United States Code, is amended to read as follows:

"§ 3501. Purposes

"The purposes of this chapter are to—

"(1) minimize the Federal paperwork burden for individuals, small businesses, educational and nonprofit institutions, Federal contractors, State and local governments, and other persons;

"(2) minimize the cost to the Federal Government of collecting, maintaining, using, retaining, sharing, and disseminating information;

"(3) maximize the usefulness of information collected, maintained, used, retained and shared by the Federal Government;

"(4) coordinate, integrate and, to the extent practicable and appropriate, make uniform Federal information policies and practices;

"(5) ensure that government information resources management is conducted in an efficient and cost-effective manner to—

"(A) improve the quality of decisionmaking and program management and administration;

"(B) increase productivity;

"(C) reduce waste and fraud;

"(D) facilitate the sharing of information;

"(E) ensure the integrity, quality and utility of the Federal statistical system; and

"(F) reduce burden upon the public;

"(6) ensure that the collection, maintenance, use, retention, sharing, and disseminating of information by or for the Federal Government is consistent with applicable laws;

"(7) establish the responsibility and public accountability of Federal agencies for implementing the information collection review process, information resources management, and related policies and guidance established pursuant to this chapter;

"(8) ensure that automatic data processing, telecommunications and other information technologies are acquired and used by the Federal Government in an effective and efficient manner that—

"(A) improves service delivery and program management;

"(B) increases productivity;

"(C) improves the quality of decisionmaking;

"(D) reduces waste and fraud; and

"(E) wherever practicable and appropriate, reduces the information processing burden for the Federal Government and for persons who provide information, keep records and otherwise disclose information to and for the Federal Government; and

"(9) strengthen the partnership between the Federal Government with State and local governments by minimizing the burden and maximizing the utility of information collected and shared.".

SEC. 202. COVERAGE OF ALL FEDERALLY SPONSORED PAPERWORK BURDENS.

Section 3502 of title 44, United States Code, is amended—

(1) in paragraph (3) by striking out "a Federal agency" and inserting in lieu thereof "or for a Federal agency, including—

"(A) the resources expended for obtaining, reviewing and understanding applicable instructions and requirements;

"(B) developing a way to comply with the applicable instructions and requirements;

"(C) adjusting the existing ways to comply with any previously applicable instructions and requirements;

"(D) searching existing data sources;

"(E) obtaining, compiling and maintaining the necessary data;

"(F) implementing recordkeeping requirements;

"(G) completing and reviewing the collection of information;

"(H) retaining, sharing, notifying, reporting, transmitting, labeling, or otherwise disclosing to third parties or the public the information involved; and

"(I) carrying out any other information transaction which occurs as a result of the collection of information;";

(2) in paragraph (4) by striking out "of facts or opinions by" and inserting in lieu thereof "(through maintenance, retention, notifying, reporting, labeling or disclosure to third parties or the public) of facts or opinions by or for"; and

(3) in paragraph (17) by inserting ", including the retention, reporting, notifying, or disclosure to third parties or the public of such records" before the period.

SEC. 203. PAPERWORK REDUCTION GOALS.

Section 3505 of title 44, United States Code, is amended to read as follows:

"§ 3505. Assignment of tasks and deadlines

"In carrying out the functions under this chapter, the Director shall—

"(1) set a Governmentwide goal, consistent with improving agency management of the process for the review of each collection of information established under section 3506(e), to reduce by September 30, 1992, the burden of Federal collections of information existing on September 30, 1991, by at least 5 percent;

"(2) for the fiscal year beginning on October 1, 1992, and the following 3 fiscal years, set a Governmentwide goal, consistent with improving agency management of the process for the review of each collection of information established under section 3506(e), to reduce the burden of Federal collections of information existing at the end of the immediately preceding fiscal year by at least 5 percent;

"(3) in establishing the Governmentwide goal pursuant to paragraph (2), establish a goal for each agency that—

"(A) represents the maximum practicable opportunity to reduce the paperwork burden imposed upon the public by such agency's collections of information, after considering the recommendations of the senior agency official designated under section 3506(b)(1); and

"(B) permits the attainment of the Governmentwide goal when such agency's goal is aggregated with the individual goals of all other agencies included in the Governmentwide goal; and

"(4) in each report issued under section 3514, beginning with the report relating to fiscal year 1992, identify any agency initiatives to reduce the burden of the Federal collections of information associated with—

"(A) businesses, especially small businesses and those engaged in international competition;

"(B) State and local governments; and

"(C) educational institutions.".

TITLE III—ENHANCING FEDERAL AGENCY RESPONSIBILITY AND ACCOUNTABILITY FOR REDUCING THE BURDEN OF FEDERAL PAPERWORK

SEC. 301. DESIGNATING AN AGENCY OFFICIAL RESPONSIBLE AND PUBLICLY ACCOUNTABLE FOR REDUCING THE BURDEN OF FEDERAL PAPERWORK.

Section 3506 of title 44, United States Code, is amended—

(1) in subsection (a)—

(A) by striking "Each agency" and inserting in lieu thereof "The head of each agency"; and

(B) by inserting "resources" after "its information";

(2) in subsection (b)—

(A) by inserting "(1)" before "The head of each agency"; and

(B) by adding at the end thereof the following new paragraphs:

"(2) The senior official designated under paragraph (1) shall be the head of an office, established by the head of the agency, responsible for assuring agency compliance with and prompt, efficient, and effective implementation of the information collection review process, information resources management, and related policies and guidance established pursuant to this chapter.

"(3) Staff to such office shall be well qualified through experience or training to carry out the information collection review process, information resources management, and related policies and guidance established under this chapter."; and

(3) in subsection (c)—

(A) by striking out "and" after the semicolon at the end of paragraph (7);

(B) by striking out the period at the end of paragraph (8) and inserting in lieu thereof "; and"; and

(C) by adding at the end thereof the following new paragraph:

"(9) prepare estimates of burden that will result from proposed collections of information.".

SEC. 302. AGENCY RESPONSIBILITIES FOR CONTROLLING AND REDUCING THE BURDEN OF FEDERAL PAPERWORK.

Section 3506 of title 44, United States Code (as amended by section 301 of this Act) is further amended by adding at the end thereof the following new subsections:

"(e) The head of each agency, acting through the senior official designated under subsection (b)(1), shall establish an efficient, and effective process for the prompt review of each information collection request before it is submitted to the Director for review and approval under this chapter. At a minimum, this review process shall—

"(1) be sufficiently independent of program responsibilities to evaluate whether each information collection request should be carried out;

"(2) be provided sufficient personnel and other resources to carry out such review responsibility effectively; and

"(3) have authority (independent of agency program officers) to approve, disapprove, and make needed improvements in any agency collection of information.

"(f) Under the process established under subsection (e), the senior official designated under subsection (b)(1) shall certify (and provide a record supporting such certification, including any pertinent public comments received by the agency) to the Director that—

"(1) the collection of information and any applicable instructions and requirements—

"(A) are necessary for the proper performance of the agency's functions and are the least burdensome necessary;

"(B) are not unnecessarily duplicative of information otherwise reasonably accessible to the agency;

"(C) have practical utility;

"(D) are written using plain, coherent and unambiguous terminology;

"(E) are to be implemented in ways consistent and compatible, to the maximum extent practicable, with the existing reporting and recordkeeping practices of those who are to respond;

"(F) are understandable to those who are to respond;

"(G) display on the information collection request, to the extent practicable, the agency estimate of the burden for each response, calculated in accordance with the procedures established by the Director under section 3504(c)(5);

"(H) use effective and efficient statistical survey methodology appropriate to the need for which the information is to be collected; and

"(I) explain the need and ultimate use of the information to be collected, and the importance of an accurate and timely response; and

"(2) the agency has taken necessary steps to—

"(A) except as provided in section 3507 (g) and (k), give 60-day notice to, and consult with members of the public and interested agencies, in order to—

"(i) enhance the clarity of the proposed collection of information;

"(ii) solicit comment on the agency estimate of the burden for each response for such collection of information; and

"(iii) minimize the burden of such collection of information on those who are to respond, including the appropriate use of automated collection technics or other forms of information technology;

"(B) evaluate the proposed collection of information and any applicable instructions and requirements, by developing and conducting—

"(i) an assessment of need;

"(ii) a functional description of the information to be collected;

"(iii) a plan for the practical collection of information;

"(iv) a specific, objectively supported estimation of burden, including each transaction involved; and

"(v) a test of the collection of information through a pilot or prototype program, if appropriate;

"(C) plan and allocate resources for the efficient and effective management and use of the information to be solicited; and

"(D) reduce burdens on businesses (especially small businesses and those engaged in international competition), State and local governments, and educational institutions, through consideration of such alternatives as—

"(i) establishing differing compliance or reporting requirements or timetables in recognition of the resources available to those who are to respond;

"(ii) the clarification, consolidation, or simplification of compliance and reporting requirements; and

"(iii) an exemption from coverage of the collection of information, or any part thereof.".

TITLE IV—ENHANCING GOVERNMENT RESPONSIBILITY AND ACCOUNTABILITY FOR REDUCING THE BURDEN OF FEDERAL PAPERWORK

SEC. 401. REEMPHASIZING THE RESPONSIBILITY OF THE DIRECTOR TO CONTROL THE BURDEN OF FEDERAL PAPERWORK.

Section 3504(c) of title 44, United States Code, is amended—

(1) in paragraph (3) by redesignating subparagraphs (B) and (C) as subparagraphs (C) and (D), respectively, and inserting after subparagraph (A) the following new subparagraph:

"(B) display, to the extent practicable, an estimate of the burden for each response;";

(2) by amending paragraphs (5) and (6) to read as follows:

"(5) establishing procedures under which an agency is to estimate the burden under this chapter to comply with the proposed collection of information;

"(6) coordinating with the Office of Federal Procurement Policy to eliminate paperwork burdens associated with procurement and acquisition;";

(3) by striking out the period at the end of paragraph (7) and inserting in lieu thereof a semicolon; and

(4) by adding at the end thereof the following new paragraphs:

"(8) minimizing the Federal paperwork burden imposed through Federal collection of information, with particular emphasis on those individuals or entities most adversely affected, including—

"(A) businesses, especially small businesses and those engaged in international competition;

"(B) State and local governments; and

"(C) educational institutions; and

"(9) initiating and conducting, with selected agencies and non-Federal entities on a voluntary basis, pilot projects to test or demonstrate the feasibility and benefit of changes or innovations in Federal policies, rules, regulations, and agency procedures to improve information management practices and related management activities (including the waiving of the application of designated agency regulations or administrative directives by the Director after giving timely notice to the public and Congress regarding the need for such waiver).".

SEC. 402. ENHANCING AGENCY RESPONSIBILITY TO OBTAIN PUBLIC REVIEW OF PROPOSED PAPERWORK BURDENS.

Section 3507(a) of title 44, United States Code, is amended—

(1) in paragraph (2)(B) by inserting "a summary of the request," after "title for the information collection request,";

(2) by striking out "and" at the end of paragraph (2); and

(3) by redesignating paragraph (3) as paragraph (4) and inserting after paragraph (2) the following:

"(3) the agency provides at least 30 days for public comment to the agency and the Office of Management and Budget after pub-

lication of the notice in the Federal Register, except as provided under section 3507 (g) and (k), and the agency head and the Director consider comments received regarding the proposed collection of information; and".

SEC. 403. EXPEDITING REVIEW AT THE OFFICE OF MANAGEMENT AND BUDGET.

Section 3507(b) of title 44, United States Code, is amended—

(1) by striking out the first sentence and inserting in lieu thereof "The Director shall within 30 days after publication of the notice under subsection (a)(3) that is applicable to a proposed information collection request not contained in a proposed rule, notify the agency involved of the decision to approve or disapprove the proposed information collection request and shall make such decisions publicly available. Any decision to disapprove an information collection request shall include an explanation of the reasons for such decision.";

(2) by striking out "sixty" each place it appears and inserting "30" in each such place;

(3) by striking out "thirty" and inserting in lieu thereof "30"; and

(4) by striking out "one" and inserting in lieu thereof "1".

SEC. 404. IMPROVING PUBLIC AND AGENCY SCRUTINY OF PAPERWORK BURDENS PROPOSED FOR RENEWAL.

(a) APPROVAL OF INFORMATION COLLECTION REQUEST.—Section 3507(d) of title 44, United States Code, is amended—

(1) by inserting "(1)" after "(d)"; and

(2) by adding at the end thereof the following:

"(2)(A) If the head of the agency, or the senior official designated under section 3506(b)(1), decides to seek extension of the Director's approval granted for a currently approved information collection request, the agency shall, through the notice prescribed in subsection (a)(2)(B) and such other practicable steps as may be reasonable, seek comment from the agencies, and the public on the continued need for, and burden imposed by, the collection of information.

"(B) The agency, after having made a reasonable effort to seek comment under subparagraph (A), but no later than 60 days before the expiration date of the control number assigned by the Director for the currently approved information collection request, shall—

"(i) evaluate the public comments received;

"(ii) conduct the review established under section 3506(e); and

"(iii) provide to the Director the certification required by section 3506(f), including the text of the certification and any additional relevant information regarding how the information collection request comports with the principles and requirements of this chapter.

"(C) Upon receipt of such certification, and prior to the expiration of the control number for that information collection request, the Director shall—

"(i) ensure that the agency has taken the actions specified under section 3506(f)(2);

"(ii) evaluate the public comments received by the agency or by the Director;

"(iii) determine whether the agency certification complies with the standards under section 3506(f)(1); and

"(iv) approve or disapprove the information collection request under this chapter.

"(3) If a certification is not provided to the Director prior to the beginning of the 60-day period before the expiration of the control number as provided under paragraph (2)(B), the agency shall submit the information collection request for review and approval or disapproval under this chapter.

"(4) An agency may not make a substantive or material modification to an information collection request after it has been approved by the Director, unless the modification has been submitted to the Director for review and approval or disapproval under this chapter.".

(b) APPROVAL OF INFORMATION COLLECTION REQUIREMENTS.—Section 3507 of title 44, United States Code, is further amended by adding at the end thereof the following new subsections:

"(i)(1) As soon as practicable, but no later than publication of a notice of proposed rulemaking in the Federal Register, each agency shall forward to the Director a copy of any proposed rule which contains a collection of information requirement and upon request, information necessary to make the determination required under this chapter.

"(2) Within 60 days after the notice of proposed rulemaking is published in the Federal Register, the Director may file public comments under the standards set forth in section 3508 on the collection of information requirement contained in the proposed rule.

"(3) When a final rule is published in the Federal Register, the agency shall explain how any collection of information requirement contained in the final rule responds to the comments, if any, filed by the Director or the public, or explain the reasons such comments were rejected.

"(4) The Director has no authority to disapprove any collection of information requirement specifically contained in an agency rule, if the Director has received notice and failed to comment on the rule within 60 days after the notice of proposed rulemaking.

"(5) No provision in this section shall be construed to prevent the Director, at the discretion of such officer, from—

"(A) disapproving any information collection request which was not specifically required by an agency rule;

"(B) disapproving any collection of information requirement contained in an agency rule, if the agency failed to comply with the requirements of paragraph (1) of this subsection;

"(C) disapproving any collection of information requirement contained in a final agency rule, if the Director finds within 60 days after the publication of the final rule that such a collection of information requirement cannot be approved under the standards set forth in section 3508, after reviewing the agency's response to the comments of the Director filed under paragraph (2) of this subsection; or

"(D) disapproving any collection of information requirement, if the Director determines that the agency has substantially modified, in the final rule, the collection of information requirement contained in the proposed rule and the agency has not given the Director the information required under paragraph (1) with respect to the modified collection of information requirement, at least 60 days before the issuance of the final rule.

"(6) The Director shall make publicly available any decision to disapprove a collection of information requirement contained in an agency rule, together with the reasons for such decision.

"(7) The authority of the Director under this subsection is subject to subsection (c).

"(8) This subsection shall apply only when an agency publishes a notice of proposed rulemaking and requests public comments.

"(9) The decision of the Director to approve or not to act upon a collection of information requirement contained in an agency rule shall not be subject to judicial review.

"(j)(1) If the head of the agency, or the senior official designated under section 3506(b)(1), decides to seek extension of the Director's approval granted for a currently approved collection of information requirement, the agency shall, through the notice prescribed in subsection (a)(2)(B) and such other practicable steps as may be reasonable, seek comment from the agencies, and the public on the continued need for, and burden imposed by, the collection of information requirement.

"(2) The agency, after having made a reasonable effort to seek comment under paragraph (1), but no later than 60 days before the expiration date of the control number assigned by the Director for the currently approved collection of information requirement, shall—

"(A) evaluate the public comments received;

"(B) conduct the review established under section 3506(e); and

"(C) provide to the Director the certification required by section 3506(f), including the text of the certification and any additional relevant information regarding how the collection of information requirement comports with the principles and requirements of this chapter.

"(3) Upon receipt of such certification, and prior to the expiration date of the control number for that collection of information requirement, the Director shall—

"(A) ensure that the agency has taken the actions specified in section 3506(f)(2);

"(B) evaluate the public comments received by the agency or by the Director;

"(C) determine whether the agency certification complies with the standards under section 3506(f)(1); and

"(D) approve or disapprove the collection of information requirement under this chapter.

"(4) If under the provisions of paragraph (3), the Director disapproves a collection of information requirement, or recommends or instructs the agency to make a substantive or material change to a collection of information requirement, the Director shall—

"(A) publish an explanation thereof in the Federal Register; and

"(B) instruct the agency to undertake a rulemaking within a reasonable time limited to consideration of changes to the collection of information requirement and thereafter to submit the collection of information requirement for approval or disapproval under this chapter.

"(5) Nothing in this subsection affects the review process for a collection of information requirement contained in a proposed rule, including a proposed change to an existing collection of information requirement, under subsection (i) with respect to such collection of information requirement.

"(6) The Director may not approve a collection of information requirement for a period in excess of 3 years.".

SEC. 405. PROTECTION FOR WHISTLEBLOWERS OF UNAUTHORIZED PAPERWORK BURDEN.

Section 3507(h) of title 44, United States Code, is amended in the second sentence by inserting before the period ", and any communication relating to a collection of information, the disclosure of which could lead to retaliation or discrimination against the communicator".

SEC. 406. ENHANCING PUBLIC PARTICIPATION.

Section 3517 of title 44, United States Code, is amended—

(1) by inserting "(a)" before "In development"; and

(2) by adding at the end thereof:

"(b)(1) Under procedures established by the Director, a person may request the Director to review any collection of information conducted by or for an agency to determine, if—

"(A) the collection of information is subject to the requirements of this chapter;

"(B) the collection of information has been approved in conformity with this chapter; and

"(C) the person that is to respond to the collection of information is entitled to the public protections afforded by this chapter.

"(2) Any review requested under paragraph (1), unless the request is determined frivolous or does not on its face state a valid basis for such review, shall—

"(A) be completed by the Director within 60 days after receiving the request, unless such period is extended by the Director to a specified date and the person making the request is given notice of such extension;

"(B)(i) be coordinated with the agency responsible for the collection of information to which the request relates; and

"(ii) be coordinated with the Administrator for Federal Procurement Policy, if the request relates to a collection of information applicable to an actual or prospective Federal contractor or subcontractor at any tier; and

"(C) result in a written determination by the Director, that shall be—

"(i) furnished to the person making the request;

"(ii) made available to the public upon request, unless confidentiality is requested by the person making the request; and

"(iii) listed and summarized in the annual report required under section 3514, unless subject to clause (ii).".

SEC. 407. EXPEDITING REVIEW OF AN AGENCY INFORMATION COLLECTION REQUEST WITH A REDUCED BURDEN.

Section 3507 of title 44, United States Code (as amended by section 404(b) of this Act) is further amended by adding at the end thereof the following new subsection:

"(k) Upon request by the head of an agency, the Director shall approve a proposed change to an existing information collection request (unless such proposed change is subject to subsection (i)) within 30 days after the Director receives the proposed change. The information collection request shall thereafter remain in effect at least for the remainder of the period for which it was previously approved by the Director, if—

"(1) the information collection request has a current control number; and

"(2) the Director determines that the revision—

"(A) reduces the burden resulting from the information collection request; and

"(B) does not substantially change the information collection request.".

TITLE V—ADDITIONAL GOVERNMENT INFORMATION MANAGEMENT RESPONSIBILITY

SEC. 501. STRENGTHENING THE STATISTICAL POLICY AND COORDINATION FUNCTIONS OF THE DIRECTOR.

Section 3504(d) of title 44, United States Code, is amended to read as follows:

"(d)(1) The statistical policy and coordination functions of the Director shall include—

"(A) coordinating and providing leadership for development of the Federal statistical system;

"(B) developing and periodically reviewing and, as necessary, revising long-range plans for the improved coordination and performance of the statistical activities and programs of the Federal Government;

"(C) ensuring the integrity, objectivity, impartiality and confidentiality of the Federal statistical system;

"(D) reviewing budget proposals of agencies to ensure that the proposals are consistent with such long range plans and developing a summary and analysis of the budget submitted by the President to the Congress for each fiscal year of the allocation for all statistical activities;

"(E) coordinating, through the review of budget proposals and as otherwise provided under this chapter, the functions of the Federal Government with respect to gathering, interpreting and sharing statistics and statistical information;

"(F) developing and implementing government-wide policies, principles, standards and guidelines concerning statistical collection procedures and methods, statistical data classification, statistical information presentation and sharing, and such statistical data sources as may be required for the administration of Federal programs;

"(G) evaluating statistical program performance and agency compliance with governmentwide policies, principles, standards and guidelines;

"(H) promoting the timely release by agencies of statistical data to the public;

"(I) coordinating the participation of the United States in international statistical activities;

"(J) preparing an annual report to submit to the Congress on the statistical policy and coordination function;

"(K) integrating the functions described under this paragraph with the other information resources management functions specified under this chapter; and

"(L) appointing a chief statistician who is a trained and experienced professional to carry out the functions described under this paragraph.

"(2) The Director shall establish an interagency working group on statistical policy, consisting of the heads of the agencies with major statistical programs, headed by the chief statistician to coordinate agency activities in carrying out the functions under paragraph (1).

"(3) The Director shall provide opportunities for long term training in the statistical policy functions of the chief statistician to employees of the Federal Government. Each trainee shall be selected at the discretion of the Director based on agency requests and shall serve for at least 6 months and no more than 1 year. All costs of the training are to be paid by the agency requesting training.".

SEC. 502. PRESCRIBING GOVERNMENTWIDE STANDARDS FOR SHARING PUBLIC INFORMATION.

(a) FUNCTIONS OF THE DIRECTOR.—Section 3504(h) of title 44, United States Code, is amended to read as follows:

"(h) The functions of the Director related to agency sharing of public information shall include—

"(1) developing policies and practices for agency sharing of public information consistent with the agency responsibilities under section 3506(g); and

"(2) developing policy guidelines, after notice and providing opportunity for public comment, that instruct Federal agencies on ways to fulfill agency sharing of public information functions and activities that, to the extent appropriate and practicable—

"(A) make public information products and services available on timely, equitable and cost-effective terms; and

"(B) encourage a diversity of public and private information products and services.".

(b) RESPONSIBILITIES OF THE AGENCIES.—Section 3506 of title 44, United States Code (as amended by sections 301 and 302 of this Act) is further amended by adding at the end thereof the following new subsection:

"(g) The head of each agency shall, to the extent appropriate and practicable, establish and maintain a management system for the sharing of public information that—

"(1) ensures that the public has timely, equitable and cost-effective access to the agency's public information products and services;

"(2) ensures that agency public information products and services are shared with the public in an efficient, effective and cost-effective manner;

"(3) plans and budgets for information sharing at the time information is created or collected, and at other appropriate steps during the information life cycle; and

"(4) has the agency, in managing the sharing of public information, consider—

"(A) whether information sharing is required or restricted by law;

"(B) whether information sharing is necessary and cost-effective for the proper performance of agency functions;

"(C) whether an information product or service available from other public or private sources is equivalent to an agency product or service and reasonably achieves the cost effective sharing of the agency product or service at least cost to the Federal agency; and

"(D) the economy and efficiency of Government operations, or the general social or economic well-being of the United States.".

SEC. 503. AUTOMATIC DATA PROCESSING EQUIPMENT PLAN.

Section 3504(g) of title 44, United States Code, is amended—

(1) by redesignating paragraphs (3), (4), and (5) as paragraphs (4), (5), and (6), respectively; and

(2) by inserting after paragraph (2) the following new paragraph:

"(3) developing and annually revising, in consultation with the Administrator of General Services, a 5-year plan for meeting the automatic data processing equipment (including telecommunications) and other information technology needs of the Federal Government in accordance with the requirements of sections 110 and 111 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 757 and 759) and the purposes of this chapter;".

SEC. 504. FEDERAL INFORMATION LOCATOR SYSTEM.

Section 3511(b) of title 44, United States Code, is amended—

(1) in paragraph (3)(B), by striking out "and" at the end thereof;

(2) in paragraph (4), by striking the period and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following new paragraph:

"(5) make the system available on electronic media to the agencies and the public.".

SEC. 505. AGENCY IMPLEMENTATION.

Section 3514 of title 44, United States Code, is amended—

(1) in paragraph (9)(C) by striking out "and" at the end thereof;

(2) in paragraph (10)(C) by striking out the period and inserting in lieu thereof a semicolon; and

(3) by adding at the end thereof the following new paragraphs:

"(11) a listing of any increase in the burden imposed on the public during the year covered by the report resulting from a collection of information conducted or sponsored by or for an agency, which was imposed by such agency—

"(A) as specifically mandated by the provision of a statute; or

"(B) as necessary to implement a statutory requirement, which requirement shall be identified with particularity; and

"(12) a description of each such agency's efforts in implementing, and plans to implement, the applicable policies, standards and guidelines with respect to the functions under this chapter.".

SEC. 506. TECHNICAL AND CONFORMING AMENDMENTS.

(a) DEFINITIONS.—Section 3502(10) of title 44, United States Code, is amended by striking out "the Federal Housing Finance Board" and inserting in lieu thereof "Federal Housing Finance Board".

(b) REVIEW PERIODS.—Section 3507(g)(1) of title 44, United States Code, is amended to read as follows: "(1) is needed prior to the expiration of the time periods for public notice and review by the Director pursuant to the requirements of this chapter,".

(c) DIRECTOR REVIEW.—Section 3513(a) of title 44, United States Code, is amended in the first sentence by inserting "resources" after "information".

(d) RESPONSIVENESS.—Section 3514(a) of title 44, United States Code, is amended—

(1) in paragraph (9)(A) by inserting "and" at the end thereof;

(2) in paragraph (9)(B) by striking out the semicolon and inserting a period; and

(3) by striking out paragraph (9)(C).

TITLE VI—EFFECTIVE DATES

SEC. 601. EFFECTIVE DATES.

(a) IN GENERAL.—Except as provided in subsection (b), the provisions of this Act shall become effective 120 days after the date of the enactment of this Act.

(b) IN PARTICULAR.—Section 101 shall become effective upon the date of the enactment of this Act.

S. 1139, THE PAPERWORK REDUCTION ACT OF 1991 SUMMARY

The "Paperwork Reduction Act of 1991" will—

Reaffirm the fundamental purpose of the Paperwork Reduction Act of 1980: to minimize the Federal paperwork burdens imposed on individuals, small businesses, State and local governments, educational and nonprofit institutions, and Federal contractors.

Provide a five-year authorization for appropriations for the Office of Information and Regulatory Affairs (OIRA) within the White House Office of Management and Budget.

Clarify that the Act's public protections apply to all Government-sponsored paperwork, eliminating any confusion over so-called "third party disclosures" caused by the U.S. Supreme Court's 1989 decision in *Dole* v. *United Steelworkers of America*.

Require goals for paperwork reduction on the public—a Government-wide goal of at least 5 percent and individual agency goals that aggregate to the Government-wide goal.

Build upon the fundamental responsibilities of each Federal agency to manage paperwork reduction, by requiring—

The designation of a senior agency official in a separate office, with adequately trained staff;

A thorough review of each proposed information collection request for need and practical utility, standards whose purpose is to minimize the burden on the public while enabling an agency to collect only necessary information;

Agency planning to maximize the use of information collected by the public;

Better notice and opportunity for public participation with at least a 60-day comment period for each proposed paperwork requirement;

Agency certification of compliance with public participation requirements and the standards of need and practical utility for every paperwork proposal before its submission to OIRA for clearance; and

A certification process for the renewal of a currently approved paperwork requirement which includes public participation, thorough agency analysis of alternatives, an agency determination that the paperwork requirement meets the Act's standards, and OIRA's final clearance authority.

Reduce by 30 days the time a routine proposed agency paperwork requirement spends at OIRA, while improving the overall opportunity for public participation without impairing OIRA final clearance authority.

Strengthen OIRA's paperwork control responsibilities, by—

Establishing standards under which Federal agencies more accurately estimate the burden placed upon the public by a proposed information collection request;

Coordinating with the Office of Federal Procurement Policy (OFPP) to reduce the substantial paperwork burdens associated with Government contracting; and

Providing the authority for OIRA to initiate and conduct demonstration programs to test innovative approaches to minimize paperwork burden, similar to the OFPP authority to test innovative procurement practices.

Empower the public with new tools to participate in paperwork reduction by—

Requiring future legislation be thoroughly assessed before enactment to identify anticipated paperwork requirements, and that these assessments be made available to the public; and

Enabling an individual to compel the OIRA Administrator to provide a written determination whether a Federally-sponsored information collection request complies with the Act's public protection requirements, in the same manner as the OFPP Administrator must determine if an agency procurement regulation is consistent with the Government-wide Federal Acquisition Regulation (FAR).

Strengthen OIRA's leadership role in Federal statistical policy.

JANUARY 8, 1991.

The PRESIDENT,
The White House, Washington, DC.

DEAR MR. PRESIDENT: Soon after the 102nd Congress turns to legislative business, we believe it must promptly consider legislation that maintains the vitality and reestablishes the full potential of the Paperwork Reduction Act of 1980.

During the last Congress, the committees of jurisdiction in both houses reported legislation, which, in the view of the undersigned organizations, would have severely weakened the public protections afforded by the Act and diminished the role of the Office of Information and Regulatory Affairs (OIRA). These bills, S. 1742 and H.R. 3695, would have impaired the public's and Congress' ability to assure accountability for reasonable restraints on the growth of federal paperwork and regulatory burdens. In our view, they would have impaired any President's ability to coordinate the implementation of statutes and other public policy initiatives in order to minimize the public burdens of needed paperwork and regulatory demands.

At the end of the last Congress, in order to meet the exigencies of the session's close, the Administration supported those bills. With the new Congress, we want to encourage you to adopt a new position. We are preparing a legislative proposal that will enhance rather than diminish the effectiveness of the Paperwork Reduction Act and OIRA.

Left unrestrained, the government's historical and insatiable appetite for information and regulation leads to wasteful and unnecessary burdens upon the public. To counter this trend, we support a positive, constructive approach that builds upon current law.

Our proposal will emphasize the responsibility and accountability of each agency to achieve its mission in the least burdensome and the most economical way possible. We intend to address the present confusion over whether the public protections of the Act extend to government-sponsored requirements to disclose information to third parties. We believe they should, and that any new legislation to amend the Act should clarify this issue. In addition, we propose to emphasize the opportunities for reducing unnecessary burdens on small businesses, universities and research institutions, and State and local governments.

Mr. President, we urge you to have this proposal reviewed before your Administration takes a position on legislation to amend the Paperwork Reduction Act or reauthorize the Office of Information and Regulatory Affairs.

Sincerely yours,

Business Council on the Reduction of Paperwork; Citizens for a Sound Economy; The Johns Hopkins University; National Association of Manufacturers; National Federation of Independent Business; National Small Business United; Small Business Legislative Council; U.S. Chamber of Commerce.

MAY 2, 1991.

Hon. SAM NUNN,
U.S. Senate, Washington, DC.

DEAR SAM: Several issues have come up in our discussions concerning amendments to the Paperwork Reduction Act. Here are my thoughts.

As I mentioned to John during my recent visit with him, it is my sincere hope you all will reauthorize appropriations and build upon the present law. John mentioned and I support the idea of strengthening the agencies' responsibilities to improve information resources management.

I do think the Director of OMB's ultimate authority and responsibilities should be retained. Absent a credible overseer, there is less incentive for agencies to coordinate or discipline their paperwork demands upon the public. Second, Congress needs to be able to hold the Director accountable for OIRA's performance.

The 1986 amendments added new sunshine provisions to the law, clarified that paperwork requirements contained in regulations were subject to the sunset and public protection provisions of the Act, and required the Administrator of OIRA to be confirmed by the Senate. I urge these provisions be retained.

I sense much of the criticism today is similar to what we faced in the 1986 reauthoriza-

tion. We agreed in the Carter years to link paperwork clearance with OMB's review of regulations. The rationale was many paperwork requirements particularly new ones come from regulations. They could be better managed by linking the review processes. The Reagan people used the idea and OMB's overall role became controversial. I was involved in a number of clashes while I was there between colleagues and Directors, especially Mr. Stockman. In addition, the traditional opponents to the Act were vocal throughout the Committee's reauthorization exercises in 1984 and 1986. I always believed exposing these controversies to the purifying rays of sunshine was the best check against actual abuses by OIRA. My major purpose for centralizing responsibility within OIRA was to pinpoint who Congress should hold accountable when our constituents complained of unnecessary paperwork or when agency disputes surfaced. My point is OIRA was intended to serve as a lightning rod for conflict, Congressional oversight and public attention. To that end, I believe the present Act provides a more open government with more public participation in government decision-making than would be the case without the law.

The Administration has acquainted me with the concerns of President Bush regarding the proposed disclosure requirements. They question whether any President of either party would accept such judicially enforceable requirements. Both the Sunshine Act and the Freedom of Information Act stand for open government. I recognized in developing the Sunshine Act that there are certain practical limits to open government. I think the proposed disclosure requirements for OIRA go beyond practical limits. I hope the Committee will not jeopardize the protections and opportunities for participation provided the public by the Paperwork Act as a result of a confrontation over provisions I believe any President would oppose.

Another concern is the Supreme Court's decision in *Dole* v. *Steelworkers*. As a matter of statutory construction, I do not agree the decision reflects what the law states or what either the House or the Senate intended in 1980 or 1986. As you are aware, I expressed my understanding in an amicus brief to the Court. The effect of the Court's interpretation goes well beyond the facts involved in the particular case. I believe that the Congress of today should deliberate upon and decide what the future application of the law should be. I strongly support applying the public requirements, including those which require disclosure between third parties.

I want to commend and lend my support to John, Jeff, and your efforts to build upon the Paperwork Reduction Act. Jeff's proposal for a new Commission makes a lot of sense and I hope it succeeds. You may be sure that if the people choose me to be the next Governor of Florida, I will be joining the other Governors of the Union in welcoming any ideas a new Commission could propose to reduce the paperwork requirements the federal government rains down on state and local governments.

With warm regards,

LAWTON CHILES.•

• Mr. BUMPERS. Mr. President, I am pleased to join my colleagues Senators KASTEN and NUNN in introducing today a bill in an ongoing effort to control and reduce the bipartisan Federal Government's paperwork requirements which seem to sprout like mushrooms. Many, if not most Federal regulations require massive paperwork from businesses, educational and nonprofit institutions, as well as State and local governments. Just last year, the number of Federal regulations grew by 17 percent.

Nearly every agency believes each and every one of its paperwork requirements is essential to implementing the laws and carrying out its duties. As our technology grows more complex, and information increases exponentially, the paperwork requirements follow suit. There must be some mechanism for review and some means of reducing the often overwhelming burden placed on the public.

This paperwork burden affects every man, woman and child in this country. No business man or woman can absorb all the costs. To stay out of bankruptcy, they must pass them along. Sometimes that's very difficult. The price of every hamburger we order includes the cost of an OSHA Material Safety Data Sheet the restaurant must have on file, advising employees that when they wash their hands with soap, they should wash the soap off with water.

Recently, the owner of a small business in Heber Springs, AR, wrote to me about an EPA information gathering activity which he was required to complete within 45 days or face fines and penalties. EPA asked him, among other things, the potential cost of liquidating his small company. He paid an accountant $1,300 dollars and spent over 117 hours answering EPA's inquiries on this single paperwork requirement, even though he had not the slightest need for such information—and I have no idea why the EPA had a need for such information.

The EPA requirement, of course, is only one of many paperwork assignments this constituent must complete. It is the cumulative impact of Government requirements that are so unduly burdensome to those entities that can least afford to comply. Of the $330 billion in estimated annual paperwork costs to business, $100 billion falls on small business which have the least resources for handling Government paperwork.

Although I have long been concerned about paperwork costs and have followed the issue closely, I was astounded to read in the news that 24 cents of every dollar we spend on health care goes for administrative and paperwork costs. This compares with 10 percent to 11 percent in other countries.

In his testimony before a subcommittee of the Small Business Committee in September 1989, the Administrator of the Office of Information and Regulatory Affairs [OIRA] noted the number of hours spent on paperwork would have been far greater if the act's requirements did not suppress the Federal Government's appetite for information on paper.

This is not to say that much of the information requested is not vital to the Federal Government. We must know whether federally insured banks are financially sound. We must know where hazardous materials are stored. We must know how many people reside in the United States and in each particular area in each State in order to plan for services. But, unfortunately, much of the information requested is duplicative and unnecessary, and in some cases, downright silly. Imagine a company having in its files a material safety data sheet on diet cola or white out or hand soap.

Mr. President, in a free society people are only willing to accept so much government. I suspect that in some areas we are perilously close to that line of toleration where government action becomes unacceptable. Reauthorization of the Paperwork Reduction Act is vital if we are to strike a balance between the needs of the Federal Government, and the ability of those it regulates to remain productive and competitive.

Among its provisions, this bill provides a 5-year reauthorization for appropriations for OIRA and clarifies that the act's protections apply to all federally sponsored paperwork.

It requires agencies to designate a senior official to clear all paperwork requests. It provides for a thorough review of every information collection request to ensure its necessity and practical utility, and sets goals for reduction of the paperwork burden by a Governmentwide target of 5 percent.

In addition, it enables an individual to compel the OIRA administrator to provide a written determination on whether an information collection complies with the act's public protection requirements.

Under this bill, the agencies must display an estimate of the paperwork burden on every public information collection it requires, and invite comments from respondents as to its accuracy. The constituent I mentioned earlier was informed that his EPA paperwork would require 80 hours.

According to the Information Collection Budget for fiscal year 1990, the Government's own inventory of paperwork hours totals 5.358 billion hours annually. There are approximately 2.3 million people in my home State. In order to complete the nearly 5½ billion hours of completing forms required during 1 year, every man, woman, and child in Arkansas working 2,000 hours a year could not complete the 2.7 million work years of paperwork, some of them questionable at best.

I cannot point out too often that paperwork burdens fall disproportionately on the smaller entities. The Regulatory Flexibility Act provides that agencies take the special needs of

small businesses into account, but that requirement is honored mostly in its disregard. The Department of Labor can fine a company that fails to respond to its information request, but the small business in reality has no recourse when instructed to fill out a long and time-consuming form that may be a duplicate of one required by another agency.

Last year the majority of the members of the Small Business Committee joined me in sending a letter to the chairman and ranking member of the Governmental Affairs Committee expressing our concerns over provisions of a measure that would have made significant changes in the Paperwork Reduction Act of 1980. I will provide a copy of that letter for the RECORD.

It is my intention to hold hearings on this issue before the Small Business Committee to further examine the issues. I hope my colleagues will join us in achieving a sane balance between the Government's need to know and the public's ability to provide information.

Mr. President, I ask unanimous consent that a letter to Senators GLENN and ROTH, chairman and ranking members of the Governmental Affairs Committee, dated April 3, 1990 and signed by 13 members of the Small Business Committee, to be inserted in the RECORD following these remarks.

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

U.S. SENATE,
COMMITTEE ON SMALL BUSINESS,
Washington, DC, April 3, 1990.

Hon. JOHN GLENN,
Chairman,
Hon. WILLIAM V. ROTH, Jr.,
Ranking Minority Member, Committee on Governmental Affairs, U.S. Senate, Washington, DC.

DEAR JOHN AND BILL: Your Committee is now considering S. 1742, the "Federal Information Resources Management Act". This bill, introduced by Senator Bingaman, makes a series of very significant amendments to the Paperwork Reduction Act of 1980 (PRA) and reauthorizes the Office of Information and Regulatory Affairs (OIRA), which serves as the focal point for the Act's implementation.

The paperwork burdens imposed by the Federal Government on individuals and businesses have consistently been a matter of substantial concern to the small business community. The enactment of the PRA and the establishment of OIRA were key recommendations of the 1980 White House Conference on Small Business. Since that time, all segments of the small business community have repeatedly called upon the Congress to preserve and strengthen the Act, and sought its vigorous implementation by the various agencies and OIRA.

As recently as last September, our Subcommittee on Government Contracting and Paperwork Reduction held a hearing to receive testimony from witnesses representing many segments of the small business community. They expressed their continued support for the Act's vigorous application to contain the Government's insatiable appetite for information and regulations. They furnished recent examples of how the Act can effectively protect the public from unnecessary and unreasonable paperwork burdens by requiring agencies to seek out the least burdensome paperwork requirements when fulfilling their missions.

The small business community remains very concerned that some provisions of S. 1742 may severely curtail the protections afforded by the Act. The attached proposal, developed by the National Federation of Independent Business (NFIB) with technical assistance from our Committee staff, represents what the small business community believes are needed modifications to the text of the bill currently before your Committee. In addition to NFIB, it is supported by the Small Business Legislative Council (SBLC), National Small Business United (NSBU), and many of other small business organizations that comprise their memberships. It is our understanding that major groups representing other segments of the business community also support this proposal. We believe that this proposal, which is being considered by your Committee staff in conjunction with NFIB, deserves very serious consideration by the Committee if the PRA's vitality is to be sustained.

Recently, the U.S. Supreme Court decided *Dole v. United Steelworkers of America*, interpreting the PRA. The Court held that neither the statute nor its legislative history supported a position that the PRA authorized the review of paperwork burdens required by the Government to be imposed by one private party on another private party. Many in the small business community assert that this decision puts substantial volumes of paperwork burden outside the Act's public protections. For example, information collection or other paperwork requirements imposed on many tiers of subcontractors by their prime contractor at the direction of a procuring agency would be totally free of any review under the Act. Our former colleague from Florida, Lawton Chiles, urged in his brief to the Court that such a limitation was not intended. Appropriate clarification of Congressional intent in this regard would seem to be warranted before final Senate action on the bill.

Further, S. 1742 establishes a set of detailed procedures for recording communications with other Government agencies and the private sector relating to OIRA's exercise of its review activities under the PRA or any other authority. It has been asserted that in their present form these requirements are so detailed that they could possibly become a real restraint on public participation in the review processes established by the Act.

Finally, we wish to commend you and Senator Bingaman for the substantial enhancements made by S. 1742 to improve the formulation and implementation of Government policies regarding overall information resources management and Federal statistical policy. If properly implemented, these enhancements will inure to the benefit of the small business community.

Sincerely,

Dale Bumpers, Chairman; Rudy Boschwitz, Ranking Minority Member; Trent Lott, Charles E. Grassley, Malcolm Wallop, Christopher S. Bond, Robert W. Kasten, Jr., Sam Nunn, Alan J. Dixon, Max Baucus, David L. Boren, John F. Kerry, Tom Harkin, U.S. Senators.●

● Mr. KASTEN. Mr. President, I rise today to join Senators NUNN and BUMPERS in introducing the Paperwork Reduction Act of 1991.

Federal paperwork burdens cost America's businesses more than $100 billion annually. Indeed, the average U.S. business spends $32,000 complying with Government paperwork, and often businesses are forced to hire additional employees to keep up with the Government's paperwork demands.

Let me just list a few of the forms that a small business owner has to cope with: Federal, State, and local tax returns; Commerce and Labor Department census reports; quarterly estimated tax payments; 1099's; W-2's; S-4's; wage tax reports; unemployment compensation reports; excise tax reports; thousands of OSHA's material safety data sheets and environmental data sheets; liability-related insurance reporting; census forms; and the list goes on and on.

Time is money. A small business, consisting of fewer than 25 employees, needs workers in the shop or out on the road selling its product and drumming up new business. It cannot afford to keep them tied up in the office sorting through mountains of forms.

Before I was a Senator, I was a small businessman. I helped to run a family-owned shoe business that made childrens' shoes. We had two small manufacturing plants, one in Campbellsport and one in Thiensville, WI, with a total of 180 employees.

I have experienced firsthand Government redtape. In fact, this is why I decided to go into politics. It seemed like we were spending more time filling out Government paperwork than making shoes.

In 1980, Congress enacted the Paperwork Reduction Act [PRA] to address these burdens, and we reauthorized the law in 1986. The PRA created the Office of Information and Regulatory Affairs [OIRA] within the Office of Management and Budget to review and approve Government paperwork requirements. The enactment of the PRA and the establishment of OIRA were key recommendations of the 1980 White House Conference on Small Business. Since 1981, OMB claims it has reduced the time spent filling out Government paperwork by almost 600 million hours each year. Using a conservative estimate of $10 per hour, this reduction is saving the economy $6 billion annually.

In September 1989, the Small Business Committee's Subcommittee on Government Contracting and Paperwork Reduction held a hearing to review the act's implementation from the small business perspective. The subcommittee heard from several small business representatives, who reinforced the need for the PRA and urged that the act be strengthened to better stem the tide of paperwork.

Last year, Congress considered legislation to amend the PRA, which would have unnecessarily restricted the au-

thority of OIRA to review paperwork, making the law weaker rather than stronger. Moreover, the legislation failed to address a key issue of paperwork reduction, a recent Supreme Court decision, Dole versus United Steelworkers of America, which has effectively removed one-third to one-half of all agency information requests from OMB's oversight.

The bill we are introducing today would make clear that the PRA's public protections apply to all Government sponsored paperwork, eliminating any confusion over so-called third-party disclosures caused by the Steelworkers decision. To give a few examples, such so-called third-party information collections would include I-9 immigration forms and W-4 tax forms, which have been nightmares for employers in the past.

Our bill reaffirms the fundamental purpose of the 1980 Paperwork Reduction Act: to minimize the burden of Federal paperwork on small businesses, educational and nonprofit institutions, and the public, in general. Further, it provides a 5-year authorization for appropriations for OIRA.

I would also note that the bill sets a Governmentwide goal of at least a 5-percent reduction annually of the paperwork burden on the public.

This bill has the support of all of the national small business groups, including the National Federation of Independent Business, the Small Business Legislative Council, National Small Business United, and other business groups like the U.S. Chamber of Commerce and the National Association of Manufacturers.

Small businesses are the engines of America's prosperity and create the jobs on which our families depend. We need to quit imposing unnecessary burdens on these wealth creators—and start giving them a break. This bill is an important step in the right direction, toward a future in which our entrepreneurs can worry about creating products instead of filling out mountains of forms.

Mr. President, I ask unanimous consent that an editorial on this subject be printed in the RECORD.

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

[From the New York Times, Apr. 28, 1991]

IN BUSH PRESIDENCY, THE REGULATORS RIDE AGAIN

(By Robert Pear)

WASHINGTON.—Ten years after President Reagan announced a systematic campaign to cut away the thicket of Federal regulation, the garden of Government is once again teeming with an abundant growth of new regulations.

The Bush Administration disclosed last week that it was preparing a record number of new rules, covering everything from clean air to child care to savings and loan associations.

The "unified agenda of Federal regulations," published twice a year, shows that the number of regulations being developed by Federal agencies has grown about 17 percent, to 4,675, since Mr. Bush became President in January 1989. From 1983 through 1988, the number held steady at around 4,000.

White House officials say President Bush is distressed by the increase. As Vice President, he coordinated the Reagan Administration's "deregulation" campaign, one of the cornerstones of Mr. Reagan's economic program. Mr. Bush led the Reagan Task Force on Regulatory Relief, which mowed down hundreds of rules deemed burdensome to business, consumers, universities or local governments.

Federal officials and former officials give two reasons for the resurgence of rule-making activity: President Bush has not made deregulation a political priority, and Congress has passed many laws that require the executive branch to formulate new rules.

Cornelius M. Kerwin, dean of the School of Public Affairs at American University, said, "The volume of rule-making in this country is a reflection of the demands made on our political system by the American people, and they now want the Government to take an active role in solving a broad swath of problems."

DEREGULATION

Professor Kerwin said that President Bush, preoccupied with foreign affairs, had been "less than aggressive in his attack on Federal regulation."

Bush Administration officials said that new rules were proliferating because they were required by new laws dealing with, among other things, immigration, Federal grants to child care centers, restrictions on lobbying, food product labeling, aircraft noise and the rights of disabled people.

Christopher C. DeMuth, president of the American Enterprise Institute, who was executive director of Mr. Bush's Task Force on Regulatory Relief from 1981 to 1984, said: "There is a great growth in regulation these days all over the Federal Government. It is being led by Bush appointees."

In part, he said, the current trend reflects a perception that "maybe we went too far" in reducing regulation of financial institutions, airlines and other industries. Mr. DeMuth said he emphatically disagreed with that view.

James C. Miller 3d, director of the Office of Management and Budget from October 1985 to October 1988, said that the effort to curtail Federal regulation "definitely gets less emphasis now than in the 1980's." Mr. Miller, a former chairman of the Federal Trade Commission, said that Mr. Bush should "put more of his political capital into the effort to avoid excessive regulation."

The costs of Federal regulation were one of President Reagan's favorite themes. "American society experienced a virtual explosion in Government regulation" in the 1970's, he said in 1981. Excessive, inefficient regulations "limit job opportunities, raise prices and reduce the incomes of all Americans," he said. His Vice President, Mr. Bush, declared that "we have regulated ourselves to death."

By May 1982, Mr. Reagan was boasting, "We acted quickly and effectively to cut away the thicket of Federal regulations—a thicket that was stifling business and industrial growth."

Heather J. Gradison, who served as head of the Interstate Commerce Commission from 1985 to 1990, said she was disappointed to see a diminished commitment to deregulation these days. "The Reagan Administration appointed people who had strong ideological inclinations to move forward with deregulation," she said. "We have not seen anything like that mandate from the Bush people."

But Robert Pitofsky, a law professor at Georgetown University who served on the Federal Trade Commission from 1978 to 1981, said the political pendulum was just swinging back toward the center. "Regulation during the Reagan years, when enforcers were ideologically committed to an extreme free-market approach, was uncharacteristically low, compared with the previous 30 years," he said. "What we are seeing now is a more centrist trend, a move back toward the historic average."

The agenda of regulatory activities planned by Federal agencies in the next 12 months includes such diverse items as peanut marketing quotas, tobacco price supports, restrictions on imports of honeybees and zebra mussels, auto emission standards, child labor rules, restrictions on fishing for black rockfish off the coast of Washington and rules for disposing of tissue from dead whales.

Vice President Dan Quayle is trying to carve a role for himself monitoring Federal regulation to insure that the benefits of new rule outweigh the burdens imposed on American business. As head of a new interagency group called the Council on Competitiveness, Mr. Quayle had advised all Federal agencies that he intends to supervise the review of proposed regulations, just as Mr. Bush did in the last Administration. Already the council has demanded changes in several environmental rules, including one that would set air pollution standards for municipal waste incinerators.

The Quayle panel would seem to be acting in line with the philosophy Mr. Bush expressed when he signed the clean air bill last year. He said the Government should rely less on regulation and more on the marketplace, offering "incentives, choice and flexibility for industry to find the best solutions."

But the growth in the volume and detail of Federal regulation seems likely to continue unless President Bush makes a stronger personal effort to curtail it.•

• Mr. RUDMAN. Mr. President, I am pleased to join my colleagues Senators NUNN and KASTEN in sponsoring the Paperwork Reduction Act of 1991. This bill has the same basic goal as legislation I introduced last year of reauthorizing appropriations to carry out the Paperwork Reduction Act, and I am pleased to support this measure today.

The Paperwork Reduction Act or PRA is one of those little-known but far-reaching laws which touches the majority of Americans. Originally enacted in 1980 under the sponsorship of former Senator Chiles of Florida, the act sought to reduce the paperwork burden that the Federal Government requires of taxpayers. Anyone who has filled out a Federal tax return, applied for a Social Security number, or responded to a census survey, has participated in the paperwork process. Paperwork is the primary conduit through which the Federal Government obtains information, thus providing a vital link between the bureaucracy and the American people. Just as essential, however, is the need to ensure that citizens are not overburdened by Fed-

eral paperwork, and it is this problem that the Paperwork Reduction Act is designed to address.

In carrying out this goal, the PRA requires Federal agencies to consider the impact of their requests for information and to minimize the demands imposed on the public. It also created the Office of Information and Regulatory Affairs, known as OIRA, to oversee this process and other information management issues.

The authorization of appropriations for OIRA to carry out the Paperwork Reduction Act expired September 30, 1989. The delay in renewing this important law has revolved around two issues: the role of OIRA with respect to its function of reviewing on behalf of a President the regulations proposed by executive agencies; and the proper extent of OIRA's paperwork control functions.

The issue regarding regulatory review is a sensitive matter which has been around for a decade. I will limit myself today to noting that in 1982, Senator LEVIN, Senator DURENBERGER, and I proposed and the Senate passed legislation governing this issue. Although that measure did not become law, it led to an agreement between Congress and OBM Director James Miller in 1986 which the White House is still complying with today. Although I have no problem with Congress choosing to revisit this issue, that debate should not come at the expense of the Paperwork Reduction Act itself, which has now been without reauthorization for a year and a half.

Regarding the OIRA's paperwork control functions, some have argued that OIRA has ineffectively carried out its paperwork review mandate and provisions in earlier reauthorization proposals to limited OIRA's authority in this regard. In my view, while there is certainly room for improvement in assessing and reducing Federal paperwork burdens on the public, these burdens would undoubtedly be greater in the absence of the PRA. For this reason, the mission of OIRA should be strengthened, not diminished.

The legislation I am consponsoring would accomplish this very goal. It reaffirms the fundamental purpose of the original Paperwork Reduction Act of 1980 to minimize paperwork burdens imposed on the public, including individuals, businesses, local governments, and educational and non profit institutions. To do this, the Paperwork Reduction Act of 1991 provides a 5-year authorization of appropriations to OIRA for the purpose of carrying out the mandates of the Act.

Other important aspects of this legislation include: clarifying that the PRA's provisions apply to all government-sponsored paperwork, irrespective of whether the paperwork is for Federal Government use or intended for nongovernmental third-parties; reestablishing percentage-based goals for paperwork reduction; increasing agency responsibilities for managing paperwork reduction; reducing by 30 days the amount of time an agency's proposed paperwork requirement spends at OIRA; establishing standards to better estimate public paperwork burdens; and providing OIRA with authority to carry out demonstration projects for the purpose of testing innovative approaches to minimizing paperwork burden.

As Members of Congress, we rely on regulatory compliance to ensure the effective execution of the laws we pass. Tax policy, occupational safety standards, environment law, and a myriad of other issues make the journey from broad legislation to real and substantive policy through the regulatory process, and paperwork is the route to the successful completion of these efforts. We expect individuals and businesses to recognize their obligation to be cooperative with Federal requirements. In exchange, we must be cognizant of and reduce the public impact of such Federal action.

Coming from New Hampshire, I am particularly sensitive to the needs of small businesses which have the hardest time with Federal paperwork compliance. Many small businesses must hire accountants and other specialists merely to understand Government forms, let alone to begin complying with them. When excess time and money is spent on Federal paperwork, it is diverting resources which could be applied to improve management and productivity. Small businesses employ 40 million people in this country and account for over half of new jobs. Stemming and reducing the burden of Federal paperwork does more than simply alleviate unnecessary or duplicative information requests; it is good for the entire economy.

The Paperwork Reduction Act has worked; even its opponents would be hard pressed to dispute the fact that the public burden of Federal paperwork would have been much higher over the last decade were it not for the existence of this act. Now the time has come once again for Congress to show that it is sensitive to federally imposed redtape upon the American public. The Paperwork Reduction Act of 1991 will provide the tools necessary to make even greater strides in this direction, and I urge its prompt consideration and support by the full Senate.●

● Mr. BOND. Mr. President, I am pleased today to cosponsor the Paperwork Reduction Act of 1991 [PRA].

Thank you, Senator NUNN and Senator KASTEN for sponsoring this long awaited and much needed piece of legislation.

Small businesses are a vital part of this Nation's economy. They create the majority of the new jobs and a large part of the economic growth. It is important that the Federal Government enact policies which ensure that small businesses can continue to grow and thrive.

As a member of the Senate Small Business Committee, I have been working over the past 4 years to ensure that we do take steps that will allow small businesses to succeed. And burying them under mountains of paperwork is not the way to aid them in their search for success. One way to help them is to reduce the time spent filling out Federal Government forms, which is currently 1 billion hours each year. This amount of time is outrageous; and I believe that the PRA will help to reduce the burden so that small business owners can put their time to more constructive and profitable uses.

As the ranking Republican on the Procurement and Paperwork Subcommittee, I have taken a special interest in this bill. It is an attempt to reaffirm the fundamental purpose of the Paperwork Reduction Act of 1980, which was to minimize the Federal paperwork burdens imposed on individuals and small business owners, among others. It also requires goals to be set by the various Federal agencies, placing real obligations on them to lighten the paperwork load. The Paperwork Reduction Act of 1991 takes a positive look at the original act of 1980 with the intention of strengthening both the act and the ability of the Office of Information and Regulatory Affairs to implement it.

Along with the support of its original cosponsors, the PRA has the support of many small business organizations, including the National Federation of Independent Business, National Small Business United, and the Small Business Legislative Council. The U.S. Chamber of Commerce also joins in championing this bill. I hope that all of my colleagues will join us to ease the enormous paperwork burden on individuals and small business owners which is caused by the Federal Government's incessant need for information.●

By Mr. WOFFORD:

S. 1140. A bill to amend title IV of the Higher Education Act of 1965 to simplify the needs analysis; to the Committee on Labor and Human Resources.

HIGHER EDUCATION ACT SIMPLIFICATION

● Mr. WOFFORD. Mr. President, Senator KENNEDY rightly said this morning that the national educational system is in urgent need of an overhaul. He offered a series of bills that, if passed, should make substantial improvements. I rise now to offer one further bill that would change the treatment of home asset value in determining a family's financial ability to pay for a child in college.

Under current law, a family may have low annual income but, due to home equity accumulated over years of

making mortgage payments, still be held capable of paying large college expenses. Under the bill I am introducing, if home equity exceeds two times a family's annual income, then the excess may not be considered in determining the family's ability to pay for a child in college. As a result, their child will be eligible to receive Federal financial aid for higher education.

It's just not fair that some families who've worked hard to pay their mortgages over the years can't receive college aid. This bill will help struggling middle-class families on limited incomes send their children to college. No longer will college aid be out of reach for kids from families whose home is their only major asset.

I ask unanimous consent that the text of this bill be printed in the RECORD, following my remarks.

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

S. 1140

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

SECTION 1. BEOG PURPOSE.

(a) IN GENERAL.—Section 411 of the Higher Education Act of 1965 (hereafter in this Act referred to as the "Act") (20 U.S.C. 1070a) is amended—

(1) by amending paragraph (1) of subsection (b) to read as follows: "(1) The purpose of this subpart is to provide a basic grant that (A) as determined under paragraph (2), will contribute to a student's cost of attendance (as defined in section 472 of part F); and (B) in combination with reasonable parental or student contribution and supplemented by the programs authorized under subparts 2 and 3 of this part, will meet 75 percent of a student's cost of attendance (as defined in section 472), unless the institution determines that a greater amount of assistance would better serve the purposes of section 401.";

(2) in the matter preceding subparagraph (A) of subsection (f)(1), by striking "an estimate of the eligibility index" and inserting "the federal eligibility number (determined in accordance with section 473 of part F) as part of the contractor's regular output";

(3) in subsection (f)—

(A) in paragraph (1)—

(i) in subparagraph (A), by striking "eligibility index" and inserting "federal eligibility number";

(ii) in subparagraph (B), by striking "eligibility index" and inserting "federal eligibility number"; and

(iii) in subparagraph (D), by striking "eligibility index" and inserting "federal eligibility number"; and

(B) in paragraph (3)—

(i) by striking "1986-1987" and inserting "1993-1994"; and

(ii) by striking "eligibility index" and inserting "federal eligibility number"; and

(C) by inserting at the end thereof the following new paragraph:

"(4) For purposes of calculating awards under this subpart, institutions of higher education shall use—

"(A) the student's federal eligibility number (determined in accordance with section 473 of part F);

"(B) the amount of tuition and fees normally assessed a student carrying the same academic workload as determined by the institution, and including costs for rental or purchase of any equipment, materials, or supplies required of all students in the same course of study; and

"(C) the student's enrollment status.".

(b) CONFORMING AMENDMENTS.—Subsection (b) of section 411 of the Act is further amended—

(1) in paragraph (3), by striking "411F" and inserting "472"; and

(2) in paragraph (4), by striking "411F" and inserting "472".

SEC. 2. REPEALERS.

Sections 411A, 411B, 411C, 411D, 411E, and 411F of the Act (20 U.S.C. 1070a-1, 1070a-2, 1070a-3, 1070a-4, 1070a-5, 1070a-6, and 1070a-7) are repealed.

SEC. 3. AMOUNT OF NEED.

Section 471 of the Act (20 U.S.C. 1087kk) is amended by striking "subparts 1 and 3" and inserting "subpart 1".

SEC. 4. COST OF ATTENDANCE.

Section 472 of the Act (20 U.S.C. 1087ll) is amended—

(1) in the matter proceeding paragraph (1), by striking "except for subpart 1 of part A and";

(2) by amending paragraph (3) to read as follows:

"(3) an allowance (as determined by the institution) based on the expenses reasonably incurred for room and board costs for—

"(A) students residing at home with parents;

"(B) students residing in institutionally owned or operated housing; and

"(C) all other students";

(3) in paragraph (5), by inserting "(as determined by the institution)" after "costs";

(4) by striking "and" at the end of paragraph (8);

(5) by striking the period at the end of paragraph (9) and inserting a semicolon and "and"; and

(6) by inserting at the end thereof the following new paragraph:

"(10) for any student, additional educational expenses determined by the institution to be necessary for the student's program of study.".

SEC. 5. FEDERAL ELIGIBILITY.

Section 473 of the Act (20 U.S.C. 1087mm) is amended to read as follows:

"(a) FEDERAL ELIGIBILITY.—For the purpose of this title and except as provided in subsection (b), the term 'family contribution' with respect to any student means the amount which the student and his or her family may be reasonably expected to contribute toward his or her postsecondary education for the award year for which the determination is made, as determined in accordance with this part.

"(b) ADJUSTMENTS IN THE CASE OF PELL GRANTS.—

"(1) IN GENERAL.—For purposes of the program described in subpart 1 of part A, the term 'family contribution' is modified to exclude—

"(A) the standard income contribution determined in accordance with section 480(j) of this part; and

"(B) veterans' educational benefits determined in accordance with sections 476(a)(3) and 477(a)(4) of this part.

"(2) SPECIAL RULE.—Notwithstanding the adjustment required by paragraph (1), any calculated contribution from student income shall be used in determining the family contribution for purposes of the program in subpart 1 of part A.

"(c) FEDERAL ELIGIBILITY NUMBER.—

"(1) IN GENERAL.—The expected family contribution, as modified in paragraphs (1) and (2) of this subsection, shall be the 'federal eligibility number'.

"(2) PELL GRANTS.—For purposes of the program under subpart 1 of part A, eligibility is determined using the federal eligibility number.".

SEC. 6. DATA ELEMENTS USED IN DETERMINING EXPECTED FAMILY CONTRIBUTION.

Section 474 of the Act (20 U.S.C. 1087nn) is amended—

(1) in paragraph (1), by striking "dependent student" and inserting "student using the Parents First model";

(2) by amending paragraph (3) to read as follows:

"(3) the number of family members who are enrolled in, on at least a half-time basis, a program of postsecondary education and for whom the family may reasonably be expected to contribute to such family members' postsecondary education, except that (A) in the case of the Parents First model, only the dependent children of the parents are included, and (B) in the case of the Students First models, the student, spouse, and dependents of the student are included;";

(3) in paragraph (4), by striking "dependent student" and inserting "student using the Parents First model"; and

(4) by amending paragraphs (6), (7), and (8) to read as follows:

"(6) the age of (A) the older parent in the case of a student using the Parents First model, and (B) the student in the case of a student using a Students First model;

"(7) the additional expenses incurred (A) in the case of a student using the Parents First model, when both parents of the student are employed or when the family is headed by a single parent who is employed, or (B) in the case of a student using a Students First model, when both the student and his or her spouse are employed or when the employed student qualifies as a surviving spouse or as a head of a household under section 2 of the Internal Revenue Code of 1986; and

"(8) except for the program in subpart 1 of part A, (A) the standard income contribution, and (B) the student's veterans educational benefits.".

SEC. 7. FEDERAL ELIGIBILITY FOR PARENTS FIRST MODEL.

(a) AMENDMENT TO TEXT.—Section 475 of the Act (20 U.S.C. 1087oo) is amended to read as follows:

"(a) COMPUTATION OF EXPECTED FAMILY CONTRIBUTION.—For each student using the Parents First model, the expected family contribution is equal to the sum of—

"(1) the parents' contribution (determined in accordance with subsection (b));

"(2) the student contribution from income (determined in accordance with subsection (g); and

"(3) the student (and spouse) contribution from assets (determined in accordance with subsection (h)),

except that a family receiving public assistance (as defined in section 480(c)) or a family with a parents' earned income less than the earned income limitation under section 32 of the Internal Revenue Code of 1986 (relating to the earned income credit) at the time of application shall be considered to have a zero family contribution.

"(b) PARENTS' CONTRIBUTION FROM ADJUSTED AVAILABLE INCOME.—The parents' contribution from adjusted available income is equal to the amount determined by—

"(1) computing adjusted available income by adding—

"(A) the parents' available income (determined in accordance with subsection (c)); and

"(B) the parents' income supplemental amount from assets (determined in accordance with subsection (d));

"(2) assessing such adjusted available income in accordance with the assessment schedule set forth in subsection (e); and

"(3) dividing the assessment resulting under paragraph (2) by the number of the dependent children of the parent(s) who will be attending, on at least a half-time basis, a program of postsecondary education during the award period for which assistance under this title is requested;

except that the amount determined under this subsection shall not be less than zero.

"(c) PARENTS' AVAILABLE INCOME.—

"(1) IN GENERAL.—The parents' available income is determined by deducting from total income (as defined in section 480)—

"(A) Federal income taxes;

"(B) an allowance for State and other taxes, determined in accordance with paragraph (2);

"(C) an allowance for social security taxes, determined in accordance with paragraph (3);

"(D) an income protection allowance, determined in accordance with paragraph (4); and

"(E) an employment expense allowance, determined in accordance with paragraph (5).

"(2) ALLOWANCE FOR STATE AND OTHER TAXES.—The allowance for State and other taxes is equal to an amount determined by multiplying total income (as defined in section 480) by a percentage determined according to the following table (or a successor table prescribed by the Secretary under section 478):

Percentages for Computation of State and Other Tax Allowance

If parent's State or territory of residence is—	And parent's total income is—	
	less than $15,000	$15,000 or more
	then the percentage is—	
Alaska, Puerto Rico, Wyoming	3	2
American Samoa, Guam, Louisiana, Nevada, Texas, Trust Territory, Virgin Islands.	4	3
Florida, South Dakota, Tennessee, New Mexico	5	4
North Dakota, Washington	6	5
Alabama, Arizona, Arkansas, Indiana, Mississippi, Missouri, Montana, New Hampshire, Oklahoma, West Virginia.	7	6
Colorado, Connecticut, Georgia, Illinois, Kansas, Kentucky.	8	7
California, Delaware, Idaho, Iowa, Nebraska, North Carolina, Ohio, Pennsylvania, South Carolina, Utah, Vermont, Virginia, Canada, Mexico.	9	8

Percentages for Computation of State and Other Tax Allowance—Continued

If parent's State or territory of residence is—	And parent's total income is—	
	less than $15,000	$15,000 or more
	then the percentage is—	
Maine, New Jersey	10	9
District of Columbia, Hawaii, Maryland, Massachusetts, Oregon, Rhode Island.	11	10
Michigan, Minnesota	12	11
Wisconsin	13	12
New York	14	13

"(3) ALLOWANCE FOR SOCIAL SECURITY TAXES.—The allowance for social security taxes is equal to the amount earned by each parent multiplied by the social security withholding rate appropriate to the tax year of the earnings, up to the maximum statutory social security tax withholding amount for that same tax year.

"(4) INCOME PROTECTION ALLOWANCE.—The income protection allowance is the amount of expenses that would be associated with support of an individual or family, and above which income could be considered to be available for educational expenses. The income protection allowance is determined by the following table (or a successor table prescribed by the Secretary under section 478);";

Income Protection Allowance

Family size (including student)	Number in college: 1	2	3	4	5	For each additional subtract:
2	$10,370	$8,600				
3	12,910	11,150	$9,380			
4	15,940	14,180	12,410	$10,640		
5	18,810	17,050	15,280	13,510	$10,500	
6	22,010	20,240	18,470	16,700	14,930	$1,770
For each additional add:	2,490	2,490	2,490	2,490	2,490	

"(5) EMPLOYMENT EXPENSE ALLOWANCE.—The employment expense allowance is determined as follows:

"(A) If both parents were employed in the year for which their income is reported and both have their incomes reported in determining the expected family contribution, such allowance is equal to the lesser of $2,100 or 35 percent of the earned income of the parent with the lesser earned income.

"(B) If a parent qualifies as a head of household as defined in section 2 of the Internal Revenue Code, such allowance is equal to the lesser of $2,100 or 35 percent of his or her earned income.

For any award year after award year 1993–1994, this paragraph shall be applied by increasing the dollar amount specified in subparagraphs (A) and (B) to reflect increases in the amount and percent of the Bureau of Labor Statistics budget of the marginal costs for meals away from home, apparel and upkeep, transportation, and housekeeping services for a two-worker versus one-worker family.

"(d) PARENTS' INCOME SUPPLEMENTAL AMOUNT FROM ASSETS.—

"(1) IN GENERAL.—Except as provided in paragraph (5), the parents' income supplemental amount from assets is equal to—

"(A) the parental net worth (determined in accordance with paragraph (2)); minus

"(B) the asset protection allowance (determined in accordance with paragraph (3)) except that the resulting amount shall not be less than zero; multiplied by

"(C) the asset conversion rate (determined in accordance with paragraph (4)).

"(2) PARENTAL NET WORTH.—The parental net worth is calculated by adding—

"(A) the current balance of checking and savings accounts and cash on hand;

"(B) the net value of investments and real estate, including the net value in the principal place of residence (except that the value of the principal place of residence is determined in accordance with paragraph (6);

"(C) the adjusted net worth of a business, computed on the basis of the net worth of such business (hereafter in this subsection referred to as 'NW'), determined in accordance with the following table (or a successor table prescribed by the Secretary under section 478):

Adjusted Net Worth of a Business

If the net worth of a business is—	Then the adjusted net worth is:
Less than $1	$0
$1–$75,000	40 percent of NW
$75,001–$225,000	$30,000 plus 50 percent of NW over $75,000
$225,001–$370,000	$105,000 plus 60 percent of NW over $225,000
$370,001 or more	$192,000 plus 100 percent of NW over $370,000

and

"(D) the adjusted net worth of a farm, computed on the basis of the net worth of such farm (hereafter in this subsection referred to as 'NW'), determined in accordance with the following table (or a successor table prescribed by the Secretary under section 478):

Adjusted Net Worth of a Farm

If the net worth of a farm is—	Then the adjusted net worth is:
Less than $1	$0
$1–$75,000	35 percent of NW
$75,001–$225,000	$26,250 plus 45 percent of NW over $75,000
$225,001–$370,000	$93,750 plus 55 percent of NW over $225,000
$370,001 or more	$173,500 plus 95 percent of NW over $370,000

"(3) ASSET PROTECTION ALLOWANCE.—The asset protection allowance is calculated according to the following table:

Asset Protection Allowances for Families and Students

If the age of the oldest parent is—	And there are two parents	one parent
	then the asset protection allowance is—	
25 or less	$0	$0
26	2,300	1,700
27	4,500	3,300
28	6,800	5,000
29	9,000	6,700
30	11,300	8,400
31	13,600	10,000
32	15,800	11,700
33	18,100	13,400
34	20,300	15,100
35	22,600	16,700
36	24,900	18,400
37	27,100	20,100
38	29,400	21,800
39	31,600	23,400
40	33,900	25,100
41	34,800	25,700

Asset Protection Allowances for Families and Students—Continued

If the age of the oldest parent is—	And there are two parents	And there are one parent
	then the asset protection allowance is—	
42	35,700	26,200
43	36,400	26,800
44	37,300	27,300
45	38,300	28,000
46	39,300	28,700
47	40,300	29,200
48	41,600	29,900
49	42,700	30,600
50	43,800	31,400
51	45,200	32,100
52	46,300	32,900
53	47,800	33,700
54	49,300	34,700
55	50,500	35,500
56	52,100	36,400
57	53,700	37,500
58	55,700	38,300
59	57,400	39,500
60	59,100	40,600
61	61,200	41,700
62	63,400	42,900
63	65,300	44,100
64	67,600	45,400
65 or more	69,900	46,900

"(4) ASSET CONVERSION RATE.—The asset conversion rate is 12 percent.

"(5) INCOME SUPPLEMENTAL AMOUNT.—For purposes of determining the income supplemental amount from assets, for families who (A) have total income (determined in accordance with section 480(a)) which is equal to or less than $20,000; and (B) who, at the time of application, have filed a 1040A or 1040EZ pursuant to the Internal Revenue Code of 1986, or are not required to file pursuant to such Code, the income supplemental amount from assets is zero";

"(6) VALUE AND NET VALUE OF PRINCIPAL PLACE OF RESIDENCE.—(A) For purposes of determining the value of the principal place of residence such value shall be the lesser of—

"(i) the current market value; or

"(ii) three times the total income (as determined in accordance with section 480(a)).

"(B) The net value of the principal place of residence is determined by subtracting outstanding liabilities or indebtedness against the assets from the value described in subparagraph (A).

"(e) ASSESSMENT SCHEDULE.—The adjusted available income (as determined under subsection (b)(1) and hereafter in this subsection referred to as 'AAI') is assessed according to the following table (or a successor table prescribed by the Secretary under section 478:

Parents' Assessment From Adjusted Available Income (AAI)

If AAI is—	Then the assessment is—
Less than –$3,409	–$750
–$3,409 to $9,300	22% of AAI
$9,301 to $11,600	$2,046 + 25% of AAI over $9,300
$11,601 to $14,000	$2,621 + 29% of AAI over $11,600
$14,001 to $16,300	$3,317 + 34% of AAI over $14,000
$16,301 to $18,700	$4,099 + 40% of AAI over $16,300
$18,701 or more	$5,059 + 47% of AAI over $18,700

"(f) COMPUTATIONS IN CASE OF SEPARATION, DIVORCE, REMARRIAGE, OR DEATH.—

"(1) DIVORCED OR SEPARATED PARENTS.—Parental income and assets for a student whose parents are divorced or separated are determined under the following procedures:

"(A) Include the income and assets of both parents regardless of whom the student resides with.

"(B) If the preceding criterion does not apply, include only the income and assets of the parent who provided the greater portion of the student's support for the 12-month period preceding the date of application.

"(C) If neither of the preceding criteria apply, include only the income and assets of the parent who provided the greater support during the most recent calendar year for which parental support was provided.

"(2) DEATH OF A PARENT.—Parental income and assets in the case of the death of any parent is determined as follows:

"(A) If either of the parents have died, the student shall include only the income and assets of the surviving parent.

"(B) If both parents have died, the student shall not report any parental income or assets.

"(3) REMARRIED PARENTS.—Income in the case of a parent whose income and assets are taken into account under paragraph (1), or a parent who is a widow or widower and whose income and assets are taken into account under paragraph (2), has remarried, is determined as follows: The income and assets of that parent's spouse shall be included in determining the student's expected family contribution if—

"(A) the student's parent and the stepparent are married as of the date of application for the award year concerned; and

"(B) the student does not qualify under the Students First definition.

"(g) STUDENT CONTRIBUTION FROM INCOME.—

"(1) IN GENERAL.—For the purpose of this title, (except for the program under subpart 1 of part A), the student contribution from available income under this section is equal to—

"(A) a standard income contribution of $900 for a first-year undergraduate student; or

"(B) a standard income contribution of $1,100 for any other student.

"(2) STANDARD INCOME CONTRIBUTION.—The standard income contribution is updated according to section 478.

"(h) STUDENT (AND SPOUSE) CONTRIBUTION FROM ASSETS.—

"(1) IN GENERAL.—The student's (and spouse's) contribution from assets is equal to—

"(A) the student's (and spouse's) net worth (determined in accordance with paragraph (2)); multiplied by

"(B) the asset conversion rate (determined in accordance with paragraph (3));

except that the student's (and spouse's) contribution from assets shall not be less than zero.

"(2) STUDENT'S NET WORTH.—The student's net worth is calculated by adding—

"(A) the current balance of checking and savings accounts and cash on hand;

"(B) the net value of investments and real estate, including the net value in the principal place of residence (except that the value of the principal place of residence is determined in accordance with paragraph (4);

"(C) the adjusted net worth of a business, computed on the basis of the net worth of such business (hereafter referred to as 'NW'), determined in accordance with the following table (or a successor table prescribed by the Secretary under section 478):

Adjusted Net Worth of a Business

If the net worth of a business is—	Then the adjusted net worth is:
Less than $1	$0
$1–$75,000	40 percent of NW
$75,001–$225,000	$30,000 plus 50 percent of NW over $75,000

Adjusted Net Worth of a Business—Continued

If the net worth of a business is—	Then the adjusted net worth is:
$225,001–$370,000	$105,000 plus 60 percent of NW over $225,000
$370,001 or more	$192,000 plus 100 percent of NW over $370,000

and

"(D) the adjusted net worth of a farm, computed on the basis of the net worth of such farm (hereafter referred to as 'NW'), determined in accordance with the following table (or a successor table prescribed by the Secretary under section 478):

Adjusted Net Worth of a Farm

If the net worth of a farm is—	Then the adjusted net worth is:
Less than $1	$0
$1–$75,000	35 percent of NW
$75,001–$225,000	$26,250 plus 45 percent of NW over $75,000
$225,001–$370,000	$93,750 plus 55 percent of NW over $225,000
$370,001 or more	$173,500 plus 95 percent of NW over $370,000

"(3) ASSET CONVERSION RATE.—The asset conversion rate is 35 percent.

"(4) VALUE AND NET VALUE OF PRINCIPAL PLACE OF RESIDENCE.—(A) For purposes of determining the value of the principal place of residence, such value shall be the lesser of—

"(i) the current market value; or

"(ii) three times the total income (as determined in accordance with section 480(a)).

"(B) The net value of the principal place of residence is determined by subtracting outstanding liabilities or indebtedness against the assets from the value described in subparagraph (A).

"(i) ADJUSTMENTS FOR ENROLLMENT PERIODS OTHER THAN 9 MONTHS.—For periods of enrollment other than nine months, the parents' contribution from adjusted available income is determined as follows:

"(1) For periods of enrollment less than 9 months, the parents' contribution from adjusted available income (determined in accordance with subsection (b)) is divided by 9 and the result multiplied by the number of months enrolled.

"(2) For periods of enrollment greater than 9 months—

"(A) the parents' adjusted available income (determined in accordance with subsection (b)(1)) is increased by the difference between the income protection allowance (determined in accordance with subsection (c)(4)) for a family of four and a family of five, each with one child in college;

"(B) the resulting revised parents' adjusted available income is assessed according to subsection (e) and adjusted according to subsection (b)(3) to determine a revised parents' contribution from adjusted available income;

"(C) the original parents' contribution from adjusted available income is subtracted from the revised parents' contribution from adjusted available income, and the result is divided by 12 to determine the monthly adjustment amount; and

"(D) the original parents' contribution from adjusted available income is increased by the product of the monthly adjustment amount multiplied by the number of months greater than 9 for which the student will be enrolled.

"(j) ADJUSTMENTS FOR ENROLLMENT PERIODS OTHER THAN 9 MONTHS.—For periods of enrollment other than 9 months, the student's contribution is adjusted based on individual circumstances.".

(b) AMENDMENT TO HEADING.—The heading for section 475 of the Act is amended to read as follows:

"FEDERAL ELIGIBILITY FOR PARENTS FIRST MODEL".

SEC. 8. FEDERAL ELIGIBILITY FOR STUDENTS FIRST MODEL WITHOUT DEPENDENT CHILDREN.

(a) AMENDMENT TO TEXT.—Section 476 of the Act (20 U.S.C. 1087pp) is amended to read as follows:

"(a) COMPUTATION OF EXPECTED FAMILY CONTRIBUTION.—For each student using the Students First model, the expected family contribution is determined by—

"(1) dividing the student's (and spouse's) contribution from income (determined in accordance with subsection (b)) by the number of family members who will be attending, on at least a half-time basis, a program of post-secondary education during the award period for which assistance under this title is requested, except that the student (and spouse's) contribution from income shall not be less than the standard income contribution of $1,350;

"(2) dividing the student's (and spouse's) contribution from assets (determined in accordance with subsection (c)) by the number of family members who will be attending, on at least a half-time basis, a program of post-secondary education during the award period for which assistance under this title is requested;

"(3) adding the resulting figures except that a family receiving public assistance (as defined in section 480(c)) at the time of application shall be considered to have a zero family contribution; and

"(4) adding veterans' benefits determined in accordance with section 480(e).

"(b) STUDENT'S (AND SPOUSE'S) CONTRIBUTION FROM INCOME.—

"(1) IN GENERAL.—The student's (and spouse's) contribution from income is determined by deducting from total income—

"(A) Federal income taxes;

"(B) an allowance for State and local income taxes, determined in accordance with paragraph (2);

"(C) the allowance for social security taxes, determined in accordance with paragraph (3);

"(D) an income protection allowance determined in accordance with paragraph (4); and

"(E) assessing such available income in accordance with paragraph (5), except the resulting amount shall not be less than zero.

"(2) ALLOWANCE FOR STATE AND LOCAL INCOME TAXES.—The allowance for State and local income taxes is equal to an amount determined by multiplying total taxable income (as defined in section 480) by a percentage determined according to the following table (or a successor table prescribed by the Secretary under section 478):

Percentages for Computation of State and Local Income Tax Allowance

If the students' State or territory of residence is—	The percentage is—
Alaska, American Samoa, Florida, Guam, Nevada, South Dakota, Tennessee, Texas, Trust Territory, Virgin Islands, Washington, Wyoming.	0
Connecticut, Louisiana, Puerto Rico	1
Arizona, New Hampshire, New Mexico, North Dakota	2
Alabama, Colorado, Illinois, Indiana, Kansas, Mississippi, Missouri, Montana, Nebraska, New Jersey, Oklahoma.	3
Arkansas, Georgia, Iowa, Kentucky, Maine, Pennsylvania, Utah, Vermont, Virginia, West Virginia, Canada, Mexico.	4
California, Idaho, Massachusetts, North Carolina, Ohio, Rhode Island, South Carolina.	5
Hawaii, Maryland, Michigan, Wisconsin	6
Delaware, District of Columbia, Minnesota, Oregon	7

Percentages for Computation of State and Local Income Tax Allowance—Continued

If the students' State or territory of residence is—	The percentage is—
New York	8

"(3) ALLOWANCE FOR SOCIAL SECURITY TAXES.—The allowance for social security taxes is equal to the amounts earned by the student (and spouse) each multiplied by the social security withholding rate appropriate to the tax year of the earnings, up to the maximum statutory social security tax withholding amount for that same tax year.

"(4) INCOME PROTECTION ALLOWANCE.—The income protection allowance is the amount of expenses that would be associated with support of an individual or family, and above which income could be considered to be available for educational expenses. The income protection allowance is a monthly allowance for periods of nonenrollment. The income protection allowance is determined by the following table (or a successor table prescribed by the Secretary under section 478):

Income Protection Allowance

Student marital status	Number in college	
	Student only	Student and spouse
Unmarried	$5,185	—
Married	$10,370	$8,600

"(5) ASSESSMENT OF AVAILABLE INCOME.—The student's (and spouse's) available income (determined in accordance with paragraph (1) of this section) is assessed at 70 percent.

"(c) STUDENT'S (AND SPOUSE'S) CONTRIBUTION FROM ASSETS.—

"(1) IN GENERAL.—The student's (and spouse's) contribution from assets is equal to—

"(A) the student's (and spouse's) net worth (determined in accordance with paragraph (2)); minus

"(B) the asset protection allowance (determined in accordance with paragraph (3)); multiplied by

"(C) the asset conversion rate (determined in accordance with paragraph (4));

except that the student's (and spouse's) contribution from assets shall not be less than zero.

"(2) STUDENT'S NET WORTH.—The student's net worth is calculated by adding—

"(A) the current balance of checking and savings accounts and cash on hand;

"(B) the net value of investments and real estate, including the net value in the principal place of residence (except that the value of the principal place of residence is determined in accordance with paragraph (5));

"(C) the adjusted net worth of a business, computed on the basis of the net worth of such business (hereafter referred to as 'NW'), determined in accordance with the following table (or a successor table prescribed by the Secretary under section 478):

Adjusted Net Worth of a Business

If the net worth of a business is—	Then the adjusted net worth is:
Less than $1	$0
$1–$75,000	40 percent of NW
$75,001–$225,000	$30,000 plus 50 percent of NW over $75,000
$225,001–$370,000	$105,000 plus 60 percent of NW over $225,000
$370,001 or more	$192,000 plus 100 percent of NW over $370,000

and

"(D) the adjusted net worth of a farm, computed on the basis of the net worth of such farm (hereafter referred to as 'NW'), determined in accordance with the following table (or a successor table prescribed by the Secretary under section 478):

Adjusted Net Worth of a Farm

If the net worth of a farm is—	Then the adjusted net worth is:
Less than $1	$0
$1–$75,000	35 percent of NW
$75,001–$225,000	$26,250 plus 45 percent of NW over $75,000
$225,001–$370,000	$93,750 plus 55 percent of NW over $225,000
$370,001 or more	$173,500 plus 95 percent of NW over $370,000

"(3) ASSET PROTECTION ALLOWANCE.—The asset protection allowance is calculated according to the following table:

Asset Protection Allowances for Students Without Dependents

If the age of the student is—	Then the asset protection allowance is—
25 or less	$0.
26	1,700
27	3,300
28	5,000
29	6,700
30	8,400
31	10,000
32	11,700
33	13,400
34	15,100
35	16,700
36	18,400
37	20,100
38	21,800
39	23,400
40	25,100
41	25,700
42	26,200
43	26,800
44	27,300
45	28,000
46	28,700
47	29,200
48	29,900
49	30,600
50	31,400
51	32,100
52	32,900
53	33,700
54	34,700
55	35,500
56	36,400
57	37,500
58	38,300
59	39,500
60	40,600
61	41,700
62	42,900
63	44,100
64	45,400
65 or more	46,900

"(4) ASSET CONVERSION RATE.—The asset conversion rate is 35 percent.

"(5) VALUE AND NET VALUE OF PRINCIPAL PLACE OF RESIDENCE.—(A) For purposes of determining the value of the principal place of residence, such value shall be the lesser of—

"(i) the current market value; or

"(ii) three times the total income (as determined in accordance with section 480(a)).

"(B) The net value of the principal place of residence is determined by subtracting outstanding liabilities or indebtedness from the value described in subparagraph (A).

"(d) ADJUSTMENTS FOR ENROLLMENT PERIODS OTHER THAN 9 MONTHS.—For periods of enrollment other than 9 months, the student's contribution is adjusted based on individual circumstances.".

(b) AMENDMENT TO HEADING.—The heading to section 476 is amended to read as follows:

"FEDERAL ELIGIBILITY FOR STUDENTS FIRST MODEL WITHOUT DEPENDENT CHILDREN".

SEC. 9. FEDERAL ELIGIBILITY FOR STUDENTS FIRST MODEL WITH DEPENDENT CHILDREN.

(a) AMENDMENT TO TEXT.—Section 477 of the Act (20 U.S.C. 1087qq) is amended to read as follows:

"(a) COMPUTATION OF EXPECTED FAMILY CONTRIBUTION.—For each student using the Students First model, the expected family contribution is equal to the amount determined by—

"(1) computing adjusted available income by adding—

"(A) the family's available income (determined in accordance with subsection (b)); and

"(B) the family's income supplemental amount from assets (determined in accordance with subsection (c)); and

"(2) assessing such adjusted available income in accordance with an assessment schedule set forth in subsection (d);

"(3) dividing the assessment resulting under paragraph (2) by the number of family members who will be attending, on at least half-time basis, a program of postsecondary education during the award period for which assistance under this title is requested, except that the amount determined under this subsection shall not be less than the standard income contribution of $1,350 and a family receiving public assistance (as defined in section 480(c)) at the time of application shall be considered to have a zero family contribution; and

"(4) adding veterans' benefits as determined in accordance with section 480(e).

"(b) FAMILY'S AVAILABLE INCOME.—

"(1) IN GENERAL.—The family's available income is determined by deducting from total income (as defined in section 480)—

"(A) Federal income taxes;

"(B) an allowance for State and other taxes, determined in accordance with paragraph (2);

"(C) an allowance for social security taxes, determined in accordance with paragraph (3);

"(D) an income protection allowance, determined in accordance with paragraph (4); and

"(E) an employment expense allowance, determined in accordance with paragraph (5), except that the resulting available income shall not be less than zero.

"(2) ALLOWANCE FOR STATE AND OTHER TAXES.—The allowance for State and other taxes is equal to an amount determined by multiplying total income (as defined in section 480) by a percentage determined according to the following table (or a successor table prescribed by the Secretary under section 478):

Percentages for Computation of State and Other Tax Allowance

If parent's State or territory of residence is—	And student's total income is—	
	less than $15,000	$15,000 or more
	then the percentage is—	
Alaska, Puerto Rico, Wyoming	3	2
American Samoa, Guam, Louisiana, Nevada, Texas, Trust Territory, Virgin Islands.	4	3
Florida, South Dakota, Tennessee, New Mexico	5	4
North Dakota, Washington	6	5
Alabama, Arizona, Arkansas, Indiana, Mississippi, Missouri, Montana, New Hampshire, Oklahoma, West Virginia.	7	6
Colorado, Connecticut, Georgia, Illinois, Kansas, Kentucky.	8	7
California, Delaware, Idaho, Iowa, Nebraska, North Carolina, Ohio, Pennsylvania, South Carolina, Utah, Vermont, Virginia, Canada, Mexico.	9	8
Maine, New Jersey	10	9
District of Columbia, Hawaii, Maryland, Massachusetts, Oregon, Rhode Island.	11	10
Michigan, Minnesota	12	11
Wisconsin	13	12
New York	14	13

"(3) ALLOWANCE FOR SOCIAL SECURITY TAXES.—The allowance for social security taxes is equal to the amount earned by the student and the amount earned by the student's spouse each multiplied by the social security withholding rate appropriate to the tax year of the earnings, up to the maximum statutory social security tax withholding amount for that same tax year.

"(4) INCOME PROTECTION ALLOWANCE.—The income protection allowance is the amount of expenses that would be associated with support of an individual or family, and above which income could be considered to be available for educational expenses. The income protection allowance is determined by the following table (or a successor table prescribed by the Secretary under section 478):

Income Protection Allowance

Family size (including student)	Number in college: 1	2	3	4	5	For each additional subtract:
2	$10,370	$8,600				
3	12,910	11,150	$9,380			
4	15,940	14,180	12,410	$10,640		
5	18,810	17,050	15,280	13,510	$10,500	
6	22,010	20,240	18,470	16,700	14,930	$1,770
For each additional add:	2,490	2,490	2,490	2,490	2,490	

For each additional family member add $2,490.
For each additional college student subtract $1,770.

"(5) EMPLOYMENT EXPENSE ALLOWANCE.—The employment expense allowance is determined as follows:

"(A) If both the student and a spouse were employed in the year for which their income is reported and both have their incomes reported in determining the expected family contribution, such allowance is equal to the lesser of $2,100 or 35 percent of the earned income of the student or spouse with the lesser earned income.

"(B) If a student qualifies as a head of household as defined in section 2 of the Internal Revenue Code, such allowance is equal to the lesser of $2,100 or 35 percent of his or her earned income.

For any award year after award year 1993–1994, this paragraph shall be applied by increasing the dollar amount specified in subparagraphs (A) and (B) to reflect increases in the amount and percent of the Bureau of Labor Statistics budget of the marginal costs for meals away from home, apparel and upkeep, transportation, and housekeeping services for a two-worker versus one-worker family.

"(c) FAMILY'S INCOME SUPPLEMENTAL AMOUNT FROM ASSETS.—

"(1) IN GENERAL.—The family's income supplemental amount from assets is equal to—

"(A) the family net worth (determined in accordance with paragraph (2)); minus

"(B) the asset protection allowance (determined in accordance with paragraph (3)) except that the resulting amount shall not be less than zero; multiplied by

"(C) the asset conversion rate (determined in accordance with paragraph (4)).

"(2) FAMILY NET WORTH.—The family net worth is calculated by adding—

"(A) the current balance of checking and savings accounts and cash on hand;

"(B) the net value of investments and real estate, including the net value in the principal place of residence (except that the value of the principal place of residence is determined in accordance with paragraph (5));

"(C) the adjusted net worth of a business, computed on the basis of the net worth of such business (hereafter referred to as 'NW'), determined in accordance with the following table (or a successor table prescribed by the Secretary under section 478):

Adjusted Net Worth of a Business

If the net worth of a business is—	Then the adjusted net worth is:
Less than $1	$0
$1–$75,000	40 percent of NW
$75,001–$225,000	$30,000 plus 50 percent of NW over $75,000
$225,001–$370,000	$105,000 plus 60 percent of NW over $225,000
$370,001 or more	$192,000 plus 100 percent of NW over $370,000

"(D) the adjusted net worth of a farm, computed on the basis of the net worth of such farm (hereafter referred to as 'NW'), determined in accordance with the following table (or a successor table prescribed by the Secretary under section 478):

Adjusted Net Worth of a Farm

If the net worth of a farm is—	Then the adjusted net worth is:
Less than $1	$0
$1–$75,000	35 percent of NW
$75,001–$225,000	$26,250 plus 45 percent of NW over $75,000
$225,001–$370,000	$93,750 plus 55 percent of NW over $225,000

Adjusted Net Worth of a Farm—Continued

If the net worth of a farm is—	Then the adjusted net worth is:
$370,001 or more	$173,500 plus 95 percent of NW over $370,000

"(3) ASSET PROTECTION ALLOWANCE.—The asset protection allowance is calculated according to the following table:

Asset Protection Allowances for Families and Students

If the age of the student is—	And the student is	
	married	unmarried
	then the asset protection allowance is—	
25 or less	$0	$0
26	2,300	1,700
27	4,500	3,300
28	6,800	5,000
29	9,000	6,700
30	11,300	8,400
31	13,600	10,000
32	15,800	11,700
33	18,100	13,400
34	20,300	15,100
35	22,600	16,700
36	24,900	18,400
37	27,100	20,100
38	29,400	21,800
39	31,600	23,400
40	33,900	25,100
41	34,800	25,700
42	35,700	26,200
43	36,400	26,800
44	37,300	27,300
45	38,300	28,000
46	39,300	28,700
47	40,300	29,200
48	41,600	29,900
49	42,700	30,600
50	43,800	31,400
51	45,200	32,100
52	46,300	32,900
53	47,800	33,700
54	49,300	34,700
55	50,500	35,500
56	52,100	36,400
57	53,700	37,500
58	55,700	38,300
59	57,400	39,500
60	59,100	40,600
61	61,200	41,700
62	63,400	42,900
63	65,300	44,100
64	67,600	45,400
65 or more	69,900	46,900

"(4) ASSET CONVERSION RATE.—The asset conversion rate is 12 percent.

"(5) VALUE AND NET VALUE OF PRINCIPAL PLACE OF RESIDENCE.—(A) For purposes of determining the value of the principal place of residence, such value shall be the lesser of—

"(i) the current market value; or

"(ii) two times the total income (as determined in accordance with section 480(a)).

"(B) The net value is determined by subtracting outstanding liabilities or indebtedness against the assets from the value described in subparagraph (A).

"(d) ASSESSMENT SCHEDULE.—The adjusted available income (as determined under subsection (a)(1) and hereafter referred to as 'AAI') is assessed according to the following table (or a successor table prescribed by the Secretary under section 478):

Assessment From Adjusted Available Income (AAI)

If AAI is—	Then the assessment is—
Less than –$3,409	–$750
–$3,409 to $9,300	22% of AAI
$9,301 to $11,600	$2,046 + 25% of AAI over $9,300
$11,601 to $14,000	$2,621 + 29% of AAI over $11,600
$14,001 to $16,300	$3,317 + 34% of AAI over $14,000
$16,301 to $18,700	$4,099 + 40% of AAI over $16,300

Assessment From Adjusted Available Income (AAI)—Continued

If AAI is—	Then the assessment is—
$18,701 or more	$5,059 + 47% of AAI over $18,700

"(e) ADJUSTMENT FOR ENROLLMENT PERIODS OTHER THAN 9 MONTHS.—For periods of enrollment other than 9 months, the student's contribution is adjusted based on individual circumstances.".

(b) AMENDMENT TO HEADING.—The heading to section 477 of the Act is amended to read as follows:

"FEDERAL ELIGIBILITY FOR STUDENTS FIRST MODEL WITH DEPENDENT CHILDREN".

SEC. 10. SIMPLIFIED NEEDS ANALYSIS.

Section 479 of the Act (20 U.S.C. 1087ss) is repealed.

SEC. 11. DISCRETION OF STUDENT AID ADMINISTRATORS.

Section 479A of the Act (20 U.S.C. 1087tt) is amended—

(1) in the first sentence, by striking "attendance or the data required to calculate the expected student contribution or parent contribution (or both)" and inserting "attendance, the data required or methodology used to calculate the expected student or parent contribution (or both), or the expected student or parent contribution (or both)";

(2) by amending the third sentence to read as follows: "Special circumstances shall be conditions pertaining to an individual student."; and

(3) by repealing subsections (b) and (c).

SEC. 12. DEFINITIONS.

(a) IN GENERAL.—Section 480 of the Act (20 U.S.C. 1087vv) is amended—

(1) by amending subsection (a) to read as follows:

"(a) TOTAL INCOME.—(1) Except as provided in paragraph (2), the term 'total income' is equal to adjusted gross income plus untaxed income and benefits for the preceding tax year minus excludable income (as defined in subsection (f)).

"(2) Except for amounts earned from work under part C of this title, no portion of any student financial assistance received from any program by an individual shall be included as income in the computation of expected family contribution for any program funded in whole or in part under this Act.";

(2) in subsection (b)—

(A) in the matter preceding paragraph (1), by striking "parent contributions or the contributions of independent students with dependents (including spouses)" and inserting "contributions calculated under the Parents First or Students First models described in sections 475 and 476"; and

(B) in paragraph (7) by inserting "from any source to the student or" after "paid";

(3) by amending subsection (c) to read as follows:

"(c) PUBLIC ASSISTANCE.—The term 'public assistance' means income maintenance programs, including aid to families with dependent children under a State plan approved under part A of title IV of the Social Security Act and aid to dependent children.";

(4) by amending subsection (d) to read as follows:

"(d) STUDENTS FIRST AND PARENTS FIRST.—

"(1) STUDENTS FIRST.—The term 'Students First' with respect to a student means any individual who—

"(A) is 24 years of age or older by July 1 of the award year;

"(B) is an orphan or ward of the court;

"(C) is a veteran (as defined in section 480(e)) of the Armed Forces of the United States;

"(D) is a graduate or professional student;

"(E) has legal dependents other than a spouse; or

"(F) is a student for whom a financial aid administrator makes a documented determination that the student meets the Students First requirements by reason of other unusual circumstances.

"(2) PARENTS FIRST.—The term 'Parents First' with respect to a student means any student who does not meet the Students First requirements described in paragraph (1).";

(5) by amending subsection (e) to read as follows:

"(e) VETERAN AND VETERANS' BENEFITS.—

"(1) VETERAN.—The term 'veteran' has the meaning given such term in section 101(2) of title 38, United States Code.

"(2) VETERANS' BENEFITS.—The term 'veterans' benefits', with respect to a student, includes the following benefits received by the student during the award year:

"(A) Financial assistance for specially selected members of the Reserve Officer Training Corps pursuant to section 2107 or 2107a of title 10, United States Code.

"(B) Educational assistance for members of the Selected Reserve pursuant to chapter 106 of such title.

"(C) Educational assistance for persons enlisting in the Armed Forces for active duty pursuant to chapter 107 of such title.

"(D) The monthly allowance payable to a student enrolled for advanced training in the Senior Reserve Officers' Training Corps for advanced training.

"(E) Educational assistance pursuant to chapter 30 of title 38, United States Code, relating to the All-Volunteer Force Educational Assistance Program.

"(F) An allowance, loan, or other form of monetary assistance authorized by section 1504 of title 38, United States Code, relating to training and rehabilitation for veterans with service-connected disabilities.

"(G) Payments pursuant to chapter 32 of title 38, United States Code, relating to post-Vietnam era veterans' educational assistance.

"(H) Educational assistance pursuant to chapter 35 of title 38, United States Code, relating to survivors' and dependents' educational assistance.

"(I) Payments pursuant to section 156 of Public Law 97-377 for survivors of certain members and former members of the Armed Forces.

"(J) Payment of the monthly contribution of a participant in the Post-Vietnam Era Veterans' Educational Assistance Program provided for under chapter 32 of title 38, United States Code, as authorized by section 903(a) of the Department of Defense Authorization Act, 1981 (10 U.S.C. 2141 note), and monthly assistance payments to a spouse or child as authorized by section 903(c) of such Act.";

(6) by amending subsection (f) to read as follows:

"(f) EXCLUDABLE INCOME.—The term 'excludable income' means any student financial assistance awarded based on need as determined in accordance with the provisions of this part, except any income earned from work under part C of this title.";

(7) in subsection (g) by striking "net"; and

(8) by inserting at the end thereof the following new subsection:

"(j) STANDARD INCOME CONTRIBUTION.—

"(1) IN GENERAL.—The term 'standard income contribution' means the amount the

student is expected to contribute to the student's postsecondary educational expenses and is equal to—

"(A) $900 for first year undergraduate students who use the Parents First model;

"(B) $1,100 for all students who use the Parents First model who are not described in subparagraph (A); and

"(C) $1,350 for all students who use one of the Students First models.

"(2) UPDATE.—The standard income contribution is updated according to section 478 of this part.".

(b) CONFORMING AMENDMENT.—The subsection heading for subsection (b) of section 480 of the Act is amended by striking "INDEPENDENT STUDENTS WITH DEPENDENTS" and inserting "STUDENTS".

SEC. 13. FORMS AND REGULATIONS.

Subsection (a) of section 483 of the Act (20 U.S.C. 1091(a)) is amended by amending paragraphs (1) and (2) of subsection (a) to read as follows: "(1)(A) The Secretary, in cooperation with representatives of agencies and organizations involved in student financial assistance, shall prescribe a simplified application form to be used to determine the need and eligibility of a student for financial assistance under parts A, C, and E of this title and to determine the need of a student for the purpose of part B of this title.

"(B) For the purpose of collecting eligibility and other data for the purpose of part B, guaranty agencies, in cooperation with the Secretary, shall develop separate, identifiable loan application documents that applicants or institutions in which the students are enrolled or accepted for enrollment shall submit directly to eligible lenders and on which the applicant shall clearly indicate a choice of lender.

"(C) To minimize the data collection necessary through any application form, the Secretary shall establish data base matches with the Immigration and Naturalization Service, the Social Security Administration, the Selective Service, the data bases authorized under sections 485B and 485C of part G of this title, and other data bases as appropriate.

"(D) After the requirements of subparagraph (C) of this section are satisfied, the Secretary shall, to the extent funding is available, ensure according to the following priority order that no student or parent of a student shall be charged a fee for processing the form prescribed by the Secretary whether the student completes that form or any other approved form for the first three institutions of higher education or State agencies, if that student—

"(i) is receiving public assistance;

"(ii) has total income equal to or less than $20,000;

"(iii) has total income greater than $20,000 but less than or equal to $40,000; or

"(iv) has total income greater than $40,000.

"(E) After the requirements of subparagraph (D) of this section are satisfied, the Secretary shall, to the extent funding is available, ensure that no student or parent of a student shall be charged a fee for processing the form prescribed by the Secretary whether the student completes that form or any other approved form for any institutions of higher education or State agencies.

"(F) A student or parent may be charged a fee for processing an institutional or a State financial aid form or data elements that is not required by the Secretary.

"(2) The Secretary shall, to the extent practicable, enter into not less than 2 contracts with States, institutions of higher education, or private organizations for the purpose of processing the application required under this subsection and issuing eligibility reports.".●

By Mr. ADAMS:

S.J. Res. 149. Joint resolution to designate May 1991, as "Older Americans Month"; to the Committee on the Judiciary.

OLDER AMERICANS MONTH

● Mr. ADAMS. Mr. President, I rise today to recognize a special group of individuals, our Nation's older citizens. I am proud to demonstrate my deep respect for these citizens by introducing legislation that would formally designate May 1991 as Older Americans Month. During this month, we, as a nation, take note of the many achievements and accomplishments made by older Americans. Because May has been recognized for many years as Older Americans Month, I know there are activities going on all over the country to celebrate the contributions our older citizens have made—and continue to make.

The elderly are the fastest growing population group in our country. One in eight Americans is over the age of 65. By the year 2030, one in five Americans will be over the age of 65. I believe, Mr. President, that there is no better time to turn to our older citizens as a solution to many of our Nation's problems. For example, we are increasingly concerned about a declining work force. Yet, we have only just begun to explore the possibilities of older citizens working in day care, assisting in our schools, aiding in providing long-term care, and serving in many other settings. These citizens have a wealth of knowledge and much to give—we need to acknowledge their special talents and to put their skills to greater use.

Each stage of life carries separate and distinct challenges and opportunities. We must work to integrate the abilities of our Nation's older citizens with the growing needs of our Nation's youth to establish a society which is responsive to the needs of all of its citizens. I believe that an intergenerational approach to aging offers creative and effective solutions to many of our Nation's problems. With older and younger citizens working together, I know that we can effectively address many of the social needs of people of every age.

As chairman of the Labor and Human Resources' Subcommittee on Aging, I intend to keep the concerns of our older citizens on the forefront of our national agenda. I ask that we recognize the contributions and needs of the Nation's elderly by again proclaiming May as Older Americans Month.●

ADDITIONAL COSPONSORS

S. 140

At the request of Mr. WIRTH, the name of the Senator from Washington [Mr. GORTON] was added as a cosponsor of S. 140, a bill to increase Federal payments in lieu of taxes to units of general local government, and for other purposes.

S. 144

At the request of Mr. MCCAIN, the name of the Senator from Michigan [Mr. RIEGLE] was added as a cosponsor of S. 144, a bill to protect the natural and cultural resources of the Grand Canyon and Glen Canyon.

S. 190

At the request of Mr. GRAHAM, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of S. 190, a bill to amend 3104 of title 38, United States Code, to permit veterans who have a service-connected disability and who are retired members of the Armed Forces to receive compensation, without reduction, concurrently with retired pay reduced on the basis of the degree of the disability rating of such veteran.

S. 280

At the request of Mr. DOLE, the names of the Senator from North Dakota [Mr. CONRAD], the Senator from Georgia [Mr. FOWLER], and the Senator from Iowa [Mr. HARKIN] were added as cosponsors of S. 280, a bill to provide for the inclusion of foreign deposits in the deposit insurance assessment base, to permit inclusion of nondeposit liabilities in the deposit insurance assessment base, to require the FDIC to implement a risk-based deposit insurance premium structure, to establish guidelines for early regulatory intervention in the financial decline of banks, and to permit regulatory restrictions on brokered deposits.

S. 290

At the request of Mr. MCCAIN, the names of the Senator from Kansas [Mrs. KASSEBAUM] and the Senator from Illinois [Mr. SIMON] were added as cosponsors of S. 290, a bill to establish an Indian Substance Abuse Program, and for other purposes.

S. 316

At the request of Mr. CRAIG, the name of the Senator from Kansas [Mrs. KASSEBAUM], was added as a cosponsor of S. 316, a bill to provide for treatment of Federal pay in the same manner as non-Federal pay with respect to garnishment and similar legal process.

S. 416

At the request of Mr. DANFORTH, the names of the Senator from Ohio [Mr. GLENN] and the Senator from New York [Mr. D'AMATO] were added as cosponsors of S. 416, a bill to amend the Internal Revenue Code of 1986 to make permanent the tax credit for increasing research activities.

S. 619

At the request of Mr. BRADLEY, the names of the Senator from Hawaii [Mr. AKAKA], the Senator from Florida [Mr. GRAHAM], the Senator from South Dakota [Mr. DASCHLE], the Senator from New York [Mr. MOYNIHAN] and the Senator from West Virginia [Mr. ROCKEFELLER] were added as cosponsors of S. 619, a bill to establish a Link-up for Learning demonstration grant program to provide coordinated services to at-risk youth.

S. 679

At the request of Mr. BRADLEY, the name of the Senator from California [Mr. CRANSTON] was added as a cosponsor of S. 679, a bill to amend the Internal Revenue Code of 1986 to exclude from gross income payments made by public utilities to customers to reduce the cost of energy conservation service and measures.

S. 799

At the request of Mr. NICKLES, the name of the Senator from Arizona [Mr. MCCAIN] was added as a cosponsor of S. 799, a bill to amend the Davis-Bacon and the Service Contract Act of 1965 to exempt from such Acts tenants of federally-related housing who participate in the construction, alteration, or repair of their residences, and for other purposes.

S. 829

At the request of Mr. GLENN, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of S. 829, a bill for the reduction of sediments in the Great Lakes.

S. 899

At the request of Mr. LUGAR, the name of the Senator from Alaska [Mr. STEVENS] was added as a cosponsor of S. 899, a bill to amend the Older Americans Act of 1965 to recognize, support, and promote the use of volunteers to assist older Americans, to encourage older Americans to volunteer in local communities, and for other purposes.

S. 902

At the request of Mr. BRADLEY, the name of the Senator from Hawaii [Mr. AKAKA] was added as a cosponsor of S. 902, a bill to amend title XIX of the Social Security Act to reduce infant mortality through improvement of coverage of services to pregnant women and infants under the medicaid program.

S. 904

At the request of Mr. BRADLEY, the name of the Senator from Hawaii [Mr. AKAKA] was added as a cosponsor of S. 904, a bill to provide for the establishment of a Children's Vaccine Initiative, and for other purposes.

S. 905

At the request of Mr. BRADLEY, the name of the Senator from Hawaii [Mr. AKAKA] was added as a cosponsor of S. 905, a bill to amend title XIX of the Social Security Act to improve the childhood immunization rate by providing for coverage of additional vaccines under the Medicaid Program and for enhanced Federal payment to States for vaccines administered to children under such programs and for other purposes.

S. 911

At the request of Mr. KENNEDY, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of S. 911, a bill to amend the Public Health Service Act to expand the availability of comprehensive primary and preventative care for pregnant women, infants and children and to provide grants for home-visiting services for at-risk families, to amend the Head Start Act to provide Head Start services to all eligible children by the year 1994, and for other purposes.

S. 929

At the request of Mr. WALLOP, the name of the Senator from Virginia [Mr. WARNER] was added as a cosponsor of S. 929, a bill to authorize the Secretary of the Interior and the Secretary of Agriculture to undertake interpretive and other programs on public lands and lands withdrawn from the public domain under their jurisdiction, and for other purposes.

S. 951

At the request of Mr. DECONCINI, the name of the Senator from Florida [Mr. GRAHAM] was added as a cosponsor of S. 951, a bill to provide financial assistance for programs for the prevention, identification, and treatment of elder abuse, neglect, and exploitation, to establish a National Center on Elder Abuse, and for other purposes.

S. 1032

At the request of Mr. DANFORTH, the names of the Senator from Colorado [Mr. BROWN] and the Senator from Oklahoma [Mr. NICKLES] were added as cosponsors 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. 1035

At the request of Mr. SIMON, the names of the Senator from Alabama [Mr. HEFLIN] and the Senator from Delaware [Mr. BIDEN] were added as cosponsors of S. 1035, a bill to amend section 107 of title 17, United States Code, relating to fair use with regard to unpublished copyrighted works.

S. 1046

At the request of Mr. BIDEN, the name of the Senator from West Virginia [Mr. BYRD] was added as a cosponsor of S. 1046, a bill to provide for the establishment of an international arms suppliers regime to limit the transfer of armaments to nations in the Middle East.

S. 1106

At the request of Mr. HARKIN, the name of the Senator from Kansas [Mrs. KASSEBAUM] was added as a cosponsor of S. 1106, a bill to amend the Individuals with Disabilities Education Act to strengthen such Act, and for other purposes.

S. 1121

At the request of Mr. WARNER, the names of the Senator from North Carolina [Mr. HELMS], the Senator from Arkansas [Mr. PRYOR], and the Senator from Florida [Mr. GRAHAM] were added as cosponsors of S. 1121, a bill to authorize funds for construction of highways, for highway safety programs, for mass transportation programs, and for other purposes.

SENATE JOINT RESOLUTION 40

At the request of Mr. THURMOND, the names of the Senator from Rhode Island [Mr. CHAFEE], the Senator from Missouri [Mr. DANFORTH], the Senator from Delaware [Mr. ROTH], the Senator from North Carolina [Mr. HELMS], the Senator from Massachusetts [Mr. KERRY], the Senator from Florida [Mr. GRAHAM], the Senator from Arkansas [Mr. PRYOR], the Senator from New York [Mr. D'AMATO], the Senator from Connecticut [Mr. LIEBERMAN], the Senator from New Mexico [Mr. DOMENICI], the Senator from Montana [Mr. BURNS], the Senator from Utah [Mr. HATCH], the Senator from Wisconsin [Mr. KASTEN], the Senator from Arizona [Mr. MCCAIN], the Senator from Kentucky [Mr. MCCONNELL], the Senator from Oklahoma [Mr. NICKLES], the Senator from Wyoming [Mr. WALLOP], and the Senator from Michigan [Mr. RIEGLE] were added as cosponsors of Senate Joint Resolution 40, a joint resolution to designate the period commencing September 8, 1991, and ending on September 14, 1991, as "National Historically Black Colleges Week."

SENATE JOINT RESOLUTION 72

At the request of Mr. SPECTER, the names of the Senator from Tennessee [Mr. GORE], the Senator from Indiana [Mr. COATS], the Senator from Maine [Mr. COHEN], and the Senator from Connecticut [Mr. LIEBERMAN] were added as cosponsors of Senate Joint Resolution 72, a joint resolution to designate the week of September 15, 1991, through September 21, 1991, as "National Rehabilitation Week."

SENATE JOINT RESOLUTION 73

At the request of Mr. SPECTER, the names of the Senator from Wisconsin [Mr. KOHL] and the Senator from Oregon [Mr. HATFIELD] were added as cosponsors of Senate Joint Resolution 73, a joint resolution designating October 1991 as "National Domestic Violence Awareness Month."

SENATE JOINT RESOLUTION 95

At the request of Mr. PELL, the names of the Senator from Georgia [Mr. NUNN], the Senator from Connecticut [Mr. DODD], the Senator from Idaho

[Mr. CRAIG], the Senator from North Dakota [Mr. BURDICK], the Senator from Nevada [Mr. BRYAN], the Senator from Tennessee [Mr. SASSER], the Senator from Montana [Mr. BURNS], the Senator from Washington [Mr. GORTON], and the Senator from Ohio [Mr. METZENBAUM] were added as cosponsors of Senate Joint Resolution 95, a joint resolution designating October 1991 as "National Breast Cancer Awareness Month."

SENATE JOINT RESOLUTION 107

At the request of Mr. MOYNIHAN, the name of the Senator from Arizona [Mr. DECONCINI] was added as a cosponsor of Senate Joint Resolution 107, a joint resolution to designate October 15, 1991, as "National Law Enforcement Memorial Dedication Day."

SENATE JOINT RESOLUTION 124

At the request of Mr. BRADLEY, the names of the Senator from Ohio [Mr. METZENBAUM] and the Senator from Georgia [Mr. FOWLER] were added as cosponsors of Senate Joint Resolution 124, a joint resolution to designate "National Visiting Nurse Associations Week" for 1992.

SENATE JOINT RESOLUTION 126

At the request of Mr. HATFIELD, the names of the Senator from Maine [Mr. COHEN], the Senator from Arkansas [Mr. BUMPERS], the Senator from Indiana [Mr. COATS], the Senator from Utah [Mr. GARN], the Senator from New York [Mr. D'AMATO], the Senator from Michigan [Mr. RIEGLE], the Senator from Idaho [Mr. CRAIG], the Senator from Tennessee [Mr. GORE], the Senator from Washington [Mr. GORTON], the Senator from Maine [Mr. MITCHELL], the Senator from Kansas [Mrs. KASSEBAUM], the Senator from Alabama [Mr. SHELBY], the Senator from Illinois [Mr. SIMON], the Senator from Maryland [Mr. SARBANES], the Senator from Pennsylvania [Mr. SPECTER], the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Connecticut [Mr. LIEBERMAN], the Senator from Massachusetts [Mr. KENNEDY], and the Senator from Delaware [Mr. ROTH] were added as cosponsors of Senate Joint Resolution 126, a joint resolution to designate the second Sunday in October 1991 as "National Children's Day."

SENATE CONCURRENT RESOLUTION 40

At the request of Mr. D'AMATO, the name of the Senator from Illinois [Mr. DIXON] was added as a cosponsor of Senate Concurrent Resolution 40, a concurrent resolution expressing the sense of the Congress that the Federal Republic of Germany and the Republic of Austria should take all applicable steps to halt the distribution of neo-Nazi computer games and prosecute anyone found in possession of these materials to the full extent of the law.

SENATE RESOLUTION 116

At the request of Mr. ROTH, the name of the Senator from Nebraska [Mr. EXON] was added as a cosponsor of Senate Resolution 116, a resolution to express the sense of the Senate in support of Taiwan's membership in the General Agreement on Tariffs and Trade.

SENATE CONCURRENT RESOLUTION 42—URGING RECOGNITION OF THE SOUTHWEST STARS AND STRIPES SALUTE AS A NATIONAL EVENT

Mr. GRAMM (for himself and Mr. BENTSEN) submitted the following concurrent resolution; which was referred to the Committee on the Judiciary:

S. CON. RES. 42

Whereas the Southwest Stars and Stripes Salute will be held from July 19 through July 21, 1991, to welcome home the members of the United States Armed Forces who so ably served this country in the Persian Gulf conflict;

Whereas this event will offer the people of the United States an opportunity to express their gratitude and appreciation to the members of the Armed Forces for their exceptional contributions to furthering the cause of freedom throughout the world; and

Whereas the people of the United States are justifiably proud of these fine servicemen, servicewomen, and their families, who have answered this Nation's call to duty: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that the Southwest Stars and Stripes Salute scheduled to be held from July 19 through July 21, 1991, be recognized as a national event.

SENATE CONCURRENT RESOLUTION 43—CONCERNING THE EMANCIPATION OF THE BAHA'I COMMUNITY IN IRAN

By Mr. DODD (for himself, Mrs. KASSEBAUM, Mr. GORE, Mr. MCCAIN, Mr. LIEBERMAN, Mr. SIMON, Mr. PELL, Mr. LUGAR, Mr. CRANSTON, Mr. SARBANES, Mr. GLENN, Mr. JEFFORDS, Mr. DIXON, and Mr. RIEGLE) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 43

Whereas in 1982, 1984, 1988, and 1990, the Congress, by concurrent resolution, declared that it holds the Government of Iran responsible for upholding the rights of all its nationals, including members of the Baha'i faith, Iran's largest religious minority;

Whereas in such resolutions the Congress condemned the Iranian Government's persecution of the Baha'i community, including the execution of more than 200 Baha'is, the imprisonment of thousands, and other oppressive actions against Baha'is based solely upon their religious beliefs;

Whereas the Congress has urged the President to work with other governments and with the United Nations in support of the rights of Iranian Baha'is;

Whereas recent reports indicate that most Iranian Baha'is, imprisoned on account of their religion, have been released, and some confiscated business and personal properties have been restored; and

Whereas, despite such actions affecting individual Baha'is, the Government of Iran continues to deny the Baha'i community the right to organize, to elect its leaders, to hold community property for worship or assembly, to operate religious schools, and conduct other normal religious community activities: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress—

(1) continues to hold the Government of Iran responsible for upholding the rights of all its nationals, including Baha'is, in a manner consistent with that Government's obligations under the Universal Declaration of Human Rights and other international covenants which guarantee the civil and political rights of its citizens;

(2) notes that no executions of Baha'is have been reported for more than two years and that many Baha'is imprisoned on account of their religion have been released;

(3) expresses concern that, despite some recent improvements in the treatment of individual Baha'is, the Baha'i community continues to be denied legal recognition, and the basic rights to organize, elect its leaders, educate its youth, and carry on the normal activities of a law-abiding religious community;

(4) urges the Government of Iran to extend to the Baha'i community the rights guaranteed by the Univesal Declaration of Human Rights and by other international agreements to which Iran is a party, including freedom of thought, conscience, and religion, and equal protection of the law; and

(5) calls upon the President to continue—

(A) to urge the Government of Iran to emancipate the Baha'i community by granting those rights guaranteed by the Universal Declaration of Human Rights and other international agreements to which Iran is a party;

(B) to emphasize that the United States regards the human rights practices of the Government of Iran, particularly its treatment of the Baha'i community and other religious minorities, as a significant element in the development of its relations with the Government of Iran; and

(C) to cooperate with other governments and international organizations, including the United Nations and its agencies, in efforts to protect the religious rights of the Baha'is and other minorities through joint appeals to the Government of Iran and through other appropriate actions.

Mr. DODD. Mr. President, recent events in the Persian Gulf area called attention to the existence of a multiplicity of ethnic, linguistic, and religious minorities in that region. As religious tolerance in that part of the world is often in short supply, many of those minorities suffer treatment which falls far short of the accepted international standards.

I have been involved with the fate and treatment of one such minority for a number of years, the adherents of the Baha'i religious faith in Iran. It was one of my constituents who first informed me of this issue, Firuz Kazemzadeh, a distinguished professor of history at Yale University. A leader of the Baha'i community in the United States, he came to me several years ago and told me about the horrendous treatment of Baha'is at the hands of the benighted Khomeini regime.

Since that time I have sponsored several resolutions on this subject, usu-

ally paired with my good friend, Senator Heinz, who left us so suddenly and tragically a few weeks ago. The cause of human rights lost an outstanding supporter in John.

I am pleased to report that the treatment of the Baha'is has improved since that first time. While in earlier years hundreds were executed just for their profession of the Baha'i faith, those executions ceased about 2 years ago, and even those in jail were mostly released. How much our resolutions can be credited for this I leave for others to decide.

While the threat to the life and liberty of individual Baha'is eased somewhat, they are still severely discriminated against in everyday life, in business and education. Moreover, the community is in an extra-legal limbo, as the Iranian Government is unwilling to accord the community any recognition, and consequently denies to them every right that would be necessary to run an otherwise law-abiding, peaceful religious community. They cannot elect their leaders, meet for worship, hold property, and generally enjoy the most common rights necessary to organize religious life.

To call needed attention to this issue once again, today I introduce a resolution with Senators KASSEBAUM, GORE, MCCAIN, LIEBERMAN, SIMON, PELL, LUGAR, CRANSTON, SARBANES, JEFFORDS, DIXON, RIEGLE, and GLENN. This resolution is essentially intended to be a reminder to the Iranian Government. Now that Iran gives every sign of trying to ease its isolation and resume normal relations with the Western World, it may be timely and wise for them to give a serious review to the shortcomings of their human rights policies. In other words, with this resolution we want to assert our conviction that the human rights record of Iran, including fair treatment of its Baha'i religious minority, ought to be an important consideration in any potential United States decision to restore normal relations with that Government.

Baha'is do not have strong political power. In fact, there are only about 110,000 of them in the whole United States. Every now and then, however, we ought to set aside political considerations in this institution and just do what is right.

The Baha'is are peaceful and decent people. Their religion seeks to dominate no one and asserts superiority over no other religion. They just want to be treated fairly and left alone. To that, they deserve all the support we can give them. To provide that support, I urge my colleagues to join us as cosponsors and vote for this resolution when it is called up in the Senate.

• Mrs. KASSEBAUM. Mr. President, I rise today to join with Senator DODD as a cosponsor of a resolution concerning Iranian persecution of the Baha'is.

Since 1982, Congress has adopted four resolutions calling on the Iranian Government to cease repressive actions against the Baha'is, Iran's largest religious minority. It appears that these efforts have had some effect. Nineteen Baha'is were released from jail in 1990. No Baha'is were reported to have been executed last year, and a small number were permitted to leave the country.

However, I believe that we must seize this opportunity, in light of the recent world events, to press the Government of Iran to make additional and significant efforts for even more positive change.

The State Department's 1990 Human Rights Report describes continuing widespread discrimination against Baha'is. Community property remains confiscated. Baha'is are prevented from teaching their religion, their marriages are not recognized, and the Iranian Government refuses to issue passports to most Baha'is. In addition to these transgressions of their rights, and of particular concern to me, is the continuing lack of access of Baha'is to university education.

Mr. President, I supported sanctions against Iraq's Saddam Hussein before the invasion of Kuwait because of his blatant disregard for human rights, and I firmly believe that human rights must be an important element in the development of our future relations with Iran.

This resolution makes clear the United States' commitment to promoting the basic human rights of the Baha'is in Iran.•

SENATE RESOLUTION 132—COMMENDING HUMANITARIAN RELIEF EFFORTS FOR IRAQI REFUGEES

Mr. KENNEDY (for himself, Mr. SIMPSON, Mr. DECONCINI, and Mr. PELL) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 132

Whereas beginning on March 28, 1991, nearly two million Kurdish and Shia men, women, and children in Iraq fled to their nation's borders in the aftermath of the failed uprising against Saddam Hussein;

Whereas the past policies of Saddam Hussein against the Iraqi people and attacks on the population since the defeat of Iraqi forces instilled terror in the population and led to the largest and swiftest flight of refugees in modern history;

Whereas an estimated 700,000 Kurdish refugees sought safety from Iraqi forces in the mountains along the Turkish-Iraqi border; 1.3 million Kurdish refugees sought safety along the Iranian-Iraqi border; 100,000 Shiites sought refuge along the Iranian-Iraqi border; and 25,000 Shiites who sought refuge along the Kuwaiti-Iraqi border have been relocated to Saudi Arabia;

Whereas an unknown number of Iraqis have been displaced internally inside Iraq;

Whereas an estimated 1,000 Kurdish refugees died each day in the early days of the refugee crisis along the Turkish-Iraqi border from exposure, malnutrition, and disease;

Whereas on April 5, 1991, President Bush ordered United States forces to begin providing assistance to the refugees along the Turkish-Iraqi border;

Whereas on April 16, 1991, in response to the overwhelming humanitarian needs of the Kurdish refugees along the Turkish-Iraqi border, President Bush, following consultations with Prime Minister Major of the United Kingdom, President Mitterrand of France, President Ozal of Turkey, Chancellor Kohl of Germany, and the United Nations Secretary General Perez de Cuellar, announced a greatly expanded relief effort, named "Operation Provide Comfort," to provide adequate food, medicine, clothing, and shelter to the Kurds living in the mountains along the Turkish-Iraqi border;

Whereas consistent with United Nations Security Council Resolution 688 and in conjunction with European nations, the United Nations and international relief organizations, the United States forces established encampments in northern Iraq to provide relief supplies to the refugees;

Whereas "Operation Provide Comfort" saved the lives of more than 20,000 Kurdish refugees in northern Iraq and Turkey by reducing the death rate to less than 10 per day; and

Whereas the performance of the allied forces involved in this effort have accomplished an extraordinary humanitarian relief effort in a brief period of time: Now, therefore, be it

Resolved, That (a) The Senate—

(1) commends the United States and allied troops who are participating in Operation Provide Comfort in northern Iraq and Turkey and those who ably assisted thousands of refugees in Kuwait and southern Iraq, and who have demonstrated exceptional dedication, professionalism, and compassion in accomplishing this humanitarian task;

(2) supports the continuation of the benefits enacted by Congress for "Operation Desert Storm" to the participants of "Operation Provide Comfort" for the duration of that operation;

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

(1) the United States and the international community should continue to assist and protect the refugees and to support the goal of enabling all the refugees, including those along the Turkish-Iraqi border, the Iranian-Iraqi border, and in Saudi Arabia, to return home with adequate assurances of peace and security;

(2) increased efforts should be made to assist the remaining 900,000 refugees in Iran and the Iranian Government should cease impending international relief efforts; and

(3) the United States should respond immediately to the United Nation's appeal for increased assistance to the refugees.

SEC. 2. The Secretary of the Senate shall transmit a copy of this resolution to the President.

Mr. KENNEDY. Mr. President, a month ago, the world watched in shock and horror as nearly 2 million Iraqi men, women, and children fled their homes and villages in terror to escape Saddam Hussein's murderous retribution and violence.

Their panic flight into the harsh winter conditions where they faced death, starvation, and diseases is a telling indictment of the brutality of Saddam Hussein and his henchmen. Never in re-

cent history has a refugee tragedy of this magnitude exploded upon the world in so short a period.

Who among us can ever forget the pictures night after night on television and in the Nation's newspapers of tens of thousands of Kurds on the mountaintops along the Turkish-Iraqi border? For too long, the United States delayed in coming to the assistance of these refugees. Our desire to bring our troops home quickly from the war clouded our duty to these innocent people.

But the plight of starving Kurds touched the conscience of the Nation and the world. On April 16, President Bush ordered the United States to act, and sent troops into northern Iraq and Turkey to assist the Kurds.

This relief effort, called "Operation Provide Comfort," was an international humanitarian mission unlike any seen before. Over 20,000 U.S. and allied troops worked together to bring food, clothing, shelter, and medicine to the Kurds suffering from exposure, disease, and starvation in the mountains on the border between Turkey and Iraq.

In a matter of days, the tide of misery and death was turned. At the beginning, as many as 1,000 Kurds—mostly children and the elderly—were dying each day in the mountains. Within days after the commencement of Operation Provide Comfort, the death rate plummeted to less than 50 a day. Today, it is less than 10 a day. Never before in history has such an enormous human disaster been alleviated so quickly or so effectively.

A delegation from the Senate Subcommittee on Immigration and Refugee Affairs has recently returned from the region. It estimates that our efforts saved some 20,000 lives. The only regret is that we did not act sooner and save an even larger number of lives.

Our troops also provided critical assistance to the nearly 40,000 refugees who fled Saddam Hussein in southern Iraq. These refugees, mostly Shia, feared reprisals from Iraqi forces after the Shia in the region rose up unsuccessfully against Saddam Hussein. Our troops, in conjunction with our allies and private voluntary agencies provided basic assistance and medical care to these individuals.

In one of the most efficient and rapid relocation of refugees ever, one half of these refugees in southern Iraq—25,000—were airlifted to a refugee camp in Rafhah, Saudi Arabia. The United States has since turned over responsibility of the remaining refugees in the Demilitarized Zone along the Iraqi-Kuwait border to the United Nations, but we must not forget the extraordinary success of this operation.

The resolution I am introducing today with Senator SIMPSON commends the United States and allied troops who participated in these extraordinary relief operations. Their exceptional dedication, professionalism and compassion has made them heroes to not only the Kurds but also the world. Many of these troops had served in Operation Desert Storm, and some were on their way home when they were diverted to assist in the refugee crisis.

I urge my colleagues to join me in applauding these men and women who demonstrated once again the outstanding capabilities of our military forces. Trained for combat and war, they showed how well our military can adapt to changing circumstances and changing missions.

They deserve our full support and I am pleased that the administration has decided to extend the benefits enacted by Congress for the participants of Operation Desert Storm to those involved in Operation Provide Comfort. I urge the administration to ensure that these benefits continue for the duration of this important relief effort.

United States Armed Forces are now also coming to the aid of the victims of the tragic cyclone in Bangladesh. The success of these recent operations may well pave the way for institutionalizing a new role for the U.S. military in responding to international disasters. I hope the administration will begin to look at ways to facilitate similar relief efforts in the future.

There is new hope that adequate security measures will be put in place to enable the remaining 200,000 refugees in northern Iraq and Turkey to return home. The United States must not withdraw from the region until this critical goal can be achieved.

U.S. troops have arrived in the city of Dohuk, and the United Nations may soon be able to assume positions around the area and enable U.S. troops to withdraw. The Kurdish leadership continues to negotiate an autonomy agreement with the Iraqi Government, which will enhance their security throughout northern Iraq. Once these steps occur, virtually all of the refugees along Iraq's northern border will be able to return home.

There remain deep concerns about the presence of the Iraqi secret police in the region. Even in towns controlled by allied forces, such as Zakho, secret police regularly infiltrate the area to harass and intimidate the population. So long as Saddam Hussein remains in power, the people of Iraq are at risk and the international community must remain engaged in efforts to provide for their peace and security.

The United Nations plan to station hundreds of blue helmets throughout Iraq in order to enhance the security of the Iraqi people and to deter any repressive actions by the Iraqi Government, military, or secret police. While the U.N. personnel will not perform the functions of security police, they will provide a tripwire system that can alert the international community to abuses by Saddam and his forces. Such a system will reassure the returning refugees and the Iraqi people that the international community intends to stay engaged in the struggle for human rights and democracy.

Stability in Iraq will not be possible until security and democracy is established throughout the country. The administration should lend its full weight to the ongoing negotiations between the Kurdish leadership and the Iraqi Government until a satisfactory agreement is in place. It must also press the Iraqi Government to provide adequate protection to populations outside the zone of current negotiations in order to permit the return of the refugee population from Iran and Saudi Arabia and to ensure long-term stability in Iraq.

U.S. Government policy toward democracy in Iraq remains unclear. Administration policy continues to advocate an overthrow of Saddam Hussein by his own Ba'ath party officials, not democratic elections to permit the people of Iraq to choose their own leaders. The Ba'ath make up only 20 percent of Iraq's population and thus 80 percent of the Iraqi people would continue to be denied a choice in their leadership. Our goal, even after Saddam Hussein leaves power, must be democracy in Iraq and respect for human rights.

The United States and the international community must also remain mindful of the 900,000 Kurdish refugees and the 100,000 Shia refugees who remain along the Iranian-Iraqi border. There are also another 25,000 refugees now in Saudi Arabia. We must not neglect these individuals. Instead we must work to establish conditions within Iraq to enable their return, too. The crisis cannot be considered ended, when over 1 million Iraqi refugees remain.

As the refugee crisis continues in Iran, there are reports that deaths in the refugee camps continue to number between 140 to 450 a day. While international relief efforts have succeeded in dramatically reducing the large death toll along the Turkish-Iraqi border, no similar success has occurred in Iran.

The Iranian Government bears a heavy responsibility for impeding relief efforts to the Iraqi refugees in its care. Despite its pleas for international assistance, the Iranian Government has blocked humanitarian organizations from access to the camps, slowed assistance by insisting on lengthy bureaucratic processes, intimidated relief workers and politicized our own shipment of blankets.

It denied a visa request from a delegation of the Subcommittee on Immigration and Refugee Affairs to visit the refugee camps, put several Americare relief workers under house arrest for 5 days, interrogated one American member of the private U.S. Committee for Refugees overnight, and harassed the American volunteers in the region to

the point where they were forced to abandon their critical work. Ironically, Kurdish and Shia refugees continue to perish because of these obstacles to relief.

Nevertheless, the U.S.-led relief operation to assist the Iraqi refugees is one of the most extraordinary achievements in recent times. Let us take this step today to commend the dedicated men and women serving on our Armed Forces who made it possible. They deserve our whole-hearted praise and support, and I urge my colleagues to join me in this tribute to them.

SENATE RESOLUTION 133—DESIGNATING MAY 21, 1991, AS NATIONAL LAND TRUST APPRECIATION DAY

Mr. KERRY submitted the following resolution; which was considered and agreed to:

S. RES. 133

Whereas the creation of the world's first land trusts in 1891 served as a catalyst for the promotion and establishment of 743 land trusts in 45 States;

Whereas land trusts across the United States protect, preserve, and maintain an aggregate of nearly 2 million acres of land;

Whereas the primary purpose of a land trust is to own and manage exceptionally scenic, historic, or ecologically valued tracts of land for the use and enjoyment of the public;

Whereas a number of land trusts across the United States also maintain the scenic and natural features of privately owned land through the enforcement of conservation restrictions;

Whereas The Trustees of Reservations, founded in 1891 by the State of Massachusetts, became the world's first land trust and inaugurated the land trust movement nationwide;

Whereas the land trust movement initiated by The Trustees of Reservations actively promotes the preservation of the natural and historic landscape for future generations: Now, therefore, be it

Resolved, That May 21, 1991, is designated "National Land Trust Appreciation Day", and the 100th anniversary of The Trustees of Reservations if recognized.

SENATE RESOLUTION 134—CONCERNING MAJORITY PARTY APPOINTMENTS TO THE SELECT COMMITTEE ON ETHICS

Mr. MITCHELL submitted the following resolution; which was considered and agreed to:

S. RES. 134

Resolved, That the Senator from New Mexico (Mr. BINGAMAN) be appointed to serve as a member of the Select Committee on Ethics vice the Senator from Arkansas (Mr. PRYOR).

AMENDMENTS SUBMITTED

SENATE ELECTION ETHICS ACT

McCONNELL AMENDMENT NO. 254

Mr. McCONNELL proposed an amendment to amendment No. 242 proposed by Mr. BOREN to the bill (S. 3) to amend the Federal Election Campaign Act of 1971 to provide for voluntary system of spending limits for Senate election campaigns, and for other purposes, as follows:

On page 47, line 1, strike "NONELIGIBLE".

On page 47, line 2, insert "(a) NONELIGIBLE CANDIDATES.—" before "Subparagraph".

On page 47, between lines 12 and 13, insert:

(b) ELIGIBLE CANDIDATES.—Subparagraph (B) of section 318(a)(1) of FECA (2 U.S.C. 441d(a)(1)), as amended by subsection (a), is amended by adding at the end thereof the following:

"(v) If a broadcast is paid for by a voter communication voucher provided under section 504(a), such broadcast shall contain the following sentence: "'The preceding political advertisement was paid for with taxpayer funds.'."

BROWN AMENDMENT NO. 255

Mr. BROWN proposed an amendment to amendment No. 254 proposed by Mr. McCONNELL to the bill S. 3, supra, as follows:

At the end of the amendment add the following:

SEC. 106. TERMS LIMITS.

(a) REQUIREMENT OF ELIGIBILITY UNDER TITLE V.—(1) An eligible candidate under title V of FECA who accepts any benefit under section 504 of FECA shall accept election or appointment to no more than two fulls terms in the Senate after the first benefits is accepted.

(2) A candidate for the office of Senator who seeks to qualify as an eligible candidate under title V of FECA shall file with the Federal Election Commission, at the time that the candidate files a declaration under section 502(b) of FECA, a declaration that the candidate will abide by the term limitation of paragraph (1).

(b) ENFORCEMENT.—The time limit of section 507(f) of FECA shall not apply in the case of a proceeding for the return of benefits by a person who accepted a benefit under section 504 of FECA to which the person became disentitled by reason of noncompliance with subsection (a)(1).

COCHRAN AMENDMENT NO. 256

Mr. COCHRAN proposed an amendment to amendment No. 242 proposed by Mr. BOREN to the bill S. 3, supra, as follows:

At the appropriate place add the following:

"Notwithstanding any other provision of this Act, the general election spending limits which apply to candidates seeking election to the Senate shall be increased by 50 percent for any candidate for any Senate seat, if the candidate is not a sitting Senator and if the candidate is opposed in that election by a sitting Senator.

McCAIN AMENDMENT NO. 257

Mr. McCAIN proposed an amendment, which was subsequently modified, to amendment No. 242 proposed by Mr. BOREN to the bill S. 3, supra, as follows:

Insert at the end of section 218 of the Boren amendment the following new section:

SEC. 219. USE OF CAMPAIGN FUNDS.

(a) IN GENERAL.—Section 313 of the Federal Election Campaign Act of 1971 (2 U.S.C. 439a) is amended to read as follows: "Use of Campaign Funds".

"(a) The surplus campaign funds of the candidate and the candidate's authorized committees shall be paid into the Treasury of the United States and applied to the account to reduce the public debt described in section 3113(d) of title 31, United States Code.

"(b)(1) It shall be unlawful for a candidate or an authorized committee of a candidate or for any person acting as an agent of either to use contributions or payments received under title V or to dispose of surplus campaign funds in any manner except as specified by subsection (a).

"(2) It shall be unlawful for any person to knowingly accept or receive contributions, payments received under title V, or surplus campaign funds in any manner other than those specified in subsection (a).

"(c) the disposition of surplus campaign funds shall be reported on the postelection semiannual report that is filed pursuant to section 304 on or before July 31 of the year following the election for which the funds were raised.

"(d)(1) For purposes of this section, the term 'surplus campaign funds' means the balance remaining after a general election between—

"(A) all contributions made to the candidate and the candidate's authorized committees; and

"(B) the expenditures made by such candidate or authorized committees for the purpose of influencing the election of the candidate.

"(2) The calculation of the amount of surplus campaign funds under paragraph (1) shall be made after any unexpended funds required to be repaid to the Secretary of the Treasury pursuant to section 507 (e) and (f) have been repaid."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to surplus campaign funds existing after December 31, 1993.

(c) No part of this amendment shall be construed to effect the "Legal and Accounting Compliance Fund" of this Act.

McCONNELL AMENDMENT NO. 258

Mr. McCONNELL proposed an amendment to amendment No. 242 proposed by Mr. BOREN to the bill S. 3, supra, as follows:

On page 101, between lines 4 and 5, insert the following:

SEC. 405. PRESIDENTIAL ELECTIONS.

(a) REPEAL OF PUBLIC FINANCING AND SPENDING LIMITS.—Section 6096 and chapters 95 and 96 of the Internal Revenue Code of 1986 are repealed.

(b) REPEAL OF PRESIDENTIAL LIMITS.—Section 315 (b) and (g) of FECA (2 U.S.C. 441a (b) and (g)) are repealed.

(c) CONFORMING AMENDMENTS.—(1) Each of the following provisions of FECA is amended by striking "or chapter 95 or chapter 96 of

the Internal Revenue Code of 1954": section 301(8)(B)(ix)(II) (2 U.S.C. 431(8)(B)(ix)(II)), section 301(9)(B)(vii)(II) (2 U.S.C. 431(9)(B)(vii)(II)), section 302(i) (2 U.S.C. 432(i)), section 309(a)(2) (2 U.S.C. 437g(a)(2)), section 309 (a)(4)(B)(ii) (2 U.S.C. 437g(a)(4)(B)(ii)), and section 309(a)(6)(B) (2 U.S.C. 437g(a)(6)(B)).

(2) Section 301(9)(B)(vi) of FECA (2 U.S.C. 431(9)(B)(vi)) is amended by striking ", except that this clause" and all that follows through "section 304(b)",

(3) Section 304(b)(2) of FECA (2 U.S.C. 434(b)(2)) is amended by—

(A) adding "and" at the end of subparagraph (H);

(B) striking "and" at the end of subparagraph (J); and

(C) striking subparagraph (K).

(4) Section 304(b)(4)(I) of FECA (2 U.S.C. 434(b)(4)(I)) is amended by striking "disbursements not subject to the limitation of section 315(b)" and inserting "any disbursements".

(5) Each of the following provisions of FECA is amended by striking "and chapter 95 and chapter 96 of the Internal Revenue Code of 1954": section 306(b)(1) (2 U.S.C. 437c(b)(1)), section 307(a)(5) (2 U.S.C. 437d(a)(6)), and section 307(a)(8) (2 U.S.C. 437d(a)(8)).

(6) Section 306(c) of FECA (2 U.S.C. 437c(c)) is amended by striking "or with chapter 95 or chapter 96 of the Internal Revenue Code of 1954".

(7) Section 308(a)(1) of FECA (2 U.S.C. 437f(a)(1)) is amended by striking ", chapter 95 or chapter 96 of the Internal Revenue Code of 1954.".

(8) Section 308(b) of FECA (2 U.S.C. 437f(b)) is amended by striking "or in chapter 95 or chapter 96 of the Internal Revenue Code of 1954".

(9) Each of the following provisions of FECA is amended by striking "or by chapter 95 or chapter 96 of the Internal Revenue Code of 1954": section 308(c)(2) (2 U.S.C. 437f(c)(2)) and section 311(e) (2 U.S.C. 438(e)).

(10) Each of the following provisions of FECA is amended by striking "or of chapter 95 or chapter 96 of the Internal Revenue Code of 1954": section 309(a)(1) (2 U.S.C. 437g(a)(1)), section 309(a)(4)(A)(i) (2 U.S.C. 437g(a)(4)(A)(i)), section 309(a)(5)(A) (2 U.S.C. 437g(a)(5)(A)), section 309(a)(5)(B) (2 U.S.C. 437g(a)(5)(B)), section 309(a)(6)(A) (2 U.S.C.) 437g(a)(6)(A)), section 309(a)(6)(C) (2 U.S.C. 437g(a)(6)(C)), section 309(d)(2) (2 U.S.C. 437g(d)(2)), and section 309(d)(3) (2 U.S.C. 437g(d)(3)).

(11) Section 309(a)(5)(C) of FECA (2 U.S.C. 437g(a)(5)(C)) is amended by striking "or a knowing and willful violation of chapter 95 or chapter 96 of the Internal Revenue Code of 1954,".

(12) Section 311(b) of FECA (2 U.S.C. 438(b)) is amended by striking the second sentence thereof.

(13) Section 314 of FECA (2 U.S.C. 439c) is amended by striking ", and under chapters 95 and 96 of the Internal Revenue Code of 1954,".

(14) Section 315(a)(5) of FECA (2 U.S.C. 441a(a)(5)) is amended—

(A) by striking "offices; (ii) the limitations" and inserting "offices; and (ii) the limitations"; and

(B) by striking "; and (iii) the candidate has not elected to receive any funds under chapter 95 or chapter 96 of the Internal Revenue Code of 1954".

(15) Section 315(c) of FECA (2 U.S.C. 441a(c)) is amended by striking "subsection (b) and".

SEC. 406. PREFERENTIAL MAILING RATE FOR POLITICAL PARTIES.

Section 3626(e) of title 39, United States Code, is repealed.

KERRY (AND OTHERS) AMENDMENT NO. 259

Mr. KERRY (for himself, Mr. BIDEN, Mr. BRADLEY, Mr. ADAMS, Mr. SIMON, Mr. WELLSTONE, Mr. WIRTH, Mr. CRANSTON, Mr. LEAHY, Mr. DECONCINI, Mr. KENNEDY, Mr. RIEGLE, and Mr. GLENN) proposed an amendment to amendment No. 242 proposed by Mr. BOREN to the bill S. 3, supra, as follows:

Strike all after the first word in the pending amendment and insert the following:

SECTION 1. SHORT TITLE; AMENDMENT OF CAMPAIGN ACT; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Senate Election Campaign Ethics Act of 1991".

(b) AMENDMENT OF FECA.—When used in this Act, the term "FECA" means the Federal Election Campaign Act of 1971.

(c) TABLE OF CONTENTS.—

Sec. 1. Short title; amendment of Campaign Act; table of contents.
Sec. 2. Findings and declarations.

TITLE I—SENATE ELECTION CAMPAIGN SPENDING LIMITS AND BENEFITS

Sec. 101. Senate spending limits and public benefits.
Sec. 102. Ban on contributions to Senate candidates by political action committees.
Sec. 103. Broadcast rates.
Sec. 104. Preferential rates for mail.
Sec. 105. Disclosure by noneligible candidates.
Sec. 106. Reporting requirements.
Sec. 107. Other definitions.

TITLE II—EXPENDITURES AND CONTRIBUTIONS

Subtitle A—Independent Expenditures

Sec. 201. Cooperative expenditures not treated as independent expenditures.
Sec. 202. Equal broadcast time.
Sec. 203. Attribution of communications.

Subtitle B—Expenditures

PART I—PERSONAL LOANS; CREDIT

Sec. 211. Personal contributions and loans.
Sec. 212. Extensions of credit.

PART II—PROVISIONS RELATING TO SOFT MONEY OF POLITICAL PARTIES

Sec. 215. Limitations on contributions to State political party committees.
Sec. 216. Provisions relating to national, State, and local party committees.
Sec. 217. Restrictions on fundraising by candidates and officeholders.
Sec. 218. Reporting requirements.

Subtitle C—Contributions

Sec. 221. Limits on contributions by certain political committees to political parties.
Sec. 222. Contributions through intermediaries and conduits.
Sec. 223. Excess campaign funds.
Sec. 224. Contributions by dependents not of voting age.

Subtitle D—Reporting Requirements

Sec. 231. Reporting requirements.

TITLE III—FEDERAL ELECTION COMMISSION

Sec. 301. Use of candidates' names.
Sec. 302. Reporting requirements.
Sec. 303. Provisions relating to the general counsel of the commission.
Sec. 304. Retention of fees by the commission.
Sec. 305. Enforcement.
Sec. 306. Penalties.
Sec. 307. Random audits.
Sec. 308. Attribution of communications.
Sec. 309. Fraudulent solicitation of contributions.

TITLE IV—PROVISIONS RELATING TO CONGRESSIONAL MASS MAILINGS

Sec. 401. Restrictions on franked congressional mass mailings exceeding appropriated funds.
Sec. 402. Extension of time period when franked mass mailings are prohibited.
Sec. 403. Reporting and publication of franked mass mailings.
Sec. 404. Transfers of official mail costs.
Sec. 405. Use of official expense accounts and other sources of funds for mass mailings.
Sec. 406. Amendment of FECA.

TITLE V—MISCELLANEOUS

Sec. 501. Restriction of control of certain types of political committees by incumbents in or candidates for Federal office.
Sec. 502. Polling data contributed to a senatorial candidate.
Sec. 503. Effective date.

SEC. 2. FINDINGS AND DECLARATIONS.

(a) NECESSITY FOR SPENDING LIMITS.—The Congress finds and declares that—

(1) the current system of campaign finance has led to public perceptions that political contributions and their solicitation have unduly influenced the official conduct of elected officials;

(2) permitting candidates for Federal office to raise and spend unlimited amounts of money constitutes a fundamental flaw in the current system of campaign finance, and has undermined public respect for the Congress as an institution;

(3) the failure to limit campaign expenditures has caused individuals elected to the Senate to spend an increasing proportion of their time in office as elected officials raising funds, interfering with the ability of the Senate to carry out its constitutional responsibilities;

(4) the failure to limit campaign expenditures has damaged the Senate as an institution, due to the time lost to raising funds for campaigns; and

(5) to prevent the appearance of corruption and to restore public trust in the Senate as an institution, it is necessary to limit campaign expenditures, through a system which provides public benefits to candidates who agree to limit campaign expenditures.

(b) NECESSITY FOR LIMITS ON POLITICAL ACTION COMMITTEES.—The Congress finds and declares that—

(1) contributions by political action committees to individual candidates have created the perception that candidates are beholden to special interests, and leave candidates open to charges of corruption;

(2) contributions by political action committees to individual candidates have undermined public confidence in the Senate as an institution; and

(3) to prevent the appearance of corruption and to restore public trust in the Senate as an institution, it is necessary to ban contributions by political action committees, while allowing such committees to continue to participate in the political process

through other means, such as through independent expenditures.

(c) NECESSITY FOR ATTRIBUTING COOPERATIVE EXPENDITURES TO CANDIDATES.—The Congress finds and declares that—

(1) public confidence and trust in the system of campaign finance would be undermined should any candidate be able to circumvent a system of caps on expenditures through cooperative expenditures with outside individuals, groups, or organizations;

(2) cooperative expenditures by candidates with outside individuals, groups, or organizations would severely undermine the effectiveness of caps on campaign expenditures, unless they are included within such caps; and

(3) to maintain the integrity of the system of campaign finance, expenditures by any individual, group, or organization that have been made in cooperation with any candidate, authorized committee, or agent of any candidate must be attributed to that candidate's cap on campaign expenditures.

TITLE I—SENATE ELECTION CAMPAIGN SPENDING LIMITS AND BENEFITS

SEC. 101. SENATE SPENDING LIMITS AND PUBLIC BENEFITS.

(a) IN GENERAL.—FECA is amended by adding at the end thereof the following new title:

"TITLE V—SPENDING LIMITS AND PUBLIC BENEFITS FOR SENATE ELECTION CAMPAIGNS

"DEFINITIONS

"SEC. 501. For purposes of this title—

"(1) except as otherwise provided in this title, the definitions under section 301 shall apply for purposes of this title insofar as such definitions relate to elections to the office of United States Senator;

"(2) the term 'eligible candidate' means a candidate who is eligible under section 502 to receive benefits under this title;

"(3) the terms 'Senate Election Campaign Fund' and 'Fund' mean the Senate Election Campaign Fund established under section 506;

"(4) the term 'general election' means any election which will directly result in the election of a person to the office of United States Senator, but does not include an open primary election;

"(5) the term 'general election period' means, with respect to any candidate, the period beginning on the day after the date of the primary or runoff election for the specific office the candidate is seeking, whichever is later, and ending on the earlier of—

"(A) the date of such general election; or

"(B) the date on which the candidate withdraws from the campaign or otherwise ceases actively to seek election;

"(6) the term 'immediate family' means—

"(A) a candidate's spouse;

"(B) a child, stepchild, parent, grandparent, brother, half-brother, sister or half-sister of the candidate or the candidate's spouse; and

"(C) the spouse of any person described in subparagraph (B);

"(7) the term 'major party' has the meaning given such term in section 9002(6) of the Internal Revenue Code of 1986, except that if a candidate qualified under State law for the ballot in a general election in an open primary in which all the candidates for the office participated and which resulted in the candidate and at least one other candidate qualifying for the ballot in the general election, such candidate shall be treated as a candidate of a major party for purposes of this title;

"(8) the term 'primary election' means an election which may result in the selection of a candidate for the ballot in a general election for the office of United States Senator;

"(9) the term 'primary election period' means, with respect to any candidate, the period beginning on the day following the date of the last election for the specific office the candidate is seeking and ending on the earlier of—

"(A) the date of the first primary election for that office following the last general election for that office; or

"(B) the date on which the candidate withdraws from the election or otherwise ceases actively to seek election;

"(10) the term 'runoff election' means an election held after a primary election which is prescribed by applicable State law as the means for deciding which candidate will be on the ballot in the general election for the office of United States Senator;

"(11) the term 'runoff election period' means, with respect to any candidate, the period beginning on the day following the date of the last primary election for the specific office such candidate is seeking and ending on the date of the runoff election for such office;

"(12) the term 'voting age population' means the resident population, 18 years of age or older, as certified pursuant to section 315(e); and

"(13) the term 'expenditure' has the meaning given such term by section 301(9), except that in determining any expenditures made by, or on behalf of, a candidate or candidate's authorized committees, section 301(9)(B) shall be applied without regard to clause (ii) or (vi) thereof.

"CANDIDATES ELIGIBLE TO RECEIVE BENEFITS

"SEC. 502. (a) IN GENERAL.—For purposes of this title, a candidate is an eligible candidate if the candidate—

"(1) meets the primary and general election filing requirements of subsections (b) and (c);

"(2) meets the primary and runoff election expenditure limits of subsection (d); and

"(3) meets the threshold contribution requirements of subsection (e).

"(b) PRIMARY FILING REQUIREMENTS.—(1) The requirements of this subsection are met if the candidate files with the Secretary of the Senate a declaration as to whether—

"(A) the candidate and the candidate's authorized committees—

"(i) will meet the primary and runoff election expenditure limits of subsection (d); and

"(ii) will only accept contributions for the primary and runoff elections which do not exceed such limits;

"(B) the candidate and the candidate's authorized committees will meet the general election expenditure limit under section 503(b); and

"(C) the candidate and the candidate's authorized committees will meet the limitation on expenditures from personal funds under section 503(a).

"(2) The declaration under paragraph (1) shall be filed on the date the candidate files as a candidate for the primary election.

"(c) GENERAL ELECTION FILING REQUIREMENT.—(1) The requirements of this subsection are met if the candidate files a certification with the Secretary of the Senate under penalty of perjury that—

"(A) the candidate and the candidate's authorized committees—

"(i) met the primary and runoff election expenditure limits under subsection (d); and

"(ii) did not accept contributions for the primary or runoff election in excess of the primary or runoff expenditure limit under subsection (d), whichever is applicable;

"(B) the candidate met the threshold contribution requirement under subsection (e), and that only allowable contributions were taken into account in meeting such requirement;

"(C) at least one other candidate has qualified for the same general election ballot under the law of the State involved;

"(D) such candidate and the authorized committees of such candidate—

"(i) except as otherwise provided by this title, will not make expenditures which exceed the general election expenditure limit under section 503(b);

"(ii) will not accept any contributions in violation of section 315;

"(iii) except as otherwise provided by this title, will not accept any contribution for the general election involved to the extent that such contribution would cause the aggregate amount of such contributions to exceed the sum of—

"(I) the amount of the general election expenditure limit under section 503(b), reduced by the amount of voter communication vouchers issued to the candidate; plus

"(II) the amount of contributions from State residents which may be taken into account under section 503(b)(4) in increasing the general election expenditure limit; plus

"(III) the amount which may be maintained in a compliance and official expense fund under section 503(c);

"(iv) will deposit all payments received under this title in an account insured by the Federal Deposit Insurance Corporation from which funds may be withdrawn by check or similar means of payment to third parties;

"(v) will furnish campaign records, evidence of contributions, and other appropriate information to the Commission; and

"(vi) will cooperate in the case of any audit and examination by the Commission under section 507; and

"(E) the candidate intends to make use of the benefits provided under section 504.

"(2) The declaration under paragraph (1) shall be filed not later than 7 days after the earlier of—

"(A) the date the candidate qualifies for the general election ballot under State law; or

"(B) if, under State law, a primary or runoff election to qualify for the general election ballot occurs after September 1, the date the candidate wins the primary or runoff election.

"(d) PRIMARY AND RUNOFF EXPENDITURE LIMITS.—(1) The requirements of this subsection are met if:

"(A) The candidate or the candidate's authorized committees did not make expenditures for the primary election in excess of the lesser of—

"(i) 67 percent of the general election expenditure limit under section 503(b); or

"(ii) $2,750,000.

"(B) The candidate and the candidate's authorized committees did not make expenditures for any runoff election in excess of 20 percent of the general election expenditure limit under section 503(b).

"(2) The limitations under subparagraphs (A) and (B) of paragraph (1) with respect to any candidate shall be increased by the aggregate amount of independent expenditures in opposition to, or on behalf of any opponent of, such candidate during the primary or runoff election period, whichever is applicable, which are required to be reported to the Secretary of the Senate or Commission with respect to such period under section

304A(b) (relating to independent expenditures in excess of $10,000).

"(3)(A) If the contributions received by the candidate or the candidate's authorized committees for the primary election or runoff election exceed the expenditures for either such election, such excess contributions shall be treated as contributions for the general election and expenditures for the general election may be made from such excess contributions.

"(B) Subparagraph (A) shall not apply to the extent that such treatment of excess contributions—

"(i) would result in the violation of any limitation under section 315; or

"(ii) would cause the aggregate contributions received for the general election to exceed the limits under subsection (c)(1)(D)(iii).

"(e) THRESHOLD CONTRIBUTION REQUIREMENTS.—(1) The requirements of this subsection are met if the candidate and the candidate's authorized committees have received allowable contributions during the applicable period in an amount at least equal to 10 percent of the general election expenditure limit under section 503(b).

"(2) For purposes of this section and section 504(b)—

"(A) The term 'allowable contributions' means contributions which are made as gifts of money by an individual pursuant to a written instrument identifying such individual as the contributor.

"(B) The term 'allowable contributions' shall not include—

"(i) contributions made directly or indirectly through an intermediary or conduit which are treated as made by such intermediary or conduit under section 315(a)(8)(B);

"(ii) contributions from any individual during the applicable period to the extent such contributions exceed $250; or

"(iii) contributions from individuals residing outside the candidate's State to the extent such contributions exceed 50 percent of the aggregate allowable contributions (without regard to this clause) received by the candidate during the applicable period.

Clauses (ii) and (iii) shall not apply for purposes of section 504(b).

"(3) For purposes of this subsection and section 504(b), the term 'applicable period' means—

"(A) the period beginning on January 1 of the calendar year preceding the calendar year of the general election involved and ending on—

"(i) the date on which the certification under subsection (c) is filed by the candidate; or

"(ii) for purposes of section 504(b), the date of such general election; or

"(B) in the case of a special election for the office of United States Senator, the period beginning on the date the vacancy in such office occurs and ending on the date of the general election involved.

"(f) INDEXING.—The $2,750,000 amount under subsection (d)(1) shall be increased as of the beginning of each calendar year based on the increase in the price index determined under section 315(c), except that for purposes of subsection (d), the base period shall be the calendar year in which the first general election after the date of the enactment of this title occurs.

"LIMITATIONS ON EXPENDITURES

"SEC. 503. (a) LIMITATION ON USE OF PERSONAL FUNDS.—The aggregate amount of expenditures which may be made during an election cycle by an eligible candidate or such candidate's authorized committees from the following sources shall not exceed $25,000:

"(1) The personal funds of the candidate and members of the candidate's immediate family.

"(2) Personal debt incurred by the candidate and members of the candidate's immediate family.

"(b) GENERAL ELECTION EXPENDITURE LIMIT.—(1) Except as otherwise provided in this title, the aggregate amount of expenditures for a general election by an eligible candidate and the candidate's authorized committees shall not exceed the lesser of—

"(A) $5,500,000; or

"(B) the greater of—

"(i) $950,000; or

"(ii) $400,000; plus

"(I) 30 cents multiplied by the voting age population not in excess of 4,000,000; and

"(II) 25 cents multiplied by the voting age population in excess of 4,000,000.

"(2) In the case of an eligible candidate in a State which has no more than 1 transmitter for a commercial Very High Frequency (VHF) television station licensed to operate in that State, paragraph (1)(B)(ii) shall be applied by substituting—

"(A) '80 cents' for '30 cents' in subclause (I); and

"(B) '70 cents' for '25 cents' in subclause (II).

"(3) The amount otherwise determined under paragraph (1) for any calendar year shall be increased by the same percentage as the percentage increase for such calendar year under section 502(f) (relating to indexing).

"(4)(A) The limitation under this subsection (without regard to this paragraph) shall be increased by the amount of contributions that—

"(i) are made after the time contributions have been received in an amount at least equal to the threshold contribution requirement under section 502(e);

"(ii) are in amounts of $100 or less; and

"(iii) are made by an individual who was, at the time the contributions were made, a resident of the State in which the general election is held,

except that the total amount of contributions taken into account under this subparagraph with respect to any individual shall not exceed $100.

"(B) Except as otherwise expressly provided, any reference in any provision of law to the general election expenditure limit under this subsection shall be treated as a reference to such limit computed without regard to this paragraph.

"(c) COMPLIANCE AND OFFICIAL EXPENSE FUND.—(1) The limitation under subsection (b) shall not apply to qualified legal and accounting expenditures or qualified official expenditures made by a candidate or the candidate's authorized committees or a Federal officeholder from a compliance and official expense fund meeting the requirements of paragraph (2).

"(2) A compliance and official expense fund meets the requirements of this paragraph if—

"(A) the only amounts transferred to the fund are amounts received in accordance with the limitations, prohibitions, and reporting requirements of this Act;

"(B) the aggregate amount transferred to, and expenditures made from, the fund do not exceed the sum of—

"(i) the lesser of—

"(I) 15 percent of the general election expenditure limit under subsection (b) for the general election for which the fund was established; or

"(II) $300,000; plus

"(ii) the amount determined under paragraph (4); and

"(C) no funds received by the candidate pursuant to section 504(a)(3) may be transferred to the fund.

"(3) For purposes of this subsection—

"(A) The term 'qualified legal and accounting expenditures' means the following:

"(i) Any expenditures for costs of legal and accounting services provided in connection with—

"(I) any administrative or court proceeding initiated pursuant to this Act during the election cycle for such general election; or

"(II) the preparation of any documents or reports required by this Act or the Commission.

"(ii) Any expenditures for legal and accounting services provided after the general election for which the compliance and official expense fund was established to ensure compliance with this Act with respect to the election cycle for such general election.

"(iii) Expenditures for the extraordinary costs of legal and accounting services provided in connection with the candidate's activities as a holder of Federal office other than costs for the purpose of influencing the election of such candidate to Federal office.

"(B) The term 'qualified official expenditures' mean expenditures described in section 313(b).

"(4)(A) If, after a general election, a candidate determines that the qualified legal and accounting expenditures exceed the limitation under paragraph (2)(B), the candidate may petition the Commission by filing with the Secretary of the Senate for an increase in such limitation. The Commission shall authorize an increase in such limitation in the amount (if any) by which the Commission determines the qualified legal and accounting expenditures exceed such limitation, reduced by the amount of qualified official expenditures. Such determination shall be subject to judicial review under section 509.

"(B) Except as provided in section 315, any contribution received or expenditure made pursuant to this paragraph shall not be taken into account for any contribution or expenditure limit applicable to the candidate under this title.

"(5)(A) A candidate shall terminate a compliance and official expense fund as of the earlier of—

"(i) the date of the first primary election for the office following the general election for such office for which such fund was established; or

"(ii) the date specified by the candidate.

"(B) Any amounts remaining in a compliance and official expense fund as of the date determined under subparagraph (A) shall be transferred—

"(i) to a compliance and official expense fund for the election cycle for the next general election;

"(ii) to an authorized committee of the candidate as contributions allocable to the election cycle for the next general election; or

"(iii) to the Senate Election Campaign Fund.

"(d) PAYMENT OF TAXES.—The limitation under subsection (b) shall not apply to any expenditure by the candidate or the candidate's authorized committees for Federal, State, or local taxes on earnings allocable to contributions received by such candidates or committees.

"BENEFITS ELIGIBLE CANDIDATE ENTITLED TO RECEIVE

"SEC. 504. (a) IN GENERAL.—An eligible candidate shall be entitled to—

"(1) the broadcast media rates provided under section 315(b)(3) of the Communications Act of 1934;

"(2) the mailing rates provided in section 3629 of title 39, United States Code;

"(3) payments from the Senate Election Campaign Fund in the amounts determined under subsection (b); and

"(4) voter communication vouchers in the amount determined under subsection (c).

"(b) AMOUNT OF PAYMENTS.—(1) For purposes of subsection (a)(3), except as provided in section 506(d), the amounts determined under this subsection are—

"(A) the public financing amount;

"(B) the independent expenditure amount; and

"(C) in the case of an eligible candidate who has an opponent in the general election who receives contributions, or makes (or obligates to make) expenditures, for such election in excess of the general election expenditure limit under section 503(b), the excess expenditure amount.

"(2) For purposes of paragraph (1), the public financing amount is—

"(A) in the case of an eligible candidate who is a major party candidate, an amount equal to the general election expenditure limit applicable to the candidate under section 503(b) (without regard to paragraph (4) thereof) reduced by—

"(i) the threshold contribution requirement under section 502(e); and

"(ii) the amount of voter communication vouchers issued to the eligible candidate;

"(B) in the case of an eligible candidate who is not a major party candidate, an amount equal to the lesser of—

"(i) the allowable contributions of the eligible candidate during the applicable period in excess of the threshold contribution requirement under section 502(e); or

"(ii) 50 percent of the amount determined under subparagraph (A) with respect to a candidate of a major party.

"(3) For purposes of paragraph (1), the independent expenditure amount is the total amount of independent expenditures made, or obligated to be made, during the general election period by 1 or more persons in opposition to, or on behalf of an opponent of, an eligible candidate which are required to be reported by such persons under section 304A(b) with respect to the general election period and are certified by the Commission under section 304A(e).

"(4) For purposes of paragraph (1), the excess expenditure amount is the amount determined as follows:

"(A) In the case of a major party candidate, an amount equal to the sum of—

"(i) if the excess described in paragraph (1)(B) is not greater than 133⅓ percent of the general election expenditure limit under section 503(b), an amount equal to two-thirds of such limit applicable to the eligible candidate for the election; plus

"(ii) if the excess described in paragraph (1)(B) equals or exceeds 133⅓ percent of the general election expenditure limit under section 503(b), an amount equal to one-third of such limit applicable to the eligible candidate for the election.

"(B) In the case of an eligible candidate who is not a major party candidate, an amount equal to the lesser of—

"(i) the allowable contributions of the eligible candidate during the applicable period in excess of the threshold contribution requirement under section 502(e); or

"(ii) 50 percent of the general election expenditure limit applicable to the eligible candidate under section 503(b).

"(c) VOTER COMMUNICATION VOUCHERS.—(1) The Secretary of the Treasury shall issue nontransferable voter communication vouchers to eligible candidates as provided under section 506(b).

"(2) The aggregate amount of voter communication vouchers issued to an eligible candidate under paragraph (1) shall be equal to 20 percent of the general election expenditure limit under section 503(b) (10 percent of such limit if such candidate is not a major party candidate).

"(3) Voter communication vouchers shall be used by an eligible candidate to purchase broadcast time during the general election period subject to the same conditions and rates under section 315(b) of the Communications Act of 1934 as apply to other broadcast time a candidate may purchase, except that—

"(A) each such broadcast shall be at least 1 but not more than 5 minutes in length; and

"(B) each such broadcast shall be aired during the 5-week period preceding the general election.

"(d) WAIVER OF EXPENDITURE AND CONTRIBUTION LIMITS.—(1) An eligible candidate who receives payments under subsection (a)(3) which are allocable to the independent expenditure or excess expenditure amounts described in paragraphs (2) and (3) of subsection (b) may make expenditures from such payments to defray expenditures for the general election without regard to the general election expenditure limit under section 503(b).

"(2) An eligible candidate who receives benefits under this section may make expenditures for the general election without regard to clause (i) of section 502(c)(1)(D) or subsection (a) or (b) of section 503 if any one of the eligible candidate's opponents who is not an eligible candidate either raises aggregate contributions, or makes or becomes obligated to make aggregate expenditures, for the general election that exceed 133⅓ percent of the general election expenditure limit applicable to the eligible candidate under section 503(b).

"(3) A candidate who receives benefits under this section may receive contributions for the general election without regard to clause (iii) of section 502(c)(1)(D) if—

"(A) a major party candidate in the same general election is not an eligible candidate; or

"(B) any other candidate in the same general election who is not an eligible candidate raises aggregate contributions, or makes or becomes obligated to make aggregate expenditures, for the general election that exceed 75 percent of the general election expenditure limit applicable to such other candidate under section 503(b).

"(e) USE OF PAYMENTS FROM FUND.—Payments received by a candidate under subsection (a)(3) shall be used to defray expenditures incurred with respect to the general election period for the candidate. Such payments shall not be used—

"(1) except as provided in paragraph (4), to make any payments, directly or indirectly, to such candidate or to any member of the immediate family of such candidate;

"(2) to make any expenditure other than expenditures to further the general election of such candidate;

"(3) to make any expenditures which constitute a violation of any law of the United States or of the State in which the expenditure is made; or

"(4) subject to the provisions of section 315(i), to repay any loan to any person except to the extent the proceeds of such loan were used to further the general election of such candidate.

"CERTIFICATION BY COMMISSION

"SEC. 505. (a) IN GENERAL.—(1) The Commission shall certify to any candidate meeting the requirements of section 502 that such candidate is an eligible candidate entitled to benefits under this title. The Commission shall revoke such certification if it determines a candidate fails to continue to meet such requirements.

"(2) No later than 48 hours after an eligible candidate files a request with the Secretary of the Senate to receive benefits under section 506, the Commission shall certify to the Secretary of the Treasury whether such candidate is eligible for payments under this title from the Senate Election Campaign Fund or to receive voter communication vouchers and the amount of such payments or vouchers to which such candidate is entitled. The request referred to in the preceding sentence shall contain—

"(A) such information and be made in accordance with such procedures as the Commission may provide by regulation; and

"(B) a verification signed by the candidate and the treasurer of the principal campaign committee of such candidate stating that the information furnished in support of the request, to the best of their knowledge, is correct and fully satisfies the requirements of this title.

"(b) DETERMINATIONS BY COMMISSION.—All determinations (including certifications under subsection (a)) made by the Commission under this title shall be final and conclusive, except to the extent that they are subject to examination and audit by the Commission under section 507 and judicial review under section 509.

"PAYMENTS RELATING TO ELIGIBLE CANDIDATES

"SEC. 506. (a) ESTABLISHMENT OF CAMPAIGN FUND.—(1) There is hereby established on the books of the Treasury of the United States a special fund to be known as the 'Senate Election Campaign Fund'.

"(2)(A) There are appropriated to the Fund for each fiscal year, out of amounts in the general fund of the Treasury not otherwise appropriated, amounts equal to—

"(i) any contributions by persons which are specifically designated as being made to the Fund;

"(ii) amounts collected under sections 507(g) and 508(d)(3); and

"(iii) any other amounts that may be appropriated to or deposited into the Fund under this title.

"(B) The Secretary of the Treasury shall, from time to time, transfer to the Fund an amount not in excess of the amounts described in subparagraph (A).

"(C) Amounts in the Fund shall remain available without fiscal year limitation.

"(3) Amounts in the Fund shall be available only for the purposes of—

"(A) making payments required under this title; and

"(B) making expenditures in connection with the administration of the Fund.

"(4) The Secretary shall maintain such accounts in the Fund as may be required by this title or which the Secretary determines to be necessary to carry out the provisions of this title.

"(b) PAYMENTS UPON CERTIFICATION.—Upon receipt of a certification from the Commis-

sion under section 505, except as provided in subsection (d), the Secretary shall promptly pay the amount certified by the Commission to the candidate out of the Senate Election Campaign Fund.

"(c) VOUCHERS.—(1) Upon receipt of a certification from the Commission under section 505, except as provided in subsection (d), the Secretary of the Treasury shall issue to an eligible candidate the amount of voter communication vouchers specified in such certification.

"(2) Upon receipt of a voter communication voucher from a licensee providing broadcast time to an eligible candidate, the Secretary of the Treasury shall pay to such licensee from the Senate Election Campaign Fund the face value of such voucher.

"(d) REDUCTIONS IN PAYMENTS IF FUNDS INSUFFICIENT.—(1) If, at the time of a certification by the Commission under section 505 for payment, or issuance or a voucher, to an eligible candidate, the Secretary determines that the monies in the Senate Election Campaign Fund are not, or may not be, sufficient to satisfy the full entitlement of all eligible candidates, the Secretary shall withhold from the amount of such payment or voucher such amount as the Secretary determines to be necessary to assure that each eligible candidate will receive the same pro rata share of such candidate's full entitlement.

"(2) Amounts and vouchers withheld under subparagraph (A) shall be paid when the Secretary determines that there are sufficient monies in the Fund to pay all, or a portion thereof, to all eligible candidates from whom amounts have been withheld, except that if only a portion is to be paid, it shall be paid in such manner that each eligible candidate receives an equal pro rata share of such portion.

"(3)(A) Not later than December 31 of any calendar year preceding a calendar year in which there is a regularly scheduled general election, the Secretary, after consultation with the Commission, shall make an estimate of—

"(i) the amount of monies in the fund which will be available to make payments required by this title in the succeeding calendar year; and

"(ii) the amount of payments which will be required under this title in such calendar year.

"(B) If the Secretary determines that there will be insufficient monies in the fund to make the payments required by this title for any calendar year, the Secretary shall notify each candidate on January 1 of such calendar year (or, if later, the date on which an individual becomes a candidate) of the amount which the Secretary estimates will be the pro rata reduction in each eligible candidate's payments (including vouchers) under this subsection. Such notice shall be by registered mail.

"(C) The amount of the eligible candidate's contribution limit under section 502(c)(1)(D)(iii) shall be increased by the amount of the estimated pro rata reduction.

"(4) The Secretary shall notify the Commission and each eligible candidate by registered mail of any actual reduction in the amount of any payment by reason of this subsection. If the amount of the reduction exceeds the amount estimated under paragraph (3), the candidate's contribution limit under section 502(c)(1)(D)(iii) shall be increased by the amount of such excess.

"EXAMINATION AND AUDITS; REPAYMENTS

"SEC. 507. (a) EXAMINATION AND AUDITS.—(1) After each general election, the Commission shall conduct an examination and audit of the campaign accounts of 10 percent of all candidates for the office of United States Senator to determine, among other things, whether such candidates have complied with the expenditure limits and conditions of eligibility of this title, and other requirements of this Act. Such candidates shall be designated by the Commission through the use of an appropriate statistical method of random selection.

"(2) The Commission may conduct an examination and audit of the campaign accounts of any candidate in a general election for the office of United States Senator if the Commission determines that there exists reason to believe that such candidate may have violated any provision of this title.

"(b) EXCESS PAYMENTS; REVOCATION OF STATUS.—(1) If the Commission determines that payments or vouchers were made to an eligible candidate under this title in excess of the aggregate amounts to which such candidate was entitled, the Commission shall so notify such candidate, and such candidate shall pay to the Secretary an amount equal to the excess.

"(2) If the Commission revokes the certification of a candidate as an eligible candidate under section 505(a)(1), the Commission shall notify the candidate, and the candidate shall pay to the Secretary an amount equal to the payments and vouchers received under this title.

"(c) MISUSE OF BENEFITS.—If the Commission determines that any amount of any benefit made available to an eligible candidate under this title was not used as provided for in this title, the Commission shall so notify such candidate and such candidate shall pay to the Secretary an amount equal to 200 percent of the amount of such benefit.

"(d) EXCESS EXPENDITURES.—(1) If the Commission determines that any eligible candidate who has received benefits under this title has made expenditures which in the aggregate exceed by 5 percent or less—

"(A) the primary or runoff expenditure limit under section 502(d); or

"(B) the general election expenditure limit under section 503(b),

the Commission shall so notify such candidate and such candidate shall pay to the Secretary an amount equal to the amount of the excess expenditures.

"(2) If the Commission determines that any eligible candidate who has received benefits under this title has made expenditures which in the aggregate exceed by more than 5 percent—

"(A) the primary or runoff expenditure limit under section 502(d); or

"(B) the general election expenditure limit under section 503(b),

the Commission shall so notify such candidate and such candidate shall pay to the Secretary an amount equal to three times the amount of the excess expenditures.

"(e) UNEXPENDED FUNDS.—Any amount received by an eligible candidate under this title may be retained for a period not exceeding 120 days after the date of the general election for the liquidation of all obligations to pay expenditures for the general election incurred during the general election period. At the end of such 120-day period, any unexpended funds received under this title shall be promptly repaid to the Secretary.

"(f) LIMIT ON PERIOD FOR NOTIFICATION.—No notification shall be made by the Commission under this section with respect to an election more than three years after the date of such election.

"(g) DEPOSITS.—The Secretary shall deposit all payments received under this section into the Senate Election Campaign Fund.

"CRIMINAL PENALTIES

"SEC. 508. (a) VIOLATIONS.—(1) No person shall knowingly and willfully—

"(A) accept benefits under this title in excess of the aggregate benefits to which the candidate on whose behalf such benefits are accepted is entitled;

"(B) use such benefits for any purpose not provided for in this title; or

"(C) make expenditures in excess of—

"(i) the primary and runoff expenditure limits under section 502(d); or

"(ii) the general election expenditure limit under section 503(b).

"(2) Any person who violates the provisions of paragraph (1) shall be fined not more than $25,000, or imprisoned not more than 5 years, or both. Any officer, employee, or agent of any political committee who knowingly consents to any expenditure in violation of the provisions of paragraph (1) shall be fined not more than $25,000, or imprisoned not more than 5 years, or both.

"(b) USE OF BENEFITS.—(1) It is unlawful for any person who receives any benefit under this title, or to whom any portion of any such benefit is transferred, knowingly and willfully to use, or to authorize the use of, such benefit or such portion other than in the manner provided in this title.

"(2) Any person who violates the provisions of paragraph (1) shall be fined not more than $10,000, or imprisoned not more than 5 years, or both.

"(c) FALSE INFORMATION.—(1) It is unlawful for any person knowingly and willfully—

"(A) to furnish any false, fictitious, or fraudulent evidence, books, or information (including any certification, verification, notice, or report) to the Commission under this title, or to include in any evidence, books, or information so furnished any misrepresentation of a material fact, or to falsify or conceal any evidence, books, or information relevant to a certification by the Commission or an examination and audit by the Commission under this title; or

"(B) to fail to furnish to the Commission any records, books, or information requested by it for purposes of this title.

"(2) Any person who violates the provisions of paragraph (1) shall be fined not more than $10,000, or imprisoned not more than 5 years, or both.

"(d) KICKBACKS AND ILLEGAL PAYMENTS.—(1) It is unlawful for any person knowingly and willfully to give or to accept any kickback or any illegal payment in connection with any benefits received under this title by any eligible candidate or the authorized committees of such candidate.

"(2) Any person who violates the provisions of paragraph (1) shall be fined not more than $10,000, or imprisoned not more than 5 years, or both.

"(3) In addition to the penalty provided by paragraph (2), any person who accepts any kickback or illegal benefit in connection with any benefits received by any candidate pursuant to the provisions of this title, or received by the authorized committees of such candidate, shall pay to the Secretary, for deposit into the Senate Election Campaign Fund, an amount equal to 125 percent of the kickback or benefit received.

"JUDICIAL REVIEW

"SEC. 509. (a) JUDICIAL REVIEW.—Any agency action by the Commission made under the provisions of this title shall be subject to review by the United States Court of Appeals for the District of Columbia Circuit upon pe-

tition filed in such court within thirty days after the agency action by the Commission for which review is sought. It shall be the duty of the Court of Appeals, ahead of all matters not filed under this title, to advance on the docket and expeditiously take action on all petitions filed pursuant to this title.

"(b) APPLICATION OF TITLE 5.—The provisions of chapter 7 of title 5, United States Code, shall apply to judicial review of any agency action by the Commission.

"(c) AGENCY ACTION.—For purposes of this section, the term 'agency action' has the meaning given such term by section 551(13) of title 5, United States Code.

"PARTICIPATION BY COMMISSION IN JUDICIAL PROCEEDINGS

"SEC. 510. (a) APPEARANCES.—The Commission is authorized to appear in and defend against any action instituted under this section and under section 509 either by attorneys employed in its office or by counsel whom it may appoint without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and whose compensation it may fix without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title.

"(b) INSTITUTION OF ACTIONS.—The Commission is authorized, through attorneys and counsel described in subsection (a), to institute actions in the district courts of the United States to seek recovery of any amounts determined under this title to be payable to the Secretary.

"(c) INJUNCTIVE RELIEF.—The Commission is authorized, through attorneys and counsel described in subsection (a), to petition the courts of the United States for such injunctive relief as is appropriate in order to implement any provision of this title.

"(d) APPEALS.—The Commission is authorized on behalf of the United States to appeal from, and to petition the Supreme Court for certiorari to review, judgments or decrees entered with respect to actions in which it appears pursuant to the authority provided in this section.

"REPORTS TO CONGRESS; REGULATIONS

"SEC. 511. (a) The Commission shall, as soon as practicable after each election, submit a full report to the Senate setting forth—

"(1) the expenditures (shown in such detail as the Commission determines appropriate) made by each eligible candidate and the authorized committees of such candidate;

"(2) the amounts certified by the Commission under section 505 as benefits available to each eligible candidate;

"(3) the amount of repayments, if any, required under section 507 or 506(d)(2), and the reasons for each repayment required; and

"(4) the balance in the Senate Election Campaign Fund, and the balance in any account maintained in the Fund.

Each report submitted pursuant to this section shall be printed as a Senate document.

"(b) RULES AND REGULATIONS.—The Commission is authorized to prescribe such rules and regulations, in accordance with the provisions of subsection (c), to conduct such examinations and investigations, and to require the keeping and submission of such books, records, and information, as it deems necessary to carry out the functions and duties imposed on it by this title.

"(c) STATEMENT TO SENATE.—Thirty days before prescribing any rules or regulation under subsection (b), the Commission shall transmit to the Senate a statement setting forth the proposed rule or regulation and containing a detailed explanation and justification of such rule or regulation.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 512. There are authorized to be appropriated to the Commission such sums as may be necessary for the purpose of carrying out its functions under this title."

(b) EFFECTIVE DATES.—(1) Except as provided in this subsection, the amendment made by subsection (a) shall apply to elections occurring after December 31, 1993.

(2) For purposes of any expenditure or contribution limit imposed by the amendment made by subsection (a)—

(A) no expenditure made before January 1, 1993, shall be taken into account, except that there shall be taken into account any such expenditure for goods or services to be provided after such date; and

(B) all cash, cash items, and Government securities on hand as of January 1, 1993, shall be taken into account in determining whether the contribution limit is met, except that there shall not be taken into account amounts used during the 60-day period beginning on January 1, 1993, to pay for expenditures which were incurred (but unpaid) before such date.

(c) EFFECT OF INVALIDITY ON OTHER PROVISIONS OF ACT.—If title V of the Federal Election Campaign Act of 1971 (as added by this section), or any part thereof, is held to be invalid, all other provisions of, and amendments made by, this Act shall be treated as valid.

SEC. 102. BAN ON CONTRIBUTIONS TO SENATE CANDIDATES BY POLITICAL ACTION COMMITTEES.

(a) IN GENERAL.—Section 315 of FECA (2 U.S.C. 441a) is amended by adding at the end thereof the following new subsection:

"(i) No contributions may be made to a candidate for the office of United States Senator or such candidate's authorized committees other than contributions made by—

"(1) individuals; or

"(2) a political committee of the political party with which such candidate is affiliated."

(b) EFFECTIVE DATES.—(1) Except as provided in paragraph (2), the amendments made by this section shall apply to elections (and the election cycles relating thereto) occurring after the date of the enactment of this Act.

(2) In applying the amendments made by this section, there shall not be taken into account—

(A) contributions made or received on or before the date of the enactment of this Act; or

(B) contributions made to, or received by, a candidate after such date, to the extent such contributions are not greater than the excess (if any) of—

(i) such contributions received by any opponent of the candidate on or before such date, over

(ii) such contributions received by the candidate on or before such date.

SEC. 103. BROADCAST RATES.

(a) PROVISIONS RELATING TO LOWEST UNIT COST.—Section 315(b) of the Communications Act of 1934 (47 U.S.C. 315(b)) is amended by adding at the end thereof the following new paragraphs:

"(2) In the case of a candidate for Federal office (as defined in section 301(3) of the Federal Election Campaign Act of 1971)—

"(A) paragraph (1)(A) shall be applied without regard to the phrase 'class and'; and

"(B) if the broadcast time exceeds 30 seconds, the lowest unit cost for such time shall not be greater than the rates for broadcasts of 30 seconds.

"(3)(A) In the case of candidates for United States Senator in a general election (as defined in section 501(4) of such Act), this subsection (other than paragraph (2)(A)(iii)) shall apply to a broadcast of such candidate only if such candidate is an eligible candidate (as defined in section 501(2) of such Act).

"(B) In the case of any eligible candidate for United States Senator, the rates under paragraph (1)(A) shall apply to any broadcast during the general election period (as defined in section 501(5) of such Act) rather than the 60-day period referred to in such paragraph."

(b) PREEMPTION RULES; VOUCHERS.—Section 315 of the Communications Act of 1934 (47 U.S.C. 315) is amended by redesignating subsections (c) and (d) as subsections (e) and (f) and by inserting after subsection (b) the following new subsections:

"(c)(1) In the case of a legally qualified candidate for Federal office (as defined in section 301(3) of the Federal Election Campaign Act of 1971), a licensee shall not preempt the use, during any period the rates under subsection (b)(1)(A) are in effect, of a broadcasting station by such candidate who has purchased such use pursuant to subsection (b).

"(2) Paragraph (1) shall not apply if the program during which the candidate's broadcast was to air is unavoidably preempted.

"(d) A licensee shall—

"(1) accept voter communications vouchers provided to an eligible candidate (as defined in section 501(2) of the Federal Election Campaign Act) under section 504(a) of such Act; and

"(2) shall, upon presentation of such vouchers, provide broadcast time to such candidate subject to the same conditions and rates as apply to other broadcast time such candidate may purchase, except that—

"(A) no time shall be required to be provided without at least 7 days advance notice; and

"(B) in the case of broadcast time in the licensee's prime time, the licensee shall be required to provide—

"(i) not more than 5 minutes of such time during each of the weeks in the 5-week period ending on the date of the general election; and

"(ii) only one broadcast per day per candidate in such time.

(c) CONFORMING AMENDMENT.—Section 315(b) of the Communications Act of 1934 is amended—

(1) by inserting "(1)" before "The charges"; and

(2) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively.

SEC. 104. PREFERENTIAL RATES FOR MAIL.

(a) REDUCED RATES.—Subchapter II of chapter 36 of title 39, United States Code, is amended by adding at the end the following:

"§ 3629. Reduced rates for certain Senate candidates

"(a) The rates of postage for matter mailed with respect to a campaign by an eligible candidate (as defined in section 501(2) of the Federal Election Campaign Act of 1971) shall be—

"(1) in the case of first-class mail matter, one-fourth of the rate currently in effect; and

"(2) in the case of third-class mail matter, 2 cents per piece less than mail matter mailed pursuant to paragraph (1).

"(b) Subsection (a) shall cease to apply to any candidate for any campaign when the total amount paid by such candidate for all

mail matter at the rates provided by paragraphs (1) and (2) of subsection (a) exceeds 5 percent of the amount of the general election expenditure limit applicable to such candidate under section 503(b) of the Federal Election Campaign Act of 1971."

(b) AUTHORIZATION.—Section 2401(c) of title 39, United States Code, is amended by striking "and 3626(a)–(h)" and inserting "3626(a)–(h), and 3629".

(c) CONFORMING AMENDMENT.—The table of sections for chapter 36 of title 39, United States Code, is amended by inserting after the item relating to section 3628 the following new item:

"3629. Reduced rates for certain Senate candidates."

SEC. 105. DISCLOSURE BY NON-ELIGIBLE CANDIDATES.

Subparagraph (B) of section 318(a)(1) of FECA (2 U.S.C. 441(d)(a)(1)), as amended by section 308, is amended by—

(1) striking "and" at the end of clause (ii);

(2) striking out the period at the end of clause (iii) and inserting in lieu thereof "; and"; and

(3) adding at the end thereof the following:

"(iv) if paid for or authorized by a candidate in the general election for the office of United States Senator who is not an eligible candidate (as defined in section 501(2), or the authorized committee of such candidate, such communication shall contain a statement, in compliance with such rules as the FCC shall issue, in consultation with the FEC, from time to time, disclosing that this candidate has not agreed to abide by the spending limits for this Senate election campaign set forth in the Federal Election Campaign Act.".

SEC. 106. REPORTING REQUIREMENTS.

Title III of FECA is amended by adding after section 304 the following new section:

"REPORTING REQUIREMENTS FOR SENATE CANDIDATES

"SEC. 304A. (a) CANDIDATE OTHER THAN ELIGIBLE CANDIDATE.—(1) Each candidate for the office of United States Senator who does not file a certification with the Secretary of the Senate under section 502(c) shall file with the Secretary of the Senate a declaration as to whether such candidate intends to make expenditures for the general election in excess of the general election expenditure limit applicable to an eligible candidate under section 503(b). Such declaration shall be filed at the time provided in section 502(c)(2).

"(2) Any candidate for the United States Senate who qualifies for the ballot for a general election—

"(A) who is not an eligible candidate under section 502; and

"(B) who either raises aggregate contributions, or makes or obligates to make aggregate expenditures, for the general election which exceed 70 percent of the general election expenditure limit applicable to an eligible candidate under section 503(b),

shall file a report with the Secretary of the Senate within 24 hours after such contributions have been raised or such expenditures have been made or obligated to be made (or, if later, within 24 hours after the date of qualification for the general election ballot), setting forth the candidate's total contributions and total expenditures for such election as of such date. Thereafter, such candidate shall file additional reports (until such contributions or expenditures exceed 133⅓ percent of such limit) with the Secretary of the Senate within 24 hours after each time additional contributions are raised, or expenditures are made or are obligated to be made, which in the aggregate exceed an amount equal to 10 percent of such limit and after the total contributions or expenditures exceed 133⅓ percent of such limit.

"(3) The Commission—

"(A) shall, within 24 hours of receipt of a declaration or report under paragraph (1) or (2), notify each eligible candidate in the election involved about such declaration or report; and

"(B) if an opposing candidate has raised aggregate contributions, or made or has obligated to make aggregate expenditures, in excess of the applicable general election expenditure limit under section 503(b), shall certify, pursuant to the provisions of subsection (e), such eligibility to the Secretary of the Treasury for payment of any amount to which such eligible candidate is entitled under section 504(a).

"(4) Notwithstanding the reporting requirements under this subsection, the Commission may make its own determination that a candidate in a general election who is not an eligible candidate has raised aggregate contributions, or made or has obligated to make aggregate expenditures, in the amounts which would require a report under paragraph (2). The Commission shall, within 24 hours after making each such determination, notify each eligible candidate in the general election involved about such determination, and shall, when such contributions or expenditures exceed the general election expenditure limit under section 503(b), certify (pursuant to the provisions of subsection (e)) to the Secretary of the Treasury such candidate's eligibility for payment of any amount under section 504(a).

"(b) INDEPENDENT EXPENDITURES.—(1)(A) Any person who makes, or obligates to make, independent expenditures during any general, primary, or runoff election period for the office of United States Senator in excess of $10,000 shall report as provided in this subsection.

"(B) If 2 or more persons, in cooperation, consultation, or concert with each other, make, or obligate to make, independent expenditures during any general, primary, or runoff election period for the office of United States Senator in excess of $10,000, each such person shall report as provided in this subsection with respect to the independent expenditures so made by all such persons.

"(2) Any person referred to in paragraph (1) shall report the amount of the independent expenditures made or obligated to be made not later than 24 hours after the aggregate amount of such expenditures incurred or obligated first exceeds $10,000. Thereafter, such person shall report independent expenditures not later than 24 hours after each time the additional aggregate amount of such expenditures incurred or obligated (and not yet reported under this paragraph) exceeds $10,000.

"(3) Each report under this subsection shall be filed with the Secretary of the Senate, or with the Commission in the case of political committees required to register and report to the Commission under other provisions of this Act and the Secretary of State for the State of the election involved and shall contain—

"(A) the information required by subsection (b)(6)(B)(iii) of section 304; and

"(B) a statement under penalty of perjury by the person making the independent expenditures, or by the person incurring the obligation to make such expenditures, as the case may be, that identifies the candidate whom the independent expenditures are actually intended to help elect or defeat.

"(4)(A) A person may file a complaint with the Commission if such person believes the statement under paragraph (3)(B) is false or incorrect.

"(B) The Commission, not later than 3 days after the filing of a complaint under subparagraph (A), shall make a determination with respect to such complaint.

"(5) The Commission shall, within 24 hours of receipt of a report under this subsection, notify each eligible candidate (as defined in section 501(2)) in the election involved about such report.

"(6) The Commission may make its own determination that a person has made, or has incurred obligations to make, independent expenditures with respect to any election for the United States Senate which in the aggregate exceed the applicable amounts under paragraph (2). The Commission shall notify each eligible candidate in such election of such determination within 24 hours of making it.

"(7) At the same time as a candidate is notified under paragraph (5) or (6) with respect to expenditures during a general election period, the Commission shall, pursuant to subsection (e), certify to the Secretary of the Treasury eligibility to receive benefits under section 504(a).

"(c) REPORTS ON PERSONAL FUNDS.—(1) Any candidate for the United States Senate who during the election cycle expends more than $25,000 during the election cycle from his personal funds, the funds of his immediate family, and personal loans incurred by the candidate and the candidate's immediate family shall file a report with the Secretary of the Senate within 24 hours after such expenditures have been made or loans incurred.

"(2) The Commission within 24 hours after a report has been filed under paragraph (1) shall notify each eligible candidate in the election involved about each such report.

"(3) Notwithstanding the reporting requirements under this subsection, the Commission may make its own determination that a candidate for the United States Senate has made expenditures in excess of the amount under paragraph (1). The Commission within 24 hours after making such determination shall notify each eligible candidate in the general election involved about each such determination.

"(d) CANDIDATES FOR OTHER OFFICES.—(1) Each individual—

"(A) who becomes a candidate for the office of United States Senator;

"(B) who, during the election cycle for such office, held any other Federal, State, or local office or was a candidate for such other office; and

"(C) who expended any amount during such election cycle before becoming a candidate for the office of United States Senator which would have been treated as an expenditure if such individual had been such a candidate, including amounts for activities to promote the image or name recognition of such individual,

shall, within 7 days of becoming a candidate for the office of United States Senator, report to the Secretary of the Senate the amount and nature of such expenditures.

"(2) Paragraph (1) shall not apply to any expenditures in connection with a Federal, State, or local election which has been held before the individual becomes a candidate the office of United States Senator.

"(3) The Commission shall, as soon as practicable, make a determination as to whether the amounts included in the report under paragraph (1) were made for purposes of in-

fluencing the election of the individual to the office of United States Senator.

"(e) CERTIFICATIONS.—Notwithstanding section 505(a), the certification required by this section shall be made by the Commission on the basis of reports filed in accordance with the provisions of this Act, or on the basis of such Commission's own investigation or determination.

"(f) COPIES OF REPORTS AND PUBLIC INSPECTION.—The Secretary of the Senate shall transmit a copy of any report or filing received under this Act to the Commission as soon as possible (but no later than 4 working hours) after receipt of such report or filing, and shall make such report or filing available for public inspection and copying in the same manner as the Commission under section 438(a)(4), and shall preserve such reports and filings in the same manner as the Commission under section 438(a)(5).

"(g) DEFINITIONS.—For purposes of this section, any term used in this section which is used in title V shall have the same meaning as when used in title V."

SEC. 107. OTHER DEFINITIONS.

(a) ELECTION CYCLE DEFINED.—Section 301 of FECA (2 U.S.C. 431) is amended by adding at the end thereof the following:

"(20) The term 'election cycle' means—

"(A) in the case of a candidate or the authorized committees of a candidate, the term beginning on the day after the date of the most recent general election for the specific office or seat which such candidate seeks and ending on the date of the next general election for such office or seat; or

"(B) for all other persons, the term beginning on the first day following the date of the last general election and ending on the date of the next general election."

(b) IDENTIFICATION.—Section 301(13) of FECA (2 U.S.C. 431(13)) is amended by striking out "mailing address" and inserting in lieu thereof "permanent residence address".

TITLE II—EXPENDITURES AND CONTRIBUTIONS

Subtitle A—Independent Expenditures

SEC. 201. COOPERATIVE EXPENDITURES NOT TREATED AS INDEPENDENT EXPENDITURES.

(a) TREATMENT OF COOPERATIVE EXPENDITURES.—(1) Paragraph (17) of section 301 of FECA (2 U.S.C. 431(17)) is amended by adding at the end thereof the following new sentence: "The term 'independent expenditure' shall not include any cooperative expenditure."

(2) Paragraph (9) of section 301 of FECA (2 U.S.C. 431(9)) is amended by adding at the end thereof the following new subparagraph:

"(C) A cooperative expenditure shall be treated as an expenditure made by the candidate on whose behalf, or for whose benefit, the expenditure was made."

(3) Paragraph (8) of section 301 of FECA (2 U.S.C. 431(8)) is amended by adding at the end thereof the following new subparagraph:

"(C) A cooperative expenditure shall be treated as a contribution from the person making the expenditure to the candidate on whose behalf, or for whose benefit, the expenditure was made."

(b) COOPERATIVE EXPENDITURE DEFINED.—Section 301 of FECA (2 U.S.C. 431), as amended by section 107(a), is amended by adding at the end thereof the following new paragraph:

"(21)(A) The term 'cooperative expenditure' means any expenditure which is made—

"(i) with the cooperation of, or in consultation with, any candidate or any authorized committee or agent of such candidate; or

"(ii) in concert with, or at the request or suggestion of, any candidate or any authorized committee or agent of such candidate.

"(B) The term 'cooperative expenditure' includes an expenditure if—

"(i) there is any arrangement, coordination, or direction with respect to the expenditure between the candidate or the candidate's agent and the person making the expenditure;

"(ii) in the same election cycle, the person making the expenditure is or has been—

"(I) authorized to raise or expend funds on behalf of the candidate or the candidate's authorized committees; or

"(II) serving as a member, employee, or agent of the candidate's authorized committees in an executive or policy-making position; or

"(iii) the person making the expenditure has advised or counseled the candidate or the candidate's agents at any time on the candidate's plans, projects, or needs relating to the candidate's pursuit of nomination for election, or election, to Federal office, in the same election cycle, including any advice relating to the candidate's decision to seek Federal office;

"(iv) the person making the expenditure retains the professional services of any individual or other person also providing those services in the same election cycle to the candidate in connection with the candidate's pursuit of nomination for election, or election, to Federal office, including any services relating to the candidate's decision to seek Federal office;

"(v) the person making the expenditure has consulted at any time during the same election cycle about the candidate's plans, projects, or needs relating to the candidate's pursuit of nomination for election, or election, to Federal office, with—

"(I) any officer, director, employee or agent of a party committee that has made or intends to make expenditures or contributions, pursuant to subsections (a), (d), or (h) of section 315 in connection with the candidate's campaign; or

"(II) any person whose professional services have been retained by a political party committee that has made or intends to make expenditures or contributions pursuant to subsections (a), (d), or (h) of section 315 in connection with the candidate's campaign; or

"(vi) the expenditure is based on information provided to the person making the expenditure directly or indirectly by the candidate or the candidate's agents about the candidate's plans, projects, or needs, provided that the candidate or the candidate's agent is aware that the other person has made or is planning to make expenditures expressly advocating the candidate's election.

For purposes of this subparagraph, the person making the expenditure shall include any officer, director, employee, or agent of such person.

"(C) The term 'cooperative expenditure' includes an expenditure if such expenditure—

"(i) is made on behalf of, or for the benefit of, a candidate or authorized committee by a political committee that is established, administered, controlled, or financially supported, directly or indirectly, by a connected organization that is required to register, or pays for the services of a person who is required to register, under section 308 of the Federal Regulation of Lobbying Act (2 U.S.C. 267) or the Foreign Agents Registration Act of 1938 (22 U.S.C. 611 et seq.); or

"(ii) is made on behalf of, or for the benefit of, a candidate or authorized committee by a political committee that has made a contribution to the candidate or authorized committee."

SEC. 202. EQUAL BROADCAST TIME.

Section 315(a) of the Communications Act of 1934 (47 U.S.C. 315(a)) is amended to read as follows:

"(a)(1) If a licensee permits any person who is a legally qualified candidate for public office to use a broadcasting station other than any use required to be provided under paragraph (2), the licensee shall afford equal opportunities to all other such candidates for that office in the use of the broadcasting station.

"(2)(A) A person who reserves broadcast time the payment for which would constitute an independent expenditure within the meaning of section 301(17) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(17)) shall—

"(i) inform the licensee that payment for the broadcast time will constitute an independent expenditure;

"(ii) inform the licensee of the names of all candidates for the office to which the proposed broadcast relates; and

"(iii) provide the licensee a copy of the statement described in section 304A(b)(3)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(d)(3)(B)).

"(B) A licensee who is informed as described in subparagraph (A) shall—

"(i) if any of the candidates described in subparagraph (A)(ii) has provided the licensee the name and address of a person to whom notification under this subparagraph is to be given—

"(I) notify such person of the proposed making of the independent expenditure; and

"(II) allow any such candidate (other than a candidate for whose benefit the independent expenditure is made) to purchase the same amount of broadcast time immediately after the broadcast time paid for by the independent expenditure; and

"(ii) in the case of an opponent of a candidate for whose benefit the independent expenditure is made who certifies to the licensee that the opponent is eligible to have the cost of response broadcast time paid out of the Federal Election Campaign Fund pursuant to section 504(a)(3) of the Federal Election Campaign Act of 1971, afford the opponent such broadcast time without requiring payment in advance and at the cost specified in subsection (b)."

"(3) A licensee shall have no power of censorship over the material broadcast under this section.

"(4) Except as provided in paragraph (2), no obligation is imposed under this subsection upon any licensee to allow the use of its station by any candidate.

"(5)(A) Appearance by a legally qualified candidate on a—

"(i) bona fide newscast;

"(ii) bona fide news interview;

"(iii) bona fide news documentary (if the appearance of the candidate is incidental to the presentation of the subject or subjects covered by the news documentary); or

"(iv) on-the-spot coverage of bona fide news events (including political conventions and activities incidental thereto),

shall not be deemed to be use of a broadcasting station within the meaning of this subsection.

"(B) Nothing in subparagraph (A) shall be construed as relieving broadcasters, in connection with the presentation of newscasts, news interviews, news documentaries, and

on-the-spot coverage of news events, from their obligation under this Act to operate in the public interest and to afford reasonable opportunity for the discussion of conflicting views on issues of public importance.

"(6)(A) A licensee that endorses a candidate for Federal office in an editorial shall, within the time stated in subparagraph (B), provide to all other candidates for election to the same office—

"(i) notice of the date and time of broadcast of the editorial;

"(ii) a taped or printed copy of the editorial; and

"(iii) a reasonable opportunity to broadcast a response using the licensee's facilities.

"(B) In the case of an editorial described in subparagraph (A) that—

"(i) is first broadcast 72 hours or more prior to the date of a primary, runoff, or general election, the notice and copy described in subparagraph (A) (i) and (ii) shall be provided not later than 24 hours after the time of the first broadcast of the editorial, and

"(ii) is first broadcast less than 72 hours before the date of an election, the notice and copy shall be provided at a time prior to the first broadcast that will be sufficient to enable candidates a reasonable opportunity to prepare and broadcast a response."

SEC. 203. ATTRIBUTION OF COMMUNICATIONS.

Section 318(a) of FECA (2 U.S.C. 441d(a)), as amended by section 308, is further amended by adding at the end thereof the following new paragraph:

"(3) A communication described in paragraph (1) that is paid for through an independent expenditure—

"(A) in the case of a television broadcast, shall include a prominent display in compliance with such rules as the FCC shall issue, in consultation with the FEC, from time to time, stating the information required in paragraph (1)(B) and, if the independent expenditure is made by a political committee, stating the name of its connected organization (if any) and the city and State in which such organization is located;

"(B) in the case of any audio broadcast (including a television broadcast), shall include an audio statement at the conclusion of the broadcast in compliance with such rules as the FCC shall issue, in consultation with the FEC, from time to time, stating the information required in paragraph (1)(B) and, if the independent expenditure is made by a political committee, stating the name of its connected organization (if any) and the city and State in which such organization is located; and

"(C) in the case of a newspaper, magazine, outdoor advertising facility, mass mailing, or other type of general public political advertising, shall include a prominent display in compliance with such rules as the FCC shall issue, in consultation with the FEC, from time to time, stating the information required in paragraph (1)(B) and, if the independent expenditure is made by a political committee, stating the name of its connected organization (if any) and the city and State in which such organization is located;

Subtitle B—Expenditures

PART I—PERSONAL LOANS; CREDIT

SEC. 211. PERSONAL CONTRIBUTIONS AND LOANS.

Section 315 of FECA (2 U.S.C. 441a), as amended by section 102, is amended by inserting at the end thereof the following new subsection:

"(j) LIMITATIONS ON PAYMENTS TO CANDIDATES.—(1) If a candidate or a member of the candidate's immediate family made any loans to the candidate or to the candidate's authorized committees during any election cycle no contributions after the date of the general election for such election cycle may be used to repay such loans.

"(2) No contribution by a candidate or member of the candidate's immediate family (as defined in section 501(6)) may be returned to the candidate or member other than as part of a pro rata distribution of excess contributions to all contributors."

SEC. 212. EXTENSIONS OF CREDIT.

Section 301(8)(A) of FECA (2 U.S.C. 431(8)(A)) is amended—

(1) by striking "or" at the end of clause (i);

(2) by striking the period at the end of clause (ii) and inserting "; or"; and

(3) by inserting at the end thereof the following new clause:

"(iii) with respect to a candidate for the office of United States Senator and the candidate's authorized committees, any extension of credit for goods or services relating to advertising on broadcasting stations, in newspapers or magazines, or by mass mailings mail (including mass mail fund solicitations) or relating to other similar types of general public political advertising, if such extension of credit is—

"(I) in an amount of more than $1,000; and

"(II) for a period greater than the period (not in excess of 60 days) for which credit is generally extended in the normal course of business after the date on which such goods or services are furnished (the date of the mailing in the case of advertising by a mass mailing)."

PART II—PROVISIONS RELATING TO SOFT MONEY OF POLITICAL PARTIES

SEC. 215. LIMITATIONS ON CONTRIBUTIONS TO STATE POLITICAL PARTY COMMITTEES.

(a) INDIVIDUAL CONTRIBUTIONS TO STATE PARTY.—Paragraph (1) of section 315(a) of FECA (2 U.S.C. 441a(a)(1)) is amended by striking "or" at the end of subparagraph (B), by redesignating subparagraph (C) as subparagraph (D), and by inserting after subparagraph (B) the following new subparagraph:

"(C) to the political committee designated by a State committee of a political party in any calendar year which, in the aggregate, exceed $20,000; or".

(b) MULTICANDIDATE COMMITTEE CONTRIBUTIONS TO STATE PARTY.—Paragraph (2) of section 315(a) of FECA (2 U.S.C. 441a(a)(2)) is amended by striking "or" at the end of subparagraph (B), by redesignating subparagraph (C) as subparagraph (D), and by inserting after subparagraph (B) the following new subparagraph:

"(C) to the political committee designated by a State committee of a political party in any calendar year which, in the aggregate, exceed $15,000; or".

(c) INCREASE IN OVERALL LIMIT.—Paragraph (3) of section 315(a) of FECA (2 U.S.C. 441a(a)(3)) is amended by adding at the end thereof the following new sentence: "The limitation under this paragraph shall be increased (but not by more than $5,000) by the amount of contributions made by an individual during a calendar year to political committees designated by State committees of a political party for purposes of paragraphs (1)(C) and (2)(C)."

SEC. 216. PROVISIONS RELATING TO NATIONAL, STATE, AND LOCAL PARTY COMMITTEES.

(a) EXPENDITURES BY STATE COMMITTEES IN CONNECTION WITH PRESIDENTIAL CAMPAIGNS.—Section 315(d) of FECA (2 U.S.C. 441a(d)) is amended by inserting at the end thereof the following new paragraph:

"(4) A State committee of a political party, including subordinate committees of that State committee, shall not make expenditures for activities described in section 325(b) (1) and (2) with respect to the general election campaign of a candidate for President of the United States who is affiliated with such party which, in the aggregate, exceed an amount equal to 4 cents multiplied by the voting age population of the State, as certified under subsection (e)."

(b) CONTRIBUTION AND EXPENDITURE EXCEPTIONS.—(1) Section 301(8)(B) of FECA (2 U.S.C. 431(8)(B)) is amended—

(A) in clause (v) by striking the semicolon at the end thereof and inserting "or with respect to a mass mailing of such a listing;";

(B) in clause (xi)—

(i) by striking "direct mail" and inserting "mass mailing"; and

(ii) by striking the semicolon at the end thereof and inserting "and are not made from contributions designated to be spent on behalf of a particular candidate or particular candidates;"; and

(C) by repealing clauses (x) and (xii).

(2) Section 301(9)(B) of FECA (2 U.S.C. 431(9)(B)) is amended—

(A) in clause (iv) by striking the semicolon at the end thereof and inserting "or with respect to a mass mailing of such a listing;"; and

(B) by repealing clauses (viii) and (ix).

(c) SOFT MONEY OF COMMITTEES OF POLITICAL PARTIES.—(1) Title III of FECA, as amended by section 102, is amended by inserting after section 324 the following new section:

"POLITICAL PARTY COMMITTEES

"SEC. 325. (a) Any amount solicited, received, or expended directly or indirectly by a national, State, district, or local committee of a political party (including any subordinate committee) with respect to an activity which, in whole or in part, is in connection with an election to Federal office shall be subject in its entirety to the limitations, prohibitions, and reporting requirements of this Act.

"(b) For purposes of subsection (a)—

"(1) Any activity which is solely for the purpose of influencing an election for Federal office is in connection with an election for Federal office.

"(2) Except as provided in paragraph (3), any of the following activities during a Federal election period shall be treated as in connection with an election for Federal office:

"(A) Voter registration and get-out-the-vote activities.

"(B) Campaign activities, including broadcasting, newspaper, magazine, billboard, mass mail, and newsletter communications, and similar kinds of communications or public advertising that—

"(i) are generic campaign activities; or

"(ii) identify a Federal candidate regardless of whether a State or local candidate is also identified.

"(C) The preparation and dissemination of campaign materials that are part of a generic campaign activity or that identify a Federal candidate, regardless of whether a State or local candidate is also identified.

"(D) Maintenance of voter files.

"(E) Any other activity affecting (in whole or in part) an election for Federal office.

"(3) The following shall not be treated as in connection with a Federal election:

"(A) Any amount described in section 301(8)(B)(viii).

"(B) Any amount contributed to a candidate for other than Federal office.

"(C) Any amount received or expended in connection with a State or local political convention.

"(D) Campaign activities, including broadcasting, newspaper, magazine, billboard, mass mail, and newsletter communications, and similar kinds of communications or public advertising that are exclusively on behalf of State or local candidates and are not activities described in paragraph (2)(A).

"(E) Administrative expenses of a State or local committee of a political party, including expenses for—

"(i) overhead;

"(ii) staff (other than individuals devoting a substantial portion of their activities to elections for Federal office);

"(iii) meetings; and

"(iv) conducting party elections or caucuses.

"(F) Research pertaining solely to State and local candidates and issues.

"(G) Maintenance of voter files other than during a Federal election period.

"(H) Activities described in paragraph (2)(A) which are conducted other than during a Federal election period.

"(I) Any other activity which is solely for the purpose of influencing, and which solely affects, an election for non-Federal office.

"(4) For purposes of this subsection, the term 'Federal election period' means the period—

"(A) beginning on the date which is 60 days before the primary election for any regularly scheduled general election for Federal office; and

"(B) ending on the date of the general election.

"(c) TRANSFERS BETWEEN COMMITTEES.—(1) Except as provided in paragraph (2), the limitations on contributions contained in paragraphs (1) and (2) of section 315(a) shall apply to transfers between and among political committees described in subsection (a).

"(2)(A) A national committee may not solicit or accept contributions not subject to the limitations, prohibitions, and reporting requirements of this Act.

"(B) Subparagraph (A) and paragraph (1) shall not apply to contributions that—

"(i) are to be transferred to a State committee for use directly for activities described in subsection (b)(3); or

"(ii) are to be used by the committee primarily to support such activities."

(2) Section 315(d) of FECA (2 U.S.C. 441a(d)), as amended by subsection (a), is amended by adding at the end thereof the following new paragraph:

"(5) The national committee of a political party, the congressional campaign committees of a political party, and a State or local committee of a political party, including a subordinate committee of any of the preceding committees, shall not make expenditures during any calendar year for activities described in section 325(b) (1) and (2) with respect to such State which, in the aggregate, exceed an amount equal to 30 cents multiplied by the voting age population of the State (as certified under subsection (e)). This paragraph shall not authorize a committee to make expenditures to which paragraph (3) or (4) applies in excess of the limit applicable to such expenditures under paragraph (3) or (4). No adjustment to the limitation under this paragraph shall be made under subsection (c) before 1992 and the base period for purposes of any such adjustment shall be 1990."

(3) Paragraph (4) of section 315(a) (2 U.S.C. 441a(a)(4)) is amended by striking the first sentence thereof.

(d) GENERIC ACTIVITIES.—Section 301 of FECA (2 U.S.C. 431), as amended by section 201(b), is amended by adding at the end thereof the following new paragraph:

"(22) The term 'generic campaign activity' means a campaign activity the preponderant purpose or effect of which is to promote a political party rather than any particular Federal or non-Federal candidate."

SEC. 217. RESTRICTIONS ON FUNDRAISING BY CANDIDATES AND OFFICEHOLDERS.

(a) STATE FUNDRAISING ACTIVITIES.—Section 315 of FECA (2 U.S.C. 441a), as amended by section 211, is amended by adding at the end thereof the following new subsection:

"(k) LIMITATIONS ON FUNDRAISING ACTIVITIES OF FEDERAL CANDIDATES AND OFFICEHOLDERS.—(1) For purposes of this Act, a candidate for Federal office (or an individual holding Federal office) may not solicit funds to, or receive funds on behalf of, any Federal or non-Federal candidate or political committee—

"(A) which are to be expended in connection with any election for Federal office unless such funds are subject to the limitations, prohibitions, and requirements of this Act; or

"(B) which are to be expended in connection with any election for other than Federal office unless such funds are not in excess of amounts permitted with respect to Federal candidates and political committees under this Act, or are not from sources prohibited by this Act with respect to elections to Federal office.

"(2) The appearance or participation by a candidate or individual in any activity (including fundraising) conducted by a committee of a political party or a candidate for other than Federal office shall not be treated as a solicitation for purposes of paragraph (1) if—

"(A) such appearance or participation is otherwise permitted by law; and

"(B) such candidate or individual does not solicit or receive, or make expenditures from, any funds resulting from such activity.

"(3) Paragraph (1) shall not apply to the solicitation or receipt of funds, or disbursements, by an individual who is a candidate for other than Federal office if such activity is permitted under State law."

(b) TAX-EXEMPT ORGANIZATIONS.—Section 315 of FECA (2 U.S.C. 441a), as amended by subsection (a), is amended by adding at the end thereof the following new subsection:

"(l) TAX-EXEMPT ORGANIZATIONS.—(1) Except as provided in paragraph (2), if an individual—

"(A) established, maintains, or controls any organization described in section 501(c) of the Internal Revenue Code of 1986; and

"(B) is a candidate for, or holds, Federal office at any time during any calendar year, such individual may not solicit contributions to, or accept contributions on behalf of, such organization from any person during such calendar year which, in the aggregate, exceed $5,000.

"(2) If during any period an individual is a candidate for, or holds, Federal office, such individual may not during such period solicit contributions to, or on behalf of, any organization which is described in section 501(c) of the Internal Revenue Code of 1986 if a significant portion of the activities of such organization include voter registration or get-out-the-vote campaigns."

SEC. 218. REPORTING REQUIREMENTS.

(a) REPORTING REQUIREMENTS.—Section 304 of FECA (2 U.S.C. 434) is amended by adding at the end thereof the following new subsection:

"(d) POLITICAL COMMITTEES.—(1) The national committee of a political party and any congressional campaign committee, and any subordinate committee of either, shall report all receipts and disbursements during the reporting period, whether or not in connection with an election for Federal office.

"(2) A political committee (not described in paragraph (1)) to which section 325 applies shall report all receipts and disbursements in connection with a Federal election (as determined under section 325).

"(3) Any political committee to which section 325 applies shall include in its report under paragraph (1) or (2) the amount of any transfer described in section 325(c) and the reason for the transfer.

"(4) Any political committee to which paragraph (1) or (2) does not apply shall report any receipts or disbursements which are used in connection with a Federal election (as determined by the Commission).

"(5) If any receipt or disbursement to which this subsection applies exceeds $200, the political committee shall include identification of the person from whom, or to whom, such receipt or disbursement was made.

"(6) Reports required to be filed by this subsection shall be filed for the same time periods required for political committees under subsection (a)."

(b) REPORT OF EXEMPT CONTRIBUTIONS.—Section 301(8) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)), as amended by section 201, is amended by inserting at the end thereof the following:

"(D) The exclusions provided in subparagraphs (v) and (viii) of subparagraph (B) shall not apply for purposes of any requirement to report contributions under this Act, and all such contributions in excess of $200 shall be reported."

(c) REPORTING OF EXEMPT EXPENDITURES.—Section 301(9) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(9)), as amended by section 201, is amended by inserting at the end thereof the following:

"(D) The exclusions provided in subparagraph (iv) of subparagraph (B) shall not apply for purposes of any requirement to report expenditures under this Act, and all such expenditures in excess of $200 shall be reported."

(d) CONTRIBUTIONS AND EXPENDITURES OF POLITICAL COMMITTEES.—Section 301(4) of FECA (2 U.S.C. 431(4)) is amended by adding at the end thereof the following: "For purposes of this paragraph, the receipt of contributions or the making of, or obligating to make, expenditures shall be determined by the Commission on the basis of facts and circumstances, in whatever combination, demonstrating a purpose of influencing any election for Federal office, including, but not limited to, the representations made by any person soliciting funds about their intended uses; the identification by name of individuals who are candidates for Federal office or of any political party, in general public political advertising; and the proximity to any primary, runoff, or general election of general public political advertising designed or reasonably calculated to influence voter choice in that election."

(e) REPORTS BY STATE COMMITTEES.—Section 304 of FECA (2 U.S.C. 434), as amended by subsection (a), is amended by adding at the end thereof the following new subsection:

"(e) FILING OF STATE REPORTS.—In lieu of any report required to be filed by this Act, the Commission may allow a State committee of a political party to file with the Commission a report required to be filed under State law if the Commission determines such reports contain substantially the same information."

(f) REPORTS BY LARGE CONTRIBUTORS.—Section 304 of FECA (2 U.S.C. 434), as amended by subsection (e), is amended by adding at the end thereof the following new subsection:

"(f) REPORTS BY LARGE CONTRIBUTORS.—(1) Any individual who makes contributions subject to the limitations of section 315(a)—

"(A) shall report to the Commission within 7 days after such contributor makes contributions aggregating $10,000 or more during any calendar year; and

"(B) thereafter, shall report to the Commission within 7 days after each time such contributor makes contributions (not yet reported) aggregating $5,000 or more.

Any report shall include identification of the contributor, the name of the candidate or committee to whom the contributions were made, and the amount of the contributions.

"(2) Any candidate for Federal office, any authorized committee of a candidate, or any political committee soliciting contributions subject to the limitations of section 315(a) shall include with such solicitation notice of—

"(A) the requirement to report under paragraph (1); and

"(B) the aggregate limitation on such contributions under section 315(a)(3)."

Subtitle C—Contributions

SEC. 221. LIMITS ON CONTRIBUTIONS BY CERTAIN POLITICAL COMMITTEES.

(a) LIMITATION ON AMOUNT OF CONTRIBUTIONS THAT MAY BE ACCEPTED.—Section 315(d) of FECA (2 U.S.C. 441a(d)), as amended by section 216, is amended—

(1) in paragraph (1) by striking "(2) and (3)" and inserting "(2), (3), (6), and (7)"; and

(2) by adding at the end thereof the following new paragraphs:

"(6) A congressional campaign committee of a political party (including any subordinate committee thereof) shall not accept, during an election cycle, contributions from multicandidate political committees and separate segregated funds which, in the aggregate, exceed 30 percent of the total expenditures which such committee may make pursuant to section 315(d)(3) during that election cycle.

"(7) A national committee of a political party (including any subordinate committee thereof) shall not accept, during an election cycle, contributions from multicandidate political committees and separate segregated funds which, in the aggregate, exceed an amount equal to 2 cents multiplied by the voting age population of the United States, as certified under subsection (e).

"(8)(A)(i) Any expenditure made by a national or State committee of a political party, a congressional campaign committee, or any subordinate committee of the preceding committees, for general public political advertising which clearly identifies a candidate for Federal office by name shall be subject to the limitations of paragraphs (1) and (2).

"(ii) Clause (i) shall not apply to expenditures for mass mailings designed primarily for fundraising purposes which make only incidental reference to any one or more Federal candidates.

"(B) For purposes of paragraph (3), any expenditure by a committee described in subparagraph (A) for any solicitation of contributions which clearly identifies any candidate on whose behalf such contributions are being solicited shall be treated for purposes of this paragraph as an expenditure in connection with the general election campaign of such candidate, except that if more than 1 candidate is identified, such expenditure shall be allocated on a pro rata basis among such candidates."

(b) CONGRESSIONAL CAMPAIGN COMMITTEE.—Section 301 of FECA (2 U.S.C. 431), as amended by section 216(d), is amended by adding at the end thereof the following new paragraph:

"(23) The term 'congressional campaign committee' means the Democratic Senatorial Campaign Committee, the National Republican Senatorial Committee, the Democratic Congressional Campaign Committee, and the National Republican Congressional Committee."

(c) EFFECTIVE DATES.—(1) Except as provided in paragraph (2), the amendments made by this section shall apply to elections (and the election cycles relating thereto) occurring after December 31, 1992.

(2) In applying the amendments made by this section, there shall not be taken into account—

(A) contributions made or received on or before the date of the enactment of this Act; or

(B) contributions made to, or received by, a candidate after such date, to the extent such contributions are not greater than the excess (if any) of—

(i) such contributions received by any opponent of the candidate on or before such date, over

(ii) such contributions received by the candidate on or before such date.

SEC. 222. CONTRIBUTIONS THROUGH INTERMEDIARIES AND CONDUITS.

Section 315(a)(8) of FECA (2 U.S.C. 441a(a)(8)) is amended to read as follows:

"(8) For the purposes of this subsection—

"(A) Contributions made by a person, either directly or indirectly, to or on behalf of a particular candidate, including contributions that are in any way earmarked or otherwise directed through an intermediary or conduit to a candidate, shall be treated as contributions from the person to the candidate.

"(B) Contributions made directly or indirectly by a person to or on behalf of a particular candidate through an intermediary or conduit, including contributions made or arranged to be made by an intermediary or conduit, shall be treated as contributions from the intermediary or conduit to the candidate if—

"(i) the contributions made through the intermediary or conduit are in the form of a check or other negotiable instrument made payable to the conduit or intermediary rather than the intended recipient; or

"(ii) the conduit or intermediary is—

"(I) a political committee other than an authorized committee;

"(II) an officer, employee, or agent of such a political committee; or

"(III) a person required to register under section 308 of the Federal Regulation of Lobbying Act (2 U.S.C. 267) or the Foreign Agents Registration Act of 1938 (22 U.S.C. 611 et seq.); or

"(IV) an organization prohibited from making contributions under section 316, or an officer, employee, or agent of such an organization acting on the organization's behalf.

"(C) For purposes of this section—

"(i) the term 'contributions made or arranged to be made' includes—

"(I) contributions delivered to a particular candidate or the candidate's authorized committee or agent; and

"(II) contributions directly or indirectly arranged to be made to a particular candidate or the candidate's authorized committee or agent, including contributions arranged to be made in a manner that identifies directly or indirectly to the candidate or authorized committee or agent the person who arranged the making of the contributions or the person on whose behalf such person was acting; and

"(ii) the term 'acting on the organization's behalf' includes the following activities by an officer, employee or agent of a person described in subparagraph (B)(ii)(IV):

"(I) Soliciting or directly or indirectly arranging the making of a contribution to a particular candidate in the name of, or by using the name of, such a person.

"(II) Soliciting or directly or indirectly arranging the making of a contribution to a particular candidate using other than incidental resources of such a person.

"(III) Soliciting contributions for a particular candidate by substantially directing the solicitations to other officers, employees, or agents of such a person.

"(D) Nothing in this paragraph shall prohibit—

"(i) bona fide joint fundraising efforts conducted solely for the purpose of sponsorship of a fundraising reception, dinner, or other similar event, in accordance with rules prescribed by the Commission, by—

"(I) 2 or more candidates;

"(II) 2 or more national, State, or local committees of a political party within the meaning of section 301(4) acting on their own behalf; or

"(III) a special committee formed by 2 or more candidates, or a candidate and a national, State, or local committee of a political party acting on their own behalf; or

"(ii) fundraising efforts for the benefit of a candidate that are conducted by another candidate.

When a contribution is made to a candidate through an intermediary or conduit, the intermediary or conduit shall report the original source and the intended recipient of the contribution to the Commission and to the intended recipient."

SEC. 223. EXCESS CAMPAIGN FUNDS.

(a) IN GENERAL.—Section 313 of FECA (2 U.S.C. 439a) is amended by inserting "(a)" before "Amounts", and by adding at the end thereof the following new subsection:

"(b)(1) Notwithstanding subsection (a), amounts described in subsection (a) that otherwise may be used to defray the costs of any ordinary and necessary expenses incurred in connection with an individual's duties as a holder of the office of United States Senator shall not be used to defray such costs which are expenditures with respect to such individual.

"(2) For purposes of subsection (a), ordinary and necessary expenses for the travel of the spouse or children of an individual holding the office of United States Senator between Washington, D.C. and the State from which such individual holds such office shall be treated as in connection with such individual's duties as a holder of Federal office unless such expenditures are expenditures with respect to such individual.

"(3) For purposes of this subsection, the term 'expenditure' has the meaning given such term by section 501(13)."

(b) CONTRIBUTIONS TO OFFICIAL OFFICE ACCOUNTS.—Section 315(a) of FECA (2 U.S.C.

441a(a)) is amended by adding at the end thereof the following new paragraph:

"(9) A political committee (other than the principal campaign committee of a holder of Federal office) shall not make any contribution, expenditure, or disbursement, or transfer any amount, for the purpose of defraying expenses incurred by the holder of Federal office in connection with the officeholder's official duties.

SEC. 224. CONTRIBUTIONS BY DEPENDENTS NOT OF VOTING AGE.

Section 315 of FECA (2 U.S.C. 441a), as amended by section 217, is amended by adding at the end thereof the following new subsection:

"(m) For purposes of this section, any contribution by an individual who—

"(1) is a dependent of another individual; and

"(2) has not, as of the time of such contribution, attained the legal age for voting for elections to Federal office in the State in which such individual resides,

shall be treated as having been made by such other individual. If such individual is the dependent of another individual and such other individual's spouse, the contribution shall be allocated among such individuals in the manner determined by them."

Subtitle D—Reporting Requirements

SEC. 231. REPORTING REQUIREMENTS.

(a) PERIODS FOR REPORTING.—(1) Section 304(b)(2) of FECA (2 U.S.C. 434(b)(2)) is amended by striking "for the reporting period and calendar year," and inserting "for the reporting period and calendar year in the case of committees other than authorized committees of a candidate, and for the reporting period and election cycle in the case of authorized committees of candidates,".

(2) Section 304(b)(4) of FECA (2 U.S.C. 434(b)(4)) is amended by striking out "for the reporting period and calendar year," and inserting in lieu thereof "for the reporting period and calendar year in the case of committees other than authorized committees of a candidate, and for the reporting period and election cycle in the case of authorized committees of candidates,".

(3) Section 304(b)(3) of FECA (2 U.S.C. 434(b)(3)) is amended by inserting "(within the election cycle in the case of authorized committees)" after "calendar year" in subparagraphs (A), (F), and (G) thereof.

(4) Section 304(b)(5)(A) of FECA (2 U.S.C. 434(b)(5)(A)) is amended by inserting after "(within the election cycle in the case of authorized committees)" after "calendar year".

(5) Section 304(b)(6)(A) of FECA (2 U.S.C. 434(b)(6)(A)) is amended by striking out "calendar year" and inserting in lieu thereof "election cycle".

(b) PERSONAL AND CONSULTING SERVICES.—Section 304(b)(5)(A) of FECA (2 U.S.C. 434(b)(5)(A)) is amended by adding before the semicolon at the end thereof the following: ", except that if a person to whom an expenditure is made is merely providing personal or consulting services and is in turn making expenditures to other persons (not including employees) who provide goods or services to the candidate or his authorized committees, the name and address of such other person, together with the date, amount and purpose of such expenditure shall also be disclosed".

TITLE III—FEDERAL ELECTION COMMISSION

SEC. 301. USE OF CANDIDATES' NAMES.

Section 302(e)(4) of FECA (2 U.S.C. 432(e)(4)) is amended to read as follows:

"(4)(A) The name of each authorized committee shall include the name of the candidate who authorized the committee under paragraph (1).

"(B) A political committee that is not an authorized committee shall not include the name of any candidate in its name in such a context as to suggest that the committee is an authorized committee of the candidate or that the use of the candidate's name has been authorized by the candidate."

SEC. 302. REPORTING REQUIREMENTS.

(a) OPTION TO FILE MONTHLY REPORTS—Section 304(a)(2) of FECA (2 U.S.C. 434(a)(2)) is amended—

(1) in subparagraph (A) by striking "and" at the end thereof;

(2) in subparagraph (B) by striking the period at the end thereof and inserting "; and"; and

(3) by inserting the following new subparagraph at the end thereof:

"(C) in lieu of the reports required by subparagraphs (A) and (B), the treasurer may file monthly reports in all calendar years, which shall be filed no later than the 15th day after the last day of the month and shall be complete as of the last day of the month, except that, in lieu of filing the reports otherwise due in November and December of any year in which a regularly scheduled general election is held, a pre-general election report shall be filed in accordance with subparagraph (A)(i), a post-general election report shall be filed in accordance with subparagraph (A)(ii), and a year end report shall be filed no later than January 31 of the following calendar year."

(b) FILING DATE.—Section 304(a)(4)(B) of FECA (2 U.S.C. 434(a)(4)(B)) is amended by striking "20th" and inserting "15th".

SEC. 303. PROVISIONS RELATING TO THE GENERAL COUNSEL OF THE COMMISSION.

(a) ACTION BY THE COMMISSION THROUGH ITS GENERAL COUNSEL.—(1) Section 306(c) of FECA (2 U.S.C. 437c(c)) is amended to read as follows:

"(c)(1) Subject to paragraph (2), all decisions of the Commission with respect to the exercise of its duties and powers under this Act or under chapter 95 or 96 of the Internal Revenue Code of 1986 shall be made by the affirmative vote of 4 members of the Commission.

"(2) On questions relating to—

"(A) the exercise of the Commission's authority under sections 307(a) (3) and (4);

"(B) a determination under section 309(a)(2) concerning whether there is reason to believe that a person may have committed or may be about to commit a violation of law; and

"(C) a determination to initiate or proceed with an investigation,

the general counsel of the Commission shall make a recommendation for action by the Commission, and such action shall be taken upon the affirmative vote of 3 members of the Commission.

"(3) A member of the Commission may not delegate to any person the member's power to vote or any other decisionmaking authority or duty vested in the Commission."

(2) Section 309(a)(2) of FECA (2 U.S.C. 437g(a)(2)) is amended by striking ", by an affirmative vote of 4 of its members,".

(b) VACANCY IN THE OFFICE OF GENERAL COUNSEL.—Section 306(f) of FECA (2 U.S.C. 437c(f)) is amended by inserting at the end thereof the following new paragraph:

"(5) In the event of a vacancy in the office of general counsel, the next highest ranking enforcement official in the general counsel's office shall serve as acting general counsel with full powers of the general counsel until a successor is appointed."

(c) PAY OF THE GENERAL COUNSEL.—Section 306(f)(1) of FECA (2 U.S.C. 437c(f)(1)) is amended—

(1) by inserting "and the general counsel" after "staff director" in the second sentence thereof; and

(2) by striking the third sentence thereof.

SEC. 304. RETENTION OF FEES BY THE COMMISSION.

Section 306 of FECA (2 U.S.C. 437c) is amended by inserting at the end thereof the following new subsection:

"(g) Fees collected by the Commission for copying and certification of records and provision of other materials to the public shall not be covered into the general fund of the Treasury of the United States, but shall be kept in a separate account and shall be available to the Commission, without necessity of an appropriation, for use in carrying out this Act."

SEC. 305. ENFORCEMENT.

(a) BASIS FOR ENFORCEMENT PROCEEDING.—Section 309(a)(2) of FECA (2 U.S.C. 437g(a)(2)) is amended by striking "it has reason to believe that a person has committed, or is about to commit" and inserting "facts have been alleged or ascertained that, if true, give reason to believe that a person may have committed, or may be about to commit".

(b) AUTHORITY TO SEEK INJUNCTION.—(1) Section 309(a) of FECA (2 U.S.C. 437g(a)) is amended by adding at the end thereof the following new paragraph:

"(13)(A) If, at any time in a proceeding described in paragraph (1), (2), (3), or (4), the Commission believes that—

"(i) there is a substantial likelihood that a violation of this Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1986 is occurring or is about to occur;

"(ii) the failure to act expeditiously will result in irreparable harm to a party affected by the potential violation;

"(iii) expeditious action will not cause undue harm or prejudice to the interests of others; and

"(iv) the public interest would be best served by the issuance of an injunction,

the Commission may initiate a civil action for a temporary restraining order or a temporary injunction pending the outcome of the proceedings described in paragraphs (1), (2), (3), and (4).

"(B) An action under subparagraph (A) shall be brought in the United States district court for the district in which the defendant resides, transacts business, or may be found."

(2) Section 309(a) of FECA (2 U.S.C. 437g(a)) is amended—

(A) in paragraph (7) by striking "(5) or (6)" and inserting "(5), (6), or (13)"; and

(B) in paragraph (11) by striking "(6)" and inserting "(6) or (13)".

SEC. 306. PENALTIES.

(a) PENALTIES PRESCRIBED IN CONCILIATION AGREEMENTS.—(1) Section 309(a)(5)(A) of FECA (2 U.S.C. 437g(a)(5)(A)) is amended by striking "which does not exceed the greater of $5,000 or an amount equal to any contribution or expenditure involved in such violation" and inserting "which is—

"(i) not less than 50 percent of all contributions and expenditures involved in the violation (or such lesser amount as the Commission provides if necessary to ensure that the penalty is not unjustly disproportionate to the violation); and

"(ii) not greater than all contributions and expenditures involved in the violation".

(2) Section 309(a)(5)(B) of FECA (2 U.S.C. 437g(a)(5)(B)) is amended by striking "which does not exceed the greater of $10,000 or an amount equal to 200 percent of any contribution or expenditure involved in such violation" and inserting "which is—

"(i) not less than all contributions and expenditures involved in the violation; and

"(ii) not greater than 150 percent of all contributions and expenditures involved in the violation".

(b) PENALTIES WHEN VIOLATIONS ARE ADJUDICATED IN COURT.—(1) Section 309(a)(6)(A) of FECA (2 U.S.C. 437g(a)(6)(A)) is amended by striking all that follows "appropriate order" and inserting ", including an order for a civil penalty in the amount determined under subparagraph (A) or (B) in the district court of the United States for the district in which the defendant resides, transacts business, or may be found."

(2) Section 309(a)(6)(B) of FECA (2 U.S.C. 437g(a)(6)(B)) is amended by striking all that follows "other order" and inserting ", including an order for a civil penalty which is—

"(i) not less than all contributions and expenditures involved in the violation; and

"(ii) not greater than 200 percent of all contributions and expenditures involved in the violation,

upon a proper showing that the person involved has committed, or is about to commit (if the relief sought is a permanent or temporary injunction or a restraining order), a violation of this Act or chapter 95 of chapter 96 of the Internal Revenue Code of 1986."

(3) Section 309(a)(6)(C) of FECA (29 U.S.C. 437g(6)(C)) is amended by striking "a civil penalty" and all that follows and inserting "a civil penalty which is—

"(i) not less than 200 percent of all contributions and expenditures involved in the violation; and

"(ii) not greater than 250 percent of all contributions and expenditures involved in the violation."

(c) TIME PERIODS FOR CONCILIATION.—Section 309(a)(4)(A) of FECA (2 U.S.C. 437g(a)(4)(A)) is amended—

(1) in clause (i) by striking "30 days" and inserting "15 days";

(2) in clause (i) by striking "90 days" and inserting "60 days"; and

(3) in clause (ii) by striking "at least 15 days" and inserting "no more than 30 days".

SEC. 307. RANDOM AUDITS.

Section 311(b) of FECA (2 U.S.C. 438(b)) is amended—

(1) by inserting "(1)" before "The Commission"; and

(2) by inserting at the end thereof the following new paragraph:

"(2) Notwithstanding paragraph (1), and subject to the provisions of section 507, the Commission may from time to time conduct random audits and investigations to ensure voluntary compliance with this Act. The subjects of such audits and investigations shall be selected on the basis of criteria established by vote of at least 4 members of the Commission to ensure impartiality in the selection process."

SEC. 308. ATTRIBUTION OF COMMUNICATIONS.

Section 318(a) of FECA (2 U.S.C. 441d(a)) is amended to read as follows:

"(a)(1)(A) Except as permitted under paragraph (2), if—

"(i) any person makes an expenditure or independent expenditure for the purpose of financing a communication expressly advocating the election or defeat of a clearly identified candidate, or solicits a contribution by a communication through a broadcasting station, newspaper, magazine, outdoor advertising facility, mass mailing, or other type of general public political advertising; or

"(ii) an authorized committee registered under section 303 makes a communication of any kind,

the requirements of subparagraph (B) shall be met with respect to such communication.

"(B) Subject to section 315(b)(2)(A)(iii) of the Communications Act of 1934, for the purposes of subparagraph (A)—

"(i) if the communication is paid for and authorized by a candidate, an authorized committee of a candidate, or its agents, the communication shall clearly state that the communication has been paid for by such candidate or authorized committee;

"(ii) if the communication is paid for by other persons but authorized by a candidate, an authorized committee of a candidate, or its agents, the communication shall clearly state that the communication is paid for by such other persons and authorized by such candidate or authorized committee; and

"(iii) if the communication is paid for by an independent expenditure, the communication shall clearly state the name of the person who paid for the communication and state that the communication is not authorized by any candidate or candidate's authorized committee.

"(2) The Commission may waive the requirements of paragraph (1) in circumstances in which the inclusion of the required information in a communication would be impracticable."

SEC. 309. FRAUDULENT SOLICITATION OF CONTRIBUTIONS.

Section 322 of FECA (2 U.S.C. 441h) is amended—

(1) by inserting "(a)" before "No"; and

(2) by inserting at the end thereof the following new subsection:

"(b) No person shall—

"(1) make a fraudulent misrepresentation that the person is authorized to solicit or accept a contribution to a candidate or political committee; or

"(2) solicit or accept a contribution to a candidate or political committee unless the person—

"(A) intends to, and does, pay over to the candidate or political committee any contribution received; and

"(B) inform the candidate or political committee of the name of the contributor."

TITLE IV—PROVISIONS RELATING TO CONGRESSIONAL MASS MAILINGS

SEC. 401. RESTRICTIONS ON FRANKED CONGRESSIONAL MASS MAILINGS EXCEEDING APPROPRIATED FUNDS.

Section 3216(c) of title 39, United States Code, is amended by inserting "(1)" after "(c)" and by adding at the end thereof the following new paragraph:

"(2)(A) If, at any time during a fiscal year, the Postal Service determines that the postage on and fees and charges in connection with matter mailed under the frank by the Senate during that year have exhausted the amount appropriated for use by the Senate, then no more mass mailings (as defined in section 3210(a)(6)(E)) may be mailed by any Member of the Senate during the remainder of that fiscal year, unless additional funds are appropriated for use by the Senate and paid to the Postal Service.

"(B) If, at any time during a fiscal year, the Postal Service determines that the postage on and fees and charges in connection with matter mailed under the frank by the House of Representatives during that year have exhausted the amount appropriated for use by the House of Representatives, then no more mass mailings (as defined in section 3210(a)(6)(E)) may be mailed by any Member of the House of Representatives during the remainder of that fiscal year, unless additional funds are appropriated for use by the House of Representatives and paid to the Postal Service.".

SEC. 402. EXTENSION OF TIME PERIOD WHEN FRANKED MASS MAILINGS ARE PROHIBITED.

(a) AMENDMENT OF TITLE 39.—(1) Section 3210(a)(6)(A) of title 39, United States Code, is amended—

(A) by striking clause (i) and inserting the following new clause:

"(i) if the mass mailing is mailed during the calendar year of any primary or general election (whether regular or runoff) in which the Member is a candidate for reelection; or"; and

(B) in clause (ii)(II), by striking "fewer than 60 days immediately before the date" and inserting "during the year".

(2) Section 3210(a)(6)(C) of title 39, United States Code, is amended by striking "fewer than 60 days immediately before the date" and inserting "during the year".

SEC. 403. REPORTING AND PUBLICATION OF FRANKED MASS MAILINGS.

Section 3210(a)(6) of title 39, United States Code, is amended—

(1) by redesignating subparagraphs (D), (E), and (F) as subparagraphs (E), (F), and (G), respectively; and

(2) by inserting after subparagraph (C) the following new subparagraph:

"(D)(i)(I) When a Member of the Senate disseminates information under the frank by a mass mailing, the Member shall register annually with the Secretary of the Senate such mass mailings. Such registration shall be made by filing with the Secretary of the Senate a copy of the matter mailed and providing, on a form supplied by the Secretary of the Senate, a description of the group or groups of persons to whom the mass mailing was mailed.

"(II) The Secretary of the Senate shall promptly make available for public inspection and copying a copy of the mail matter registered and a description of the group or groups of persons to whom the mass mailing was mailed.

"(ii)(I) When a Member of the House of Representatives disseminates information under the frank by a mass mailing, the Member shall register annually with the Clerk of the House of Representatives such mass mailings. Such registration shall be made by filing with the Clerk of the House of Representatives a copy of the matter mailed and providing, on a form supplied by the Clerk of the House of Representatives, a description of the group or groups of persons to whom the mass mailing was mailed.

"(II) The Clerk of the House of Representatives shall promptly make available for public inspection and copying a copy of the mail matter registered and a description of the group or groups of persons to whom the mass mailing was mailed."

SEC. 404. TRANSFERS OF OFFICIAL MAIL COSTS.

(a) PROHIBITION OF TRANSFERS TO CANDIDATES.—(1) During any fiscal year in which appropriations for official mail costs of the Senate are allocated among offices of the Senate, no such office may transfer any of its allocation to the office of a Member of the Senate who is a candidate for Federal office.

(2) During any fiscal year in which appropriations for official mail costs of the House of Representatives are allocated among of-

fices of the House of Representatives, no such office may transfer any of its allocation to the office of a Member of the House of Representatives who is a candidate for Federal office.

(b) REPORTING AND PUBLICATION.—(1)(A) Each office of the Senate that transfers or receives a transfer of an official mail cost allocation to or from another Senate office shall report to the Sergeant at Arms and Doorkeeper of the Senate—

(i) the name of the office to which the transfer is made or from which the transfer was received;

(ii) the amount of the transfer;

(iii) the amount of the allocation made to the office for the fiscal year;

(iv) the total amount of allocations that have been transferred by and to the office to date during the fiscal year; and

(v) the amount of the allocation remaining available to the office for the fiscal year.

(B) The information reported to the Sergeant at Arms and Doorkeeper of the Senate pursuant to subparagraph (A) shall be published quarterly in the Congressional Record and included in the semiannual report of the Secretary of the Senate.

(C) Not later than 30 days after the date of enactment of this Act, all offices of the Senate that have transferred or received a transfer of official mail cost allocations to or from another office of the Senate during fiscal year 1990 shall report to the Sergeant at Arms and Doorkeeper of the Senate the information described in paragraph (A) with respect to such transfers, and such information shall be published in the Congressional Record.

(2)(A) Each office of the House of Representatives that transfers or receives a transfer of an official mail cost allocation to or from another office of the House of Representatives shall report to the Commission on Congressional Mailing Standards of the House of Representatives—

(i) the name of the office to which the transfer is made or from which the transfer was received;

(ii) the amount of the transfer;

(iii) the amount of the allocation made to the office for the fiscal year;

(iv) the total amount of allocations that have been transferred by and to the office to date during the fiscal year; and

(v) the amount of the allocation remaining available to the office for the fiscal year.

(B) The information reported to the Commission on Congressional Mailing Standards of the House of Representatives pursuant to subparagraph (A) shall be published quarterly in the Congressional Record and included in the quarterly report of the Clerk of the House of Representatives.

SEC. 405. USE OF OFFICIAL EXPENSE ACCOUNTS AND OTHER SOURCES OF FUNDS FOR MASS MAILINGS.

Section 506(a)(3) of the Supplemental Appropriations Act, 1973 (2 U.S.C. 58(a)(3)) is amended by striking subparagraph (A).

SEC. 406. AMENDMENT OF FECA.

Section 301 of FECA (2 U.S.C. 431), as amended by section 221(c), is amended by adding at the end thereof the following new paragraph:

"(24) The term 'mass mailing' means newsletters and similar mailings of more than 100 pieces in which the content of the matter mailed is substantially identical, excluding—

"(A) mailings made in direct response to communications from persons to whom the matter is mailed;

"(B) mailings to Federal, State, or local government officials; and

"(C) news releases to the communications media.".

TITLE V—MISCELLANEOUS

SEC. 501. RESTRICTION OF CONTROL OF CERTAIN TYPES OF POLITICAL COMMITTEES BY INCUMBENTS IN OR CANDIDATES FOR FEDERAL OFFICE.

Section 302 of FECA (2 U.S.C. 432) is amended by adding at the end thereof the following new subsection:

"(j) An incumbent in or candidate for Federal office may not establish, maintain, or control a political committee, other than an authorized committee of the candidate or a committee of a political party."

SEC. 502. POLLING DATA CONTRIBUTED TO A SENATORIAL CANDIDATE.

Section 301(8) of FECA (2 U.S.C. 431(8)), as amended by section 218, is amended by inserting at the end thereof the following new subparagraph:

"(E) A contribution of polling data to a candidate for the office of United States Senator shall be valued at the fair market value of the data on the date the poll was completed, depreciated at a rate not more than 1 percent per day from such date to the date on which the contribution was made.".

SEC. 503. EFFECTIVE DATE.

Except as otherwise provided in this Act, the amendments made by, and the provisions of, this Act shall take effect on the date of the enactment of this Act but shall not apply with respect to activities in connection with any election occurring before January 1, 1993.

SEC. . SENSE OF SENATE REGARDING FUNDING OF ACT.

(a) FINDINGS.—The Senate finds that—

(1) this Act does not provide for a funding mechanism to pay for the provisions cleaning up Senate election campaigns;

(2) a funding mechanism is necessary to pay for such provisions; and

(3) it is the position of the House of Representatives that under the Constitution all bills affecting revenue must originate in the House of Representatives.

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

(1) legislation to clean up Senate election campaigns shall be funded by removing subsidies for political action committees with respect to their political contributions or for other organizations with respect to their lobbying expenditures;

(2) legislation to clean up Senate election campaigns shall not be paid for by any general revenue increase on the American taxpayer;

(3) legislation to clean up Senate election campaigns shall not be paid for by reducing expenditures for any existing Federal program; and

(4) legislation to clean up Senate election campaigns shall not result in an increase in the Federal budget deficit.

SEC. . DEBATES BY GENERAL ELECTION CANDIDATES WHO RECEIVE AMOUNTS FROM THE PRESIDENTIAL ELECTION CAMPAIGN FUND.

Section 315(b) of FECA (2 U.S.C. 441a(b)) is amended by adding at the end thereof the following new subsections:

"(3)(A) The candidates of a political party for the offices of President and Vice President who are eligible under section 9003 of the Internal Revenue Code of 1986 to receive payments from the Secretary of the Treasury shall not receive such payments unless both of such candidates agree in writing—

"(i) that the candidate for the office of President will participate in at least 4 debates, sponsored by a nonpartisan or bipartisan organization, with all other candidates for that office who are eligible under that section; and

"(ii) that the candidate of the party for the office of Vice President will participate in at least 1 debate, sponsored by a nonpartisan or bipartisan organization, with all other candidates for that office who are eligible under that section.

"(B) If the Commission determines that either of the candidates of a political party failed to participate in a debate under subparagraph (A) and was responsible at least in part for such failure, the candidate of the party involved shall—

"(i) be ineligible to receive payments under section 9006 of the Internal Revenue Code of 1986; and

"(ii) pay to the Secretary of the Treasury an amount equal to the amount of the payments made to the candidate under the section.".

SEC. . EXPEDITED REVIEW OF CONSTITUTIONAL ISSUES.

(a) DIRECT APPEAL TO SUPREME COURT.—An appeal may be taken directly to the Supreme Court of the United States from any interlocutory order or final judgment, decree, or order issued by any court ruling on the constitutionality of any provision of this Act or amendment made by this Act.

(b) ACCEPTANCE AND EXPEDITION.—The Supreme Court shall, if it has not previously ruled on the question addressed in the ruling below, accept jurisdiction over, advance on the docket, and expedite the appeal to the greatest extent possible.

SEC. . UNIFORM HONORARIA AND INCOME LIMITATIONS FOR CONGRESS.

(a) ADMINISTRATION OF RULES AND REGULATIONS.—Section 503 of the Ethics in Government Act of 1978 is amended by—

(1) redesignating paragraphs (2) and (3) as paragraphs (3) and (4); and

(2) inserting after paragraph (1) the following new paragraph:

"(2) and administered by the committee of the Senate assigned responsibility for administering the reporting requirements of title I with respect to Members, officers, and employees of the Senate;".

(b) DEFINITIONS.—Section 505 of the Ethics in Government Act of 1978 is amended—

(1) in paragraph (1) by inserting "a Senator or" after "means"; and

(2) in paragraph (2) by striking "(A)" and all that follows through "(B)".

(c) AMENDMENTS TO THE ETHICS REFORM ACT OF 1989.—Section 1101(b) of the Ethics Reform Act of 1989 is repealed and section 1101(c) is redesignated as section 1101(b).

(d) FEDERAL ELECTION CAMPAIGN ACT OF 1971.—Section 323 of FECA (2 U.S.C. 4411) is repealed.

(e) SUPPLEMENTAL APPROPRIATIONS ACT, 1983.—Section 908 of the Supplemental Appropriations Act, 1983 (2 U.S.C. 31-1) is repealed.

(f) EFFECTIVE DATE.—The amendments made by this section shall take effect on January 1, 1992.

SEC. . UNIFORM LIMITATIONS FOR EARNED AND UNEARNED INCOME.

(a) SUBSTANTIVE AMENDMENTS.—Section 501 of the Ethics in Government Act of 1978 (5 U.S.C. App.) is amended—

(1) in section 501(a)(1) by inserting "or unearned" after "earned"; and

(2) in section 501(a)(2) by inserting "or unearned" after "earned".

(b) TECHNICAL AMENDMENTS.—(1) The heading for title V of the Government Ethics Act of 1978 (5 U.S.C. App.) is amended by striking "EARNED".

(2) The heading for section 501 of the Government Ethics Act of 1978 (5 U.S.C. App.) is amended by striking "EARNED".

(3) The heading for section 501(a) of the Government Ethics Act of 1978 (5 U.S.C. App.) is amended by striking "EARNED".

SEC. . PROHIBITION OF CERTAIN ELECTION-RELATED ACTIVITIES OF FOREIGN NATIONALS.

(a) FINDINGS AND DECLARATIONS.—The Congress finds and declares that—

(1) the electoral process of the United States should be open to all American citizens;

(2) foreign nationals should have no role in the American electoral process;

(3) Congress does not intend and has never intended to permit foreign nationals to participate, directly or indirectly, in the decisionmaking of political committees established pursuant to the Federal Election Campaign Act of 1971;

(4) it is the intent of Congress to prohibit any participation whatsoever by any foreign national in the activities of any political committee; and–

(5) while it is necessary to safeguard the political process from foreign influence, it is critical that any protections not discriminate against American citizens employed by foreign-owned companies and that Americans' constitutional rights of free association and speech be protected.

(b) PROHIBITION OF CERTAIN ELECTION-RELATED ACTIVITIES OF FOREIGN NATIONALS.—Section 319 of FECA (2 U.S.C. 441e) is amended by—

(1) redesignating subsection (b) as subsection (e); and

(2) inserting after subsection (a) the following new subsections:

"(b) A foreign national shall not direct, dictate, control, or directly or indirectly participate in any person's decisionmaking concerning the making of contributions or expenditures in connection with elections for any Federal, State, or local office or decisionmaking concerning the administration of a political committee.

"(c) A nonconnected political committee or the separate segregated fund established in accordance with section 316(b)(2)(C) or any other organization or committee involved in the making of contributions or expenditures in connection with elections for any Federal, State, or local office shall include the following statement on all printed materials produced for the purpose of soliciting contributions:

"It is unlawful for a foreign national to make any contribution of money or other thing of value to a political committee."

"(d) A nonconnected political committee or a separate segregated fund established in accordance with section 316(b)(2)(C) or any other organization or committee involved in the making of contributions or expenditures in connection with elections for any Federal, State, or local office shall certify in regular reports to the Commission, or in a manner prescribed by the Commission, that no foreign national has participated either directly or indirectly in the decisionmaking of the political committee or separate segregated fund, including the appointment of the administrators of the committee or fund."

(b) PENALTY.—Section 309(b)(1)(C) of FECA (2 U.S.C. 437g(d)(1)(C)) is amended by inserting "section 319 or" before "section 322".

TELECOMMUNICATIONS EQUIPMENT RESEARCH AND MANUFACTURING COMPETITION ACT

PRESSLER (AND OTHERS) AMENDMENT NO. 260

(Ordered to lie on the table.)

Mr. PRESSLER (for himself, Mr. GRASSLEY, Mr. SASSER, Mr. BAUCUS, Mr. BURDICK, and Mr. CONRAD) submitted an amendment intended to be proposed by them to the bill (S. 173) to permit the Bell Telephone Companies to conduct research on, design, and manufacture telecommunications equipment, and for other purposes, as follows:

On page 8, line 12, strike out "and".

On page 8, line 18, immediately after "equipment", insert a comma and the following: "including software,".

On page 9, line 1, immediately after "other", insert "local exchange telephone company".

On page 9, line 3, immediately after "equipment", insert a comma and the following: "including software,".

On page 9, line 3, immediately after "manufactured" insert "for use with the public telecommunications network".

On page 9, line 5, strike out the period and insert in lieu thereof a semicolon.

On page 9, between lines 5 and 6, insert the following:

(9) such manufacturing affiliate shall not discontinue or restrict sales to other local exchange carriers of any telecommunications equipment, including software, it manufactures for sale as long as there is reasonable demand for the equipment by such carriers; and

(10) Bell Telephone Companies shall engage with other local telephone exchange companies in joint network planning, design and operations and provide to other such carriers operating in the same area of interest, timely information on the planned deployment of telecommunications equipment, including software.

On page 9, beginning with line 20, strike out all through line 24.

On page 10, line 1, strike out "(4)" and insert in lieu thereof "(3)".

On page 11, line 7, immediately after "(h)", insert "(1)".

On page 11, between lines 13 and 14, insert the following:

"(2) Any person injured by an act or omission of a Bell Telephone Company or its affiliate which is inconsistent with the substantive requirements of paragraph (8) or (9) of subsection (c), or the Commission's rules implementing such subsections, may initiate an action in the District Courts of the United States to recover the full amount of damages sustained in consequence of any such violation and obtain such orders from the Court as are necessary to terminate violations and to prevent future violations; or such person may seek relief from the Commission pursuant to sections 206 through 209.

Mr. PRESSLER. Mr. President, I rise today on behalf of Senators GRASSLEY, SASSER, BAUCUS, BURDICK, CONRAD, and myself to submit an amendment to S. 173, the Telecommunications Equipment Research and Manufacturing Competition Act of 1991.

A number of small and rural telephone companies have expressed concerns to us about enacting S. 173 without adequate safeguards to ensure that rural areas continue to be served by a first-rate public telecommunications infrastructure. In 1988, I wrote an article in the UCLA Federal Communications Law Journal concerning universal telephone service which emphasized the need for a coordinated telecommunications policy between urban and rural areas of this country.

Without universal service as a fundamental premise of our national telecommunications policy, we in rural parts of the country will be left far behind in the advancing information age. Of course, a manufacturing bill alone will not do the whole job. But, the universal service premise is at the heart of this amendment.

The manufacturing restriction relaxation envisioned in S. 173 should be accompanied by clear, explicit and enforceable statutory safeguards which would guarantee small and rural local exchange carriers nondiscriminatory access to the equipment and software they need.

This amendment would do the following:

First of all, it would require the Bell companies to make software and telecommunications equipment available to other local exchange carriers without discrimination or self-preference. S. 173 currently does not contain language requiring the Bell companies to sell software, which is the heart of modern telecommunications equipment, to other local exchange carriers.

It would make any "reciprocal" requirements for other local exchange carriers that manufacture telecommunications equipment truly reciprocal.

S. 173 requires Bell company affiliates to make equipment available only to other local telephone companies and only for use with the public telecommunications network; other local telephone companies must make available any telecommunications equipment they or any of their affiliates manufacture to any Bell company that sells them equipment and to any of its affiliates, for any use.

Second, our amendment would require the Bell companies that manufacture equipment to continue making available telecommunications equipment, including software, to other local telephone companies so long as reasonable demand for it exists. S. 173 contains no requirement to maintain availability to satisfy the reasonable continuing demand of other local telephone companies.

Small and rural companies are concerned that if the Bell companies are allowed into manufacturing, they would be much more likely to buy existing manufacturing operations than to start new ones. This is particularly

true for switch manufacturing, which is very capital intensive. If the Bell companies refuse to supply software to independents, they can prevent the independents from providing new services. Then the Bell companies could market such services to the small company's large customers, emphasizing that the small company was unable to offer the service.

The concern we have is that the Bell companies could divert the traffic of selected large customers to their own facilities. This would leave behind costs that remaining residential customers would have to absorb through higher rates. A Bell company also could use this leverage if it wanted to acquire a neighboring small independent in a growing area. It could further its acquisition objective by depriving the target company of technology, thus stimulating consumer complaints to regulators.

Small and rural companies are also worried that a Bell company could acquire an existing manufacturer, change the product line to meet Bell plans and needs, and cease to "support" equipment and software installed by small companies. If new software is not made available, a rural company might have to choose between installing a new switch or depriving its subscribers of new services.

Third, our amendment would require the Bell companies to engage in joint network planning, design and operations.

S. 173 undercuts joint planning and widespread infrastructure availability because it only requires the Bell companies to: First, inform other local telephone companies about their deployment of equipment; and second, report changes to protocols and requirements. The bill's requirements are too little too late. They will not lead to a nationwide, information-rich telecommunications infrastructure.

Small companies need a voice in the process to assure that the network is designed, implemented and operated jointly by all local telephone companies to meet the goal of nationwide access to information age resources.

Finally, our amendment calls for strong district court enforcement procedures, including damages. S. 173 provides only for FCC common carrier authority, which proved inadequate to remedy past refusals to provide equipment to small local telephone companies. If independents do not have the ability to go to district court with their complaints, they cannot reasonably have any confidence that the essential safeguards will be effective.

I urge my colleagues to support this amendment to ensure that rural companies have reasonable, enforceable and continuing access to the equipment and joint network planning they need so that all Americans, urban and rural alike, can share in a nationwide, information-rich telecommunications network.

Mr. GRASSLEY. Mr. President, I am pleased to join as cosponsor of the amendment by Senator PRESSLER. The rural telephone protection amendment will provide America's rural telephone companies and their customers crucial safeguards against any anticompetitive activities which might result from the passage of S. 173, the Telecommunications Equipment Research and Manufacturing Competition Act of 1991.

S. 173 overturns a portion of the 1982 AT&T Bell System antitrust consent decree in order to allow regional Bell operating companies [RBOC's] to research, design, and manufacture telecommunications equipment.

The interesting thing about this is that the Justice Department and the Bell system originally had agreed that the RBOC's would be permanently barred from providing manufacturing because they feared the RBOC's would use their monopoly power over local telephone service to gain unfair advantage in competitive markets. It was Judge Green who instead kept the door open for RBOC manufacturing in the future if it were shown that economic conditions had changed that would discourage further anticompetitive behavior.

The Judge has thus far not found the necessary grounds to allow RBOC's to engage in manufacturing.

We should understand, therefore, why the small, rural telephone companies become alarmed at the prospects of S. 173 becoming law. They understandably want protections from the abuses of the past. They want protections against being forced into the status of second-class citizens denied the benefits and economic development which should accompany our Nation's explosive growth in technological innovation.

I am a member of the Congressional Board to the Office of Technology Assessment. Today, we are releasing a study requested by myself, Senator HATCH, and the Joint Economic Committee. This study is entitled "Rural America at the Crossroads: Networking for the Future."

OTA did a commendable job, and made numerous findings and conclusions that will help policymakers assure that rural economic development will be encouraged, not discouraged, by advances in telecommunication.

One major point made is that we may need to develop policies that distinguish rural from urban areas. OTA also underscores the importance of requiring better coordination among telecommunication interests, businesses, and local, State, and Federal officials. Our amendment does both.

Our amendment requires RBOC's to engage in joint planning with rural telephone companies as well as provide software within the definition of equipment which must be made available to rural telephone companies as long as reasonable demand exists. It also provides for strong enforcement measures to protect these interests.

Mr. President, in all candor, the RBOC's are not terribly keen about our amendment. They think it goes too far, that the rural telephone companies are asking too much, and that this is quite extraordinary.

I would just remind my colleagues that what the RBOC's want through the passage of S. 173, which creates the need for our amendment in the first place, is quite extraordinary in and of itself.

In fact, yesterday before the Judiciary Antitrust Subcommittee, the president of MCI communications, Mr. Bert Roberts, testified that, and I quote.

> Congressional action to overturn judicial decrees of any sort is extremely rare. We have not found a single instance—not one—in which congress overturned a consent degree like the modified final judgment. Such congressional action truly would be unprecedented.

Mr. President, I have not yet decided how to vote on S. 173. But I know with certainty that I have absolutely no intention of supporting legislation that will undermine a major portion of my rural constituency. There may be compelling economic policy arguments to overturn an antitrust consent decree, but there are no compelling arguments that should allow me, or any of my colleagues, to abandon the economic future of their rural constituents.

Our amendment is aimed at preventing this from happening, and I urge my colleagues to join Senators PRESSLER, SASSER, BURDICK, BAUCUS, and CONRAD, and myself in cosponsoring and supporting this amendment.

SENATE ELECTION ETHICS ACT

NICKLES AMENDMENT NO. 261

Mr. NICKLES proposed an amendment to amendment No. 242 proposed by Mr. BOREN to the bill S. 3, supra, as follows:

On page 19, beginning with line 3, strike all through page 23, line 13.

ROTH AMENDMENT NO. 262

Mr. ROTH proposed an amendment to amendment No. 242 proposed by Mr. BOREN to the bill S. 3, supra, as follows:

Strike section 101.

Strike subsection (d) of section 102.

On page 43, lines 18 through 20, strike "an eligible candidate (as defined in section 501(2) of the Federal Election Campaign Act of 1971)" and insert "a legally qualified candidate".

Strike subsection (b) of section 103.

Strike Section 104.

Strike section 105.

On page 47, beginning with line 17, strike all through page 50, line 3.

On page 50, line 4, strike "(b)" and insert "SEC. 304A(a)".

On page 52, line 8, strike "(c)" and insert "(b)".

On page 53, line 1, strike "(d)" and insert "(c)".

On page 54, line 6, strike "(f)" and insert "(e)".

On page 54, line 16, strike "(g)" and insert "(f)".

On page 61, strike lines 5 through 13.

On page 61, lines 16 and 17, strike "and subsection (c) or (d)".

On page 101, after line 23, add the following new title:

TITLE VI—FREE TELEVISION TIME

SEC. 601. AMENDMENTS TO THE COMMUNICATIONS ACT OF 1934.

Section 315(a) of the Communications Act of 1934 is amended to read as follows:

(a) ALLOWANCE OF TELEVISION BROADCAST TIME FOR CERTAIN CANDIDATES; CENSORSHIP PROHIBITION.—Each licensee operating a television broadcasting station shall make available without charge to any legally qualified candidate in the general election for the office of United States Senator an amount of broadcast time, determined by the Commission under subsection (d), for use in his or her campaign for election, subject to the conditions and limitations of subsection (e). No licensee shall have power of censorship over the material broadcast under the provisions of this section.

(b) EQUAL OPPORTUNITIES REQUIREMENT; CENSORSHIP PROHIBITION; ALLOWANCE OF STATION USE.—Except in those circumstances to which subsection (a) applies, if any licensee shall permit any person who is a legally qualified candidate for any public office to use a broadcasting station, he or she shall afford equal opportunities to all other such candidates for the office in the use of such broadcasting station: *Provided*, That such licensee shall have no power of censorship over the material broadcast under the provisions of this section. No obligation is imposed under this subsection upon any licensee to allow the use of its station by any such candidate.

(c) NEWS APPEARANCES EXCEPTION; PUBLIC INTEREST; PUBLIC ISSUES DISCUSSION OPPORTUNITIES.—Appearance by a legally qualified candidate on any—

(1) bona fide newscast;

(2) bona fide news interview;

(3) bona fide news documentary (if the appearance of the candidate is incidental to the presentation of the subject or subjects covered by the news documentary); or

(4) on-the-spot coverage of bona fide events (including but not limited to political conventions and activities incidental thereto); shall not be deemed to be use of a broadcasting station within the meaning of subsections (a) or (b). Nothing in the foregoing sentence shall be construed as relieving broadcasters, in connection with the presentation of newscast, news interviews, new documentaries, and on-the-spot coverage of news events, from the obligation imposed upon them under this chapter to operate in the public interest and to afford reasonable opportunity for the discussion of conflicting views on issues of public importance.

(d) RULES AND REGULATIONS REGARDING ALLOWANCE OF TELEVISION BROADCAST TIME FOR CERTAIN CANDIDATES.—The Commission shall, after consultation with the Federal Election Commission, determine the amount of television broadcast time that legally qualified major-party candidates for a Senate office may receive under subsection (a) on the basis of the amount of television broadcast time used by major-party candidates in the previous election for the United States Senate, provided that at a minimum such candidates be provided an amount of television broadcast time commonly used by major-party candidates in elections of comparable size. The amount of television broadcast time that each candidate is eligible to receive and the amount of such time that each licensee must make available to each eligible candidate shall be published prior to each Senate election in the Federal Register by the Commission on a date established by regulation. The broadcast time made available under subsection (a) shall be made available during the 45-day period preceding the general election for such office. The Commission shall ensure that the television broadcast time made available under subsection (a) shall be made available fairly and equitably, through licensees commonly used by candidates seeking the particular United States Senate office, and at hours of the day which reflect television viewing habits and contemporaneous campaign practices. A legally qualified candidate of a party other than a party which obtained 5 percent or more of the popular vote in the last Presidential election shall, by regulation of the Commission, be granted an allocation of broadcast time in proportion to the amount of contributions under $250 such a candidate has received when compared to such contributions received by candidates of the major parties, provided that such proportion exceeds 5 percent. The Commission shall require licensee operating television broadcasting stations to enter into a pooling agreement to ameliorate any disproportionate financial impact on particular licensees. For purposes of this subsection, a major party is a party which obtained more than 5 percent of the popular vote in the previous Presidential election.

(e) CONDITIONS AND LIMITATIONS.—The entitlement of any legally qualified candidate to television broadcast time under subsection (a) is conditional upon (1) signing an agreement to forego both the purchase of any additional amount of broadcast time, and the acceptance of any additional amount of television broadcast time purchased by another, during the period that such time is made available with respect to such candidacy pursuant to subsection (a) and the Commission's regulations, and (2) filing a copy of such agreement with the Commission.

(f) PENALTIES AND REMEDIES.—Any candidate who purchases or accepts purchased television broadcast time in violation of such agreement shall be subject, upon conviction, to imprisonment of up to one year or a fine of up to $10,000, or both. Any licensee who sells television broadcast time to a candidate, who has filed an agreement, in excess of the time to be provided by such licensee to such candidate pursuant to subsection (a) and the Commission's regulations shall be subject to appropriate disciplinary action by the Commission, including (1) an order requiring the licensee to provide an equal amount of time to other candidates for the same office, or (2) an order revoking the licensee's license.

SEC. 602. TECHNICAL AND CONFORMING AMENDMENTS.

(a) Section 351 of the Communications Act of 1934 is further amended as follows: (1) in subsection (b) by striking the phrase "The charges" and inserting in lieu thereof "Except to the extent that the provisions of subsection (a) apply, the charges"; (2) by redesignating subsections (b), (c), and (d) as (f), (g), and (h) respectively; and (3) by adding "generally" after "Rules and regulations" in redesignated subsection (h).

(b) Subsection (a)(7) of section 312 of the Communications Act of 1934, as amended, is amended to read as follows: "(7) for willful or repeated failure to comply with the provisions of section 315 of this title."

(c) Subsection (8) of section 301 of the Federal Election Campaign Act of 1971, as amended, relating to exclusions from the definition of contributions, is amended as follows: (1) at the end of paragraph (B) (xiii) by striking the semicolon; (2) at the end of paragraph (B)(xiv) by striking the period and inserting "; and" in lieu thereof; and (3) at the end of paragraph (B) by adding the following: "(xv) the value of any television broadcast time provided without charge by a licensee pursuant to section 315(a) of the Communications Act of 1934, as amended."

(d) Subsection (9) of section 301 of the Federal Election Campaign Act of 1971, as amended, relating to exclusions from the definition of expenditures, is amended as follows: (1) by inserting after paragraph (B)(i) the following: "(ii) the provision without charge of any television broadcast time by a licensee pursuant to section 315(a) of the Communications Act of 1934, as amended;" and (2) be redesignating subsequent subparagraphs accordingly.

SEC. 603. STUDY REGARDING PRIMARY AND OTHER ELECTIONS.

The Federal Communications Commission shall study the application of section 315(a) of the Communications Act of 1934, as amended by this Act, to the first general election campaign conducted under the provisions of that section and shall report the results of that study, together with recommendations, including recommendations for legislation, not later than the first day of March following such general election. The study shall also evaluate the desirability and feasibility of extending the provisions of section 315(a) of the Communications Act of 1934 to primary and other election campaigns.

SEC. 604. EFFECTIVE DATE.

The Federal Communications Commission shall promulgate rules and regulations to implement this Act no later than 180 days after the date of enactment of this Act. Sections 601 and 602(a) of this Act shall not take effect until the first day of July following the promulgations of such rules and regulations.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. BOREN. Mr. President, I ask unanimous consent that the Senate Committee on Agriculture, Nutrition, and Forestry, be allowed to meet during the session of the Senate on May 22, 1991, at 10:30 p.m., in SR-332, to hold a hearing on S.1098, to authorize the purchase of dairy cows and heifers for certain purposes, and to increase the milk price support rate and provide an offset.

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

SUBCOMMITTEE ON COMMUNICATIONS

Mr. BOREN. Mr. President, I ask unanimous consent that the Subcommittee on Communications, of the Committee on Commerce, Science, and Transportation, be authorized to meet

during the session of the Senate on May 22, 1991, at 2 p.m., on the reauthorization of the Federal Communications Commission.

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

COMMITTEE ON ARMED SERVICES

Mr. BOREN. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet on Wednesday, May 22, 1991, at 9:30 a.m., to consider the nomination of Donald J. Yockey to be Under Secretary of Defense for Acquisition.

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

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. BOREN. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be allowed to meet during the session of the Senate on Wednesday, May 22, 1991, at 10 a.m., to conduct a hearing on the reforming the deposit insurance system and modernizing the financial services industry, with a focus upon well-run institutions.

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

COMMITTEE ON THE JUDICIARY

Mr. BOREN. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Wednesday, May 22, 1991, at 10 a.m., to hold a hearing on legislative proposals for the compensation of victims of sex crimes.

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

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. BOREN. Mr. President, I ask unanimous consent that the Governmental Affairs Committee be authorized to meet on Wednesday, May 22, at 9:30 a.m., for a hearing on the subject: DOD subcontract management.

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

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. BOREN. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be allowed to meet during the session of the Senate on Wednesday, May 22, 1991, at 2 p.m., to conduct a hearing to consider legislative proposals to reform the deposit insurance system and modernize the financial services industry.

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

SUBCOMMITTEE ON JUVENILE JUSTICE

Mr. BOREN. Mr. President, I ask unanimous consent that the Subcommittee on Juvenile Justice of the Committee on the Judiciary, be authorized to meet during the session of the Senate on Wednesday, May 22, 1991, at 10:30 a.m., to hold a hearing on status offenders.

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

SUBCOMMITTEE ON NEAR EASTERN AND SOUTH ASIAN AFFAIRS

Mr. BOREN. Mr. President, I ask unanimous consent that the Subcommittee on Near Eastern and South Asian Affairs of the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, May 22, at 2 p.m., to hold a hearing on the Middle East: Arab-Israeli relations/Palestinian issue.

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

COMMITTEE ON FOREIGN RELATIONS

Mr. BOREN. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, May 22, at 10 a.m., to hold a hearing on the status of 1990 bilateral chemical weapons agreement and multilateral negotiation on chemical weapons ban.

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

COMMITTEE ON FOREIGN RELATIONS

Mr. BOREN. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, May 22, at 11:30 a.m., to hold a hearing on the South Pacific environmental protection conventions; Treaty Doc. 101-2.

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

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BOREN. Mr. President, I ask unanimous consent that the full committee of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate, 9:30 a.m., May 22, 1991, to consider S. 341 and S. 244.

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

SUBCOMMITTEE ON STRATEGIC FORCES AND NUCLEAR DETERRENCE

Mr. BOREN. Mr. President, I ask unanimous consent that the Subcommittee on Strategic Forces and Nuclear Deterrence of the Committee on Armed Services be authorized to meet on Wednesday, May 22, 1991, at 2 p.m., to receive testimony on Department of Energy environmental restoration and waste management programs in review of the fiscal years 1992/1993 national defense authorization request.

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

ADDITIONAL STATEMENTS

AFRICAN RENAISSANCE

• Mr. SIMON. Mr. President, one of the little known realities is that respect for civil liberties and multiparty political systems are growing in Africa.

Yes, there are countries where things are not going well, such as in Kenya, but the overall trend is a healthy trend.

It is a little like the stock market in that there are ups and downs, but the overall trend is one that we ought to be aware of and we ought to be encouraging more than we are.

Recently, Makau wa Mutua, a lawyer who directs the Africa Project of the Lawyers Committee for Human Rights had an op-ed piece in the *New York Times* commenting on what is happening in Africa.

I ask to insert his article into the RECORD at the end of my remarks.

We respond with arms in a place like Angola when we see an East-West confrontation, spending millions of dollars. I happen to have opposed that expenditure.

But whether you've favored it or opposed it, we ought to be responding with our dollars, not simply when there is a perceived military threat, but when we can do constructive things.

The opportunity is now to do constructive things.

The article follows:

AFRICAN RENAISSANCE

(By Makau wa Mutua)

After decades of unspeakable repression at the hands of authoritarian regimes, Africans stand at the threshold of a new epoch. Across the continent, millions are demanding freely elected legislatures, an independent judiciary and an accountable executive. This democratic renaissance cuts across linguistic lines and national borders, from Nigeria to Kenya, from Mali to Zaire.

This upheaval, which began soon after the collapse of one-party states in Europe, also cuts across ideological lines. This month, Angola, a battlefield of the cold war since 1974, agreed to a more open political process. This good news comes after more than two decades of a war, during which hundreds of thousands of people were killed or maimed.

Angola is but one sign of rebirth on the continent. Africa has not undergone such convulsions since independence. A number of governments are on the defensive against popular uprisings; several have collapsed. A few others, besieged by an impatient population, have agreed to introduce sweeping reforms. Several have held their first free elections since independence. Only a few, notably the Sudan, Ethiopia and Kenya, have obstinately refused to heed the winds of change, even superficially.

Halting change is even coming to Zaire, a one-party state that has institutionalized human rights abuses since President Mobutu Sese Seko came to power in 1965. Unprecedented pressure by the people has forced the Government to announce reforms and agree to contested elections. Despite the use of deadly force by Government agents, Zairians are calling for Mr. Mobutu's removal and have made it clear that they will settle for nothing short of fundamental change.

In Mali, President Moussa Traore's military Government was overthrown by army officers in March after 22 years in office. The coup leaders have named Soumana Sacko, an official with the U.N. Development Program, interim Prime Minister and he promises a democratically elected government.

In Zambia, President Kenneth Kaunda agreed in 1990 to end two decades of one-party rule. In elections this October, the smart money in Zambia is on the Movement for Multi-Party Democracy, which has called for an accountable leadership, an independent judiciary and respect for human rights.

In Benin, the longtime dictator Mathieu Kerekou was ousted in March in the country's first free election since independence in 1960. In the Cape Verde Islands, 16 years of one-party rule ended last month when Carlos Veiga and his Movement for Democracy won the country's first freely contested election. Last year, President Felix Houphouet-Boigny of the Ivory Coast abandoned one-party rule following numerous demonstrations. He, however, won a contested election amid allegations of fraud.

Surprisingly, one of the Governments that continues to resist the democratic trend is Kenya. Once regarded as a forward-looking success story, today Kenya is in crisis. President Daniel arap Moi considers any talk of a contested election seditious. Yet despite detaining and persecuting opposition voices—most notably Gitobu Imanyara, the ailing editor of the outspoken Nairobi Law Monthly—the Government has been unable to suppress demands for a more open political process.

But free and competitive elections alone do not equal the rule of law and respect for human rights, nor can they reverse decades of institutionalized abuses. In Africa, the freedoms of association, assembly, speech and press have been denied and the courts have been crippled entirely.

The current upsurge offers Africa's millions an opportunity to start afresh politically, which in turn can help establish conditions necessary to tap the continent's vast resources for sustained economic development. It must be supported by the U.S. Although the Bush Administration has expressed verbal support for a more open political process in Africa, its actual support for change is selective.

It has failed to place human rights at the top of its agenda with at least two of its key allies, Kenya and Zaire. In February, the Bush Administration released $5 million in military aid to Kenya, after its Government gave refuge to several hundred U.S.-trained Libyan mercenaries. The Administration is also seeking more assistance for the Mobutu Government in Zaire despite its failure to punish officials responsible for the massacre of as many as 350 students at the University of Lubumbashi last May.

During the cold war, U.S. support for a number of African governments was designed to check a Soviet advance. This support was sustained despite large-scale violations of human rights. Today, the U.S. can afford to take a more principled stand. Aid should be conditioned on demonstrable progress in protecting human rights and the rule of law.•

U.S. COSTS IN PERSIAN GULF CONFLICT AND FOREIGN CONTRIBUTIONS

• Mr. LAUTENBERG. Mr. President, I rise to express my continuing concern about the unwillingness of our Persian Gulf allies to share the burden of the costs of Desert Shield and Desert Storm and to do so in a timely manner. When the Persian Gulf war began, I feared our allies might be slow to deliver on their promise to share in the financial burdens of the war, forcing the United States to shoulder the vast portion of the military costs. To prevent the disproportionate share of costs being borne by the United States, I introduced legislation which would require the monthly accounting of burdensharing pledges made, cash received, and balances due from our allies. This legislation served as the basis for the burdensharing report provisions included in the Operation Desert Storm supplemental authorization bill. This bill was enacted into law on April 6, 1991, and requires that OMB immediately begin submitting a series of monthly reports on the status of allied contributions. Based on the information contained in the reports already subitted, efforts to prevent allies from shirking their responsibilities have not been wholly successful as six countries still have not met their full financial obligations.

To date, three reports have been submitted. The first, dated April 20, contained information regarding the cost and contributions of Operation Desert Shield from August 1, 1990, through December 31, 1990. The second, dated April 27, recorded costs through February 28, 1991, and contributions received through April 25, 1991. And the third, dated May 14, reported cash activity in the defense cooperation account and contributions received through May 13, 1991.

Based on the May 14 OMB Foreign Contributors' Responsibility Sharing Report, only 68 percent of all pledges have been received. This is only slightly higher than last month's report of 66 percent. Of the $54.5 billion pledged, only $37.1 billion has been received. Even more disturbing is the fact that Saudi Arabia and Kuwait, two countries that owe their very existence and sovereignty to the United States, have only paid 47 percent and 58 percent of their pledges, respectively. Collectively, these countries still owe the United States $15.6 billion. Saudi Arabia owes $8.9 billion. Kuwait owes $6.7 billion. It is outrageous that they have not paid their full debt to the United States.

Other countries that have not met their full financial obligations include Japan, $1.3 billion; United Arab Emirates, $233 million; Korea, $222 million; and Germany, $18 million.

Mr. President, it is time for our allies to belly up to the bar and pay their full share for the costs of the war. Almost 3 months have passed since the fighting to liberate Kuwait ended and still the United States carries the financial responsibility for these delinquent countries. Before our attention is focused elsewhere, the United States should collect on the pledges made since last August by our coalition partners. So far, some of our allies have been longer on talk than they have been on cash.

During the war it was our soldiers who put their safety at risk to avoid civilian casualties. They flew lower, moved into closer range, and held their fire longer to insure hitting only military targets. In addition to assuming immense physical risk, it was the United States that also assumed most of the financial risk. Despite uncertainty about the total costs necessary to stop Saddam Hussein, the United States acted to thwart his ruthless aggression. This act of leadership was done when commitments from allies were soft, but done with the expectation that our allies would contribute whatever funds they could to offset the total costs. Having successfully driven Saddam Hussein from Kuwait, our allies should make good on their pledges.

Mr. President, the United States fulfilled its commitment to our allies by defeating Saddam Hussein. Our allies should deliver on their promises.

AMERICA 2000 AND MINNESOTA'S EDUCATION REFORM LEADERSHIP

• Mr. DURENBERGER. Mr. President, it is a fitting tribute to Minnesota's leadership in educational reform that President Bush and Education Secretary Lemar Alexander are in St. Paul today to help launch the America 2000: Excellence in Education Act—the President's blueprint for changing the way we educate future generations of American students.

President Bush is in St. Paul to help launch America 2000 because Minnesota has done more than any other State to change the way we deliver education to America's kids. For example:

Minnesota has the Nation's first statewide public school choice program.

Juniors and seniors in Minnesota may attend public and private colleges and technical schools at State expense under Minnesota's Post-Secondary Options Program.

Consistent with President Bush's emphasis on private sector support, new work-site public schools have been started in Minnesota with help from major employers like First Bank St. Paul, Honeywell, and the Dayton-Hudson Corp.

Disadvantaged and at risk kids are now also attending more than a hundred different area learning centers and public and private alternative education programs run by or under contract with school districts all over the State. Some of these alternative schools are run by community groups like the Minneapolis Urban League and Plymouth Youth Center. Others are specially designed to deal with kids who have drug, alcohol, or other critical problems.

Under new legislation passed by the Minnesota House and Senate just this week, religious-sponsored schools will also now qualify for contracts to teach

dropouts and at-risk students in Minnesota.

Finally, parents and teachers have joined forces to create new and innovative public schools "from scratch"—schools like Saturn in St. Paul, and the Public School Academy and Chiron School in Minneapolis. Some of Minnesota's most innovative schools are in rural areas, as well—in small towns like Cyrus and Miltona.

While he is in Minnesota today, President Bush is being given a tour of the nationally acclaimed Saturn School of Tomorrow. Saturn is now in its second year of operation. It serves 210 students in grades 4–7.

Saturn was started by a group of forward-looking teachers, backed up by the board and administration of St. Paul public schools. Its teachers, led by the school's director, Tom King, were trained at one of Minnesota's fine private postsecondary institutions, the University of St. Thomas.

Saturn's approach to learning puts much more focus on the individual student, on continually monitoring individual achievement goals, and on new educational technology.

It will not work for every student. And, it requires a commitment of financial resources that currently cannot be made in every district and every school in America.

But, the importance of Saturn is its willingness to do what President Bush calls "break the mold." And, by starting dozens of new schools, Minnesotans are helping to demonstrate new and different ways of both teaching and learning—one of the prime goals of the President's "America 2000" initiative.

Mr. President, I am proud that President Bush's visit to Minnesota today is helping to recognize what my State has already done to expand choices and create new schools. But, I also want to call attention to two new ideas still on the horizon in Minnesota that offer even greater promise for the future.

The first of these new ideas is legislation passed by the Minnesota House and Senate just this week allowing new schools started by parents and teachers to be chartered by local school boards. Once chartered, these new schools will get the same Federal, State, and local funding as any other public school. They may not teach religion, charge tuition, or discriminate on the basis of race, disability, income, or previous academic achievement. But, once chartered, they will be free of most of the rules and regulations that stifle creativity among both teachers and kids.

A second new initiative on Minnesota's educational reform agenda is a growing emphasis on outcomes as a way of determining what we want to accomplish, how we reward success, and how we hold schools and educators accountable.

Over the next several years, all school districts in Minnesota will be required to begin implementing a new outcome-based education policy adopted earlier this month by the State board of education.

This new policy has the potential to move Minnesota educators away from counting credits and hours and degrees—and toward mastering specific skills that prepare each of us to succeed in life.

It also helps set new and more flexible ground rules for creating new schools—and more choices—for both teaching and learning all over Minnesota.

Finally, Mr. President, let me say a word about how all of this has come to pass in Minnesota—another good lesson for those of us here in Washington.

Minnesotans have always placed a high value on both education and innovation. And, in education, Minnesotans have also placed a high value on bipartisanship.

Over the last 10 years, Governors Al Quie, Rudy Perpich, and now Arne Carlson have all been strong advocates for the innovations in education President Bush is in St. Paul to help salute. We have also been well served by current and former State education commissioners like Ruth Randall, Tom Nelson, and Gene Mammenga.

And, there has been bipartisan leadership in the State legislature on each of the initiatives I have mentioned—Republicans and Democrats, working together to help kids gain the skills they need to succeeed in the work place and throughout their lives.

This year, for example, leadership on the chartered schools proposal came from Democratic legislators like Senator Ember Reichgott and Representatives Becky Kelso and Ken Nelson; and from Republicans like Senator Gen Olson and Representative Charlie Weaver.

But, it is not just bipartisan support from public officials that has helped make Minnesota such a national leader on educational reform.

Minnesota has had strong support for its education initiatives from the business community, from civic groups like the Citizens League, from parents, from educators, and from nationally known education reform leaders like Ted Kolderie and Joe Nathan, who serves on President Bush's Educational Advisory Committee.

That is the kind of cooperative spirit that the America 2000 initiative can help bring to every community all across the country. And, it is a lesson we can learn from in Washington, as well.

President, all these Minnesota initiatives—establishing the fight to choose schools, expanding the number and range of choices, and placing much more emphasis on outcomes—include lessons for the Nation as a whole. They also run parallel—and have contributions to make—to many of the initiatives now being proposed by President Bush and Secretary Alexander.

I look forward to working closely with my colleagues in the administration and in the Congress as we learn from that experience and leadership and as we begin moving ahead—to properly position American education for both the tough challenges and exciting opportunities we face together as a nation.

THE IMPORTANCE OF DIPLOMACY

• Mr. SIMON. Mr. President, one of the bright young leaders in Illinois is Jonathan K. Baum. Recently, he wrote a column for the publication of the Democratic Party of Evanston in which he comments on the Middle East situation and our willingness to take military action.

What he has to say is something all of us should reflect upon. I ask to insert his statement in the RECORD at this point.

The statement follows:

[From the Evanston Democrat, April 1991]

LET'S NOT LEARN THE WRONG LESSON FROM DESERT STORM

(By Jonathan K. Baum)

One of the greatest challenges facing our party as we approach the 1992 elections is dealing with GOP efforts to paint us as "unpatriotic" based on the votes of most congressional Democrats in January to give economic sanctions more time to drive Iraq out of Kuwait before launching an all-out war. I think I reflect the sentiments of most Democrats in being pleased that, once the military option was selected, it was employed with swift success and relatively low American (if not Iraqi) casualties. But let us not confuse efficiency with wisdom. Just because war was successful less than six months into the one year that President Bush originally told us it would take for economic sanctions to achieve the same result does not mean that the hasty choice of the military option was correct. That we had the military capability to win the war was never in doubt. But, as former Joint Chiefs of Staff chairmen Adm. William Crowe and Gen. David Jones counseled before the war began, that we could achieve our goal militarily did not mean that we should employ those means before giving less bloody alternatives a full chance to work.

Those who suggest that the outcome of the war vindicated its advocates and discredited its opponents are wrong. Indeed, the very speed with which the resources and morale of Saddam Hussein's forces collapsed suggests just how effective the unprecedented worldwide sanctions were. The prognosticators who wrongly predicted that Hussein could hold out in battle for a long time were probably equally wrong in estimating how long he could withstand the world's concerted embargo of arms, funds and goods to his country. Ironically, because the embargo had an even more widespread impact on the daily lives of all of Hussein's countrymen than did the brief war, and because an invading army tends to unite a population even behind a tyrannical dictator, the "economic war"—if it had been permitted to have its full effect—would probably have resulted not only in the liberation of Kuwait but also in the liberation of Iraq from Saddam Hussein's tyranny.

There is a tendency in the postwar euphoria to dismiss alternatives to the use of military force as naive, cowardly and ineffective. But we are not without recent historical examples that suggest otherwise. In 1977, the largest Arab nation, Egypt, was in a declared state of war with Israel, having fought it on the battlefield four times in 25 years, with heavy loss of life on both sides. Israel, led by the hawkish Menachem Begin, had the military capability to "bomb Egypt back to the Stone Age." Instead, with the skilled mediation of President Jimmy Carter, it entered into a peace treaty with Egypt, at the price of vast amounts of territory previously viewed as essential to its security. Does anyone really believe that Israel today would be more secure militarily if it had dismissed the "wimpish" diplomatic option in favor of the swift and deadly use of force?

Taking a long term view, we must learn, as John F. Kennedy admonished us, to match our skill in war with our skill in statecraft. One of the tragic consequences of the premature decision to go to war in the Persian Gulf is that we squandered an historic chance to see if the first virtually unanimous world international economic blockade could prove itself as the 21st century answer to agression. Precisely because the war was won so "easily," probably no one will suggest the next time an international bully strikes that we should re-employ our united economic sanctions regime. Instead, because we know that war "works" and didn't give ourselves the chance to learn if more civilized measures would, war will be—as it has been throughout most of human history—the first recourse rather than the last. If that is the lesson learned from Desert Storm, then we Democrats owe it to our children not to read from the Republicans' primer.●

SONS OF ITALY FOUNDATION CELEBRATES AMERICAN YOUTH

● Mr. D'AMATO. Mr. President, while a pressing prior commitment precluded my attendance, I want to commend and congratulate the Sons of Italy Foundation for its glowingly successful Annual National Education and Leadership Award Dinner, held in the Rayburn House Office Building on Thursday evening, May 16, 1991.

In addition to a perpetual scholarship conferred in the name of Supreme Court Justice Antonin Scalia, the Sons of Italy Foundation presented nine similar awards to deserving young scholars in the names of such distinguished individuals as St. John's University Head Basketball Coach Lou Carnesecca, the late and dearly missed Representative Silvio O. Conte, and Dr. Vincenzo, Sellaro, the founder of the Order of Sons of Italy in America [OSIA].

OSIA's and the Sons of Italy Foundation's long record of generous support for education is to be highly praised by this revered body and, indeed, by all citizens concerned with the state of American education. During the past quarter century, OSIA has contributed in excess of $14 million to scholarships for young academics. OSIA's Perpetual Scholarship Program is well advanced toward the creation of a $1 million permanent educational trust.

Indeed, the OSIA Scholarship Program highlighted on May 16 was important enough that several of my colleagues in the U.S. Senate, including Messrs. BRADLEY, GLENN, KENNEDY, LAUTENBERG, and THURMOND, as well as HUD Under Secretary Alfred DelliBovi, addressed the assemblage on various aspects of education.

Such visionary and beneficent action could not come at a more appropriate time in our nation's history—a time when we face formidable global challenges to our economic and educational bases, when much of our national resources and spirit are sapped by seemingly unsolvable domestic ills, when many of America's youth face uncertain futures at best.

At such an unsettling time, the Sons of Italy Foundation chooses to illuminate America's shining lights. The recipients of this year's OSIA national leadership grants stand at the forefront of what is surely an impressive array of tomorrow's leaders. I hereby commend Albert J. Riccelli, Sr., national president of OSIA: Valentino Ciullo, vice chairman of the Sons of Italy Foundation; Joseph Sciame, vice president of St. John's University and toastmaster; and Dr. Philip R. Piccigallo, national executive director of OSIA and the Sons of Italy Foundation, for their leadership role in the National Education and Leadership Award event.

Equally praiseworthy is Joanne Strollo, national second vice president of OSIA and chairwoman of the OSIA national education committee. I ask that her introductory remarks for each of the 10 scholarship recipients be inserted in the RECORD at the conclusion of my remarks.

The remarks follows:

REMARKS BY JOANNE STROLLO

Good evening, it is my extreme honor to present the National Leadership Grants to ten very committed, very dedicated family oriented scholars.

They were chosen from among 500 individuals in a fierce national competition and screening process.

As they are introduced, you will know why they were chosen.

MICHAEL DANTE COCCAGNIA

Michael Dante Coccagnia is graduating fourth in his class of 623 at Chamberlain Senior High School in Tampa, Florida. He has maintained a perfect 4.0 grade-point-average.

Michael is the principal second violinist in his school orchestra, and he is a staff member of the school newspaper. He was a member of the 1990 swim team, and he competed in the Florida state diving championships. He works part-time at the Tampa Bay Center to earn money for his college education at the University of Florida. Michael is keeping an open mind about deciding on a college major, however, he finds the practicality of a business degree appealing. He has received U.C. Pride nominations in Science, Mathematics, and English.

Michael has known adversity, but his determination after undergoing cancer surgery helped his school swimming team capture the 1990 District Title.

Michael attributes much of his determination to succeed to the foundation of values set by his grandfather, a talented clarinetist.

Michael, your grandfather would be proud.

For his courage and determination, Michael is this year's recipient of the Coach Lou Carnesecca Scholarship.

Presentation will be made by OSIA's Florida State President Salvator D'Alessandro.

Congratulations, Michael.

GIANNINA D'AGRUMA

A doctoral student in Higher Education and Administration at the University of Akron, Giannina D'Agruma emigrated to the United States from Italy in 1967 as a young teenager. Fluent in Spanish, French, Italian and English, Giannina works with the vice consulate of Cleveland.

She has been honored as one of the ten most outstanding women on the University of Akron campus, and for the past eight years, she has worked as a part-time Italian instructor. In addition to her work and scholarly responsibilities, Giannina is the mother of three children, and is from Uniontown, Ohio.

She has a major interest in comparative educational systems and the globalization of higher education. Giannina intends to become a full-time professor of Italian, as well as a university departmental administrator.

Because of her determination, Giannina is the recipient of this year's Maj. Marie T. Rossi Memorial Scholarship.

This scholarship is given in memory of the army helicopter pilot who was killed in the aftermath of the Gulf War.

Before presenting the scholarship, I would like to introduce Major Rossi's parents: Gertrude and Paul Rossi.

Giannina's presentation will be made by OSIA's Ohio State President, Thomas Letizia.

Congratulations, Giannina.

ALISON MARIE TORRILLO

Alison Marie Torrillo, a 4.0 student, is valedictorian of her class at Commack High School, in Commack, New York. She also has been named a national merit semi-finalist.

Alison has a strong interest in journalism. She served as editor-in-chief of her student newspaper, produced news stories for the high school television stations, and wrote for the school's literary magazine.

Alison will major in communications at Cornell.

A very talented young lady, she sings, dances, plays the flute and the piano, and won a poetry contest.

She has served as president of her school's chapter of Students Against Drunk Driving.

Alison is the recipient of the Dr. Vincenzo Sellaro Memorial Scholarship, named after the founder of the Order Sons of Italy in America.

The presentation to Alison will be made by last year's Sellaro Award Recipient, OSIA Past National President Peter Gay, and this year's recipient, Past National President Aldo Caira.

Congratulations, Alison.

JOHN BARRINGTON

John is graduating valedictorian of his class at Ukiah High School, in Ukiah, California. An accomplished honors student with a weighed grade-point-average of 4.33 on a 4.0 scale, John received his school district's outstanding student award last year and was named a Tandy Scholar, as his high school's outstanding math and science student. He also was named a national merit scholar.

John plans to pursue a career in medicine or dentistry, and he will major in biology or

pre-med at UCLA, where he has been named a Regent's Scholar.

John's activities do extend beyond academics. He participated on his school's championship golf team, and last year he travelled to the village of Palaco, Mexico, with a youth group to work with villagers in need.

John's hard work has earned him this year's Silvio O. Conte Memorial Scholarship.

John's award will be presented by OSIA's California State President Frank DeSantis, and Sons of Italy Foundation Vice-Chairman Valentino Ciullo.

PAULA MARIE CASTALDO

Paula Marie Castaldo graduated this month from the University of Pennsylvania, where she received a bachelor of science in economics from the Wharton School and a bachelor of arts in psychology from the colleage of arts and sciences. A Phi Beta Kappa student and Ben Franklin Scholar at Penn, Paula graduated with a 3.99 overall grade-point-average.

She was Vice President of John Marshall Pre-Law Honor Society. She served as research assistant to a marketing professor at Wharton School.

Paula will attend law school beginning this fall at Harvard University.

In addition to her scholastic achievements, Paula also is an accomplished vocalist. During the summer of 1988, she participated in the American Music Abroad Tour of Europe.

Paula's family lives in West Chester, Pannsylvania.

Paula is the recipient of the Ann and Louis Esposito Scholarship.

Paula's presentation will be made by Ann and Lou Esposito. Lou is OSIA's State President of Pennsylvania.

Congratulations, Paula.

JOANN DEMARCO

JoAnn DeMarco is a second-year student of veterinary medicine at Mississippi State University, where she has earned a 3.9 grade-point-average.

She was senior class vice president in high school and graduated third in her class. She graduated Cum Laude from Montclair State College, in her native New Jersey, where she worked in a pharmacy, a nursing home, and a veterinary hospital. She received a bachelor's degree in biology at Montclair, and she earned a 3.5 grade-point-average.

While in High School she received the Presidential Scholars Award and the Army's Presidential Athletic Scholars Award. This evening she is the recipient of the Orders Sons of Italy in America's National President's Scholarship.

The presentation will be made by Vince Sarno, OSIA's State President of New Jersey.

Congratulations, JoAnn.

DIANA N. MANCINI

Diana N. Mancini has maintainted a perfect 4.0 grade-point-average at Oswego State University of New York, where she is an honors student in psychology. Last year, she was named outstanding freshman in history, and this year was named Distinguished Sophomore.

Diana participated in student council and the National Honor Society at Amsterdam (New York) High School, where she graduated with a 3.7 grade-point-average.

Diana works as the evening receptionist at the Newman Hall Center, and serves as a Eucharistic minister at her church. She is also a member of Amnesty International.

Diana is this year's recipient of the Pearl Tubiolo Memorial Scholarship.

Unfortunately, Diana is unable to join us this evening.

Peter Tubiolo, husband of Pearl and an OSIA National Trustee, will make the presientation to OSIA's New York State President, who will accept for Diana.

We offer Diana our congratulations.

ROGER COZZI

Roger Cozzi, of Garden City, New York, is a junior majoring in economics at the University of Pennsylvania's Wharton School, where he has earned a 3.7 grade-point-average. Roger is a graduate of New Hyde Park Memorial High School, where he was involved in basketball, baseball and tennis, was president of the Key Club, and vice president of the computer club. At graduation, he received top student athlete award, Italian studies award, empire state scholarship, and the humanitarian award.

Roger works as a research assistant for a professor in the Wharton School.

Roger lost his father and at an early age learned to assume major responsibilities. He is co-founder of two companies.

Roger is this year's recipient of the Boncore Family Scholarship.

Roger's presentation will be made by Philip Boncore, OSIA First Vice President of Massachusetts.

Congratulations, Roger.

ROBERT ANTHONY GRANIERI

Robert Anthony Granieri is a resident of Collegeville, Pennsylvania and recently completed his sophomore year at the University of Pennsylvania. An entrepreneurial management major at the university's Wharton School, Robert is maintaining a perfect 4.0 average.

A graduate of Methacton High School where he was active on the debate team, member of the management club, the Pennsylvania investment alliance, and the real estate club. He worked at various jobs to help finance his education.

Robert attributes his motivation to succeed to the example provided by the summer visit to their home of a student from Italy who studied diligently while Robert and his friends were enjoying the summer.

Robert is the recipient of the Polo Family Scholarship.

The presentation will be made by OSIA National 5th Vice President Paul Polo, and OSIA National Trustee, Sebastian Polo, with Congressman Lawrence Coughlin of Pennsylvania.

Congratulations, Robert.

CANDICE LYNNE AITKEN

Candice Lynne Aitken is a graduating senior at Sachem High School North, in Lake Ronkonkoma, New York. With a weighted grade-point-average of 120 points out of a possible 100, Candice will graduate second in her class of 1279 students. Candice's SAT scores are nearly as impressive as her GPA, scoring 720 out of 800 on the verbal section and 740 out of 800 on the math section. Her composite ACT score of 35 places her in the top one percent of students taking the exam.

Candice will attend Yale University beginning this fall, where she plans to major in biology and mathematics. Candice hopes to attend medical school after graduation.

Her many honors include receiving the Outstanding Achievement in Mathematics award in her high school four straight years, earning varsity letters in cross country and track, and being elected president of student government.

Because of her enormous academic accomplishments, her demonstrated leadership potential, and her overall commitment to hard work and excellence, Candice is this year's recipient of The Honorable Antonin Scalia Scholarship.

Would Ms. Aitken, OSIA 1st National Vice President Peter Zuzolo and our Guest of Honor, Justice Scalia, please come to the podium for the presentation.

I am awed to be in their presence. It is a wonderful feeling to know they are our future leaders and our country is in very good hands.

Please join me in a warm and deserved round of applause for our scholars.

Thank you.•

SHOLOM COMAY

• Mr. SIMON. Mr. President, I rise today in remembrance of Sholom D. Comay, the president of the American Jewish Committee. Mr. Comay died of a heart attack over the weekend at the age of 53.

In the past few years, Sholom Comay became well known to me and my staff, particularly on immigration reform issues. As a member of the Senate Immigration and Refugee Affairs Subcommittee, I have worked closely with ethnic, family, religious, and other organizations in shaping policies both with regard to the Immigration Reform and Control Act of 1986 and the recently enacted Immigration Act of 1990. Throughout these efforts, the American Jewish Committee stood steadfast with me in support of family reunification as a cornerstone of our immigration policy.

Sholom Comay and the American Jewish Committee brought special awareness not just to issues strictly related to the Jewish community but worked across communities and reached out. When it came to immigration issues, civil rights, hate crimes, English-only and others, Sholom Comay was there to stand against bigotry and to work for good and just causes for all Americans.

The loss of Sholom Comay, therefore, is felt not only in the Jewish community but everywhere. I extend my condolences to Sholom Comay's family, the American Jewish Committee and the people whose lives he touched throughout the Nation.•

MAXWELL AWARD OF EXCELLENCE GOES TO REGIONAL ECONOMIC COMMUNITY ACTION PROGRAM, INC.

• Mr. D'AMATO. Mr. President, I would like to congratulate the Regional Economic Community Action Program, Inc. [RECAP] of Middletown, NY, for receiving one of the first Maxwell Awards of Excellence. This award was presented to RECAP last night by the Fannie Mae Foundation to recognize the exceptional merit of the community reentry project administered by RECAP. RECAP was 1 of 6 award recipients selected from over 100 applications for this prestigious award by a

national advisory committee of housing and community development experts.

As the Fannie Mae Foundation states, the projects receiving awards "are inspirational examples of how local communities throughout America, urban and rural, can provide decent and affordable housing and foster vital neighborhoods." This honor is a clear and justified recognition of the substantial benefits provided by the community reentry project.

The community reentry project redirects social services money intended to pay for homeless families in welfare hotels and uses it instead to provide permanent housing and supportive services for homeless families. The program plan makes permanent affordability possible by paying off a substantial amount of the mortgage used to acquire the housing and by providing rental assistance to program participants. Tenant support services are provided by Project Self-Sufficiency, a program of Rural Opportunities, Inc.

This project was completed in a partnership with several organizations, including RECAP, ROI, Orange County Department of Social Services, Orange County Office of Community Development, the Bank of New York, Middletown Savings, Marine Midland Bank, the New York State Housing Finance Agency, and New York State. In recognition of its creativity, determination, and dedication, RECAP will receive a $25,000 grant to assist RECAP with further housing efforts.

Mr. President, a major challenge facing housing providers today is devising programs that meet the present and future needs of low-income persons by providing safe and decent shelter while also providing services necessary to enable and encourage people to live independently and comfortably. The community reentry project is a good example of what public-private partnerships can achieve in this area. By housing families and dispensing tenant support services, this program meets the immediate and long-term needs of its participants.

Mr. President, I would also like to congratulate RECAP and its executive director, Charles Darden, for celebrating 25 years of community service and advocacy last year. The services that RECAP provides make a significant difference in the community and are to be strongly commended.●

ORDERS FOR THURSDAY

Mr. BOREN. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until 9 a.m., Thursday, May 23; that following the prayer, the Journal of proceedings be deemed approved to date; that the time for the two leaders be reserved for their use later in the day; that there then be a period of morning business not to extend beyond the hour of 10 o'clock, with Senators permitted to speak therein; that the time for morning business be equally divided and controlled between Senator KENNEDY and Senator HATCH or their designees.

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

RECESS UNTIL 9 A.M. TOMORROW

The PRESIDING OFFICER. Under the previous order, the Senate stands in recess until 9 o'clock tomorrow.

Thereupon, the Senate, at 10:15 p.m., recessed until Thursday, May 23, 1991, at 9 a.m.

CONFIRMATIONS

Executive Nominations Confirmed by the Senate May 22, 1991:

DEPARTMENT OF EDUCATION

DAVID T. KEARNS, OF CONNECTICUT, TO BE DEPUTY SECRETARY OF EDUCATION.

COMMODITY FUTURES TRADING COMMISSION

SHEILA C. BAIR, OF KANSAS, TO BE A COMMISSIONER OF THE COMMODITY FUTURES TRADING COMMISSION FOR THE TERM EXPIRING APRIL 13, 1994.

JOSEPH B. DIAL, OF TEXAS, TO BE A COMMISSIONER OF THE COMMODITY FUTURES TRADING COMMISSION FOR THE TERM EXPIRING JUNE 19, 1996.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

EXTENSIONS OF REMARKS

TRIBUTE TO NIKKI A. BELL

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. MACHTLEY. Mr. Speaker, it is my distinct pleasure to congratulate Nikki A. Bell, of Lincoln, RI, this year's recipient of the Congressman Ronald K. Machtley Academic and Leadership Excellence Award for Lincoln High School, in Lincoln, RI.

This award is presented to the student chosen by Lincoln High School who demonstates a mature blend of academic achievement, community involvement, and leadership qualities.

Nikki A. Bell has certainly met these criteria. She ranks third in her graduating class and is a member of both the Rhode Island and National Honor Society. She was also an award winner in the Rhode Island Science Olympiad and participated in the Governor's Summer Program in Science and Math. She has been a Student Council representative and a homeroom agent for 4 years. In addition, Nikki has participated on the varsity field hockey team and the school chorus for 4 years. She also does volunteer service with mentally retarded children during the summer.

I commend Nikki A. Bell for her outstanding achievements and wish her all the best in her future endeavors.

CONGRESSMAN KILDEE HONORS FLINT AREA APWA PRESIDENT AL LABRECQUE

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. KILDEE. Mr. Speaker, it is with great pleasure that I rise today to pay tribute to Mr. Al LaBrecque of my hometown of Flint. He recently was inducted into the Michigan High School Football Coaches Association's Hall of Fame in honor of his outstanding achievements over nearly three decades of coaching.

Al is a personal friend of mine, and it has been a great privilege to know him. Through Al's kindness and concern for his players, he has nurtured an interest in both football and academics.

Al is well known in the Flint area, in fact, for his ability to motivate children of diverse backgrounds to pursue their dreams and to work together as a team to accomplish common goals. His personal drive for perfection has been an example to many children in Flint that success is as important in the classroom as it is on the football field.

Currently, Al serves as president of the Flint area local of the American Postal Workers Union. His coworkers describe him as remarkable in his dedication and tireless work in the advancement of the Flint chapter of the Michigan Postal Workers Union [MPWU]. Al has provided the Flint area local with the momentum to advance the postal workers' initiative into successful accomplishments.

His leadership in the Flint area local is paralleled by his achievements on the playing field. In his 28-year coaching career, Al has been faced with more difficult tasks than merely coaching his football teams. On one occasion cited by his colleagues, he coached a young man who had fought in Vietnam and was suffering its psychological after-effects and helped turn him around. Al helped him replace the anguish of Vietnam with the hope found in education. He helped him look at the world with more gentle eyes, to believe in the good things in life that are attainable. And he showed him how to use his mind for good and for hope, rather than being cynical and uncaring.

During a recent conversation, his wife Michelle described Al's joy in receiving letters from former football players he had coached congratulating him on his membership into the Football Coach's Hall of Fame. She said several letters from those he had coached specifically attributed their own successes in life to Al's helping hand and concern years ago.

Commenting on his induction into the Michigan High School Football Coaches Association Hall of Fame, Al himself quipped, "It must be something like going to heaven." The comment is typical of Al's humor, as well as of a modest man who has tirelessly helped so many young people head down the right path in their futures.

It is, again, a great pleasure to be able to give tribute to Al LaBrecque here today. His efforts and commitment have made our community a much better place in which to live.

DEMOCRACY—THE VANGUARD OF FREEDOM

HON. PAT WILLIAMS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. WILLIAMS. Mr. Speaker, I submit for inclusion in the RECORD the following text. It is the winning script from my State, Montana, written and delivered by my constituent, Ms. Mellyn Ludlow from Stevensville, MT, at the 1991 VFW Voice of Democracy Scholarship Program. I commend the VFW's foresight in making this scholarship opportunity available to our youngsters as they plan their higher education goals. I commend Ms. Ludlow for her words:

DEMOCRACY—THE VANGUARD OF FREEDOM

The watchmaker worked on the watch for days, meticulously placing every gear within the watch's body. Upon finishing that task, he gently picked up the watch and looked at it thoughtfully for a long time. Then, on the back of the beautiful timepiece, he carefully etched an eagle, its wings outstretched in flight. He glanced at a clock hanging over his counter and was startled to see how many hours had passed. He quickly got a small box from a storage shelf and lined it with a soft, blue cloth. Gently, the old man placed the watch in the box, and with a final look, closed the lid and placed the little package in his coat pocket. The man left his shop and hurried down the street as a light snow began to fall. He arrived home and quickly joined his family in the kitchen where they were all waiting. The smaller youngsters could hardly contain their excitement, as they flitted about the room singing a childish rendition of Happy Birthday to an older boy who sat contentedly on a chair amidst the chaos.

As the children finished their song and sat down, the tired watchmaker pulled the box from his pocket and handed it to his son. Slowly, the boy opened the package and gazed at the gleaming gold watch. Carefully, he picked it up and held it in his palm. His eyes grew round as he looked at the eagle engraved on the back and saw the detail with which it had been done. Throughout the next months the boy could not be parted from his magnificent watch, but as time passed, he became less concerned with it. He often left it laying around and finally it was shoved to the back of a shelf, and abandoned to gather dust, while the boy moved on to other treasures. Just as the boy received a gift from his father, we, the youth of today, have been given a priceless gift by our predecessors, the gift of democracy, of liberty, and ultimately, of freedom. We must not take our gift for granted as the young boy did his watch. This gift of freedom must be treasured and protected by each individual in every generation.

The cost of democracy, paid by our forefathers, was tremendous. Thousands gave everything they had to further the cause of freedom. They gave their wealth, their property, their possessions, and even their lives. Many never lived to see their efforts pay off. They never lived to see the day the United States became a democracy, when the United States became a nation promising liberty for all. In spite of all that our ancestors did to present us with this gift of freedom, our right to have this freedom was challenged. And again, millions of men and women sacrificed not only their time and their energy, but their lives and the lives of their loved ones to safeguard democracy, to ensure that future generations would be free.

Today, my generation has this freedom. We have received this precious gift for which so many fought and died. However, like the boy who received the watch, we often get caught up in other affairs and leave our democracy laying carelessly about or "sitting on the shelf," gathering dust. Instead of valuing our freedom, we are taking it for granted. In doing this we are riding on the legacy of democracy, rather than working to preserve it to pass on to future generations.

We the people of the United States of America must once again become advocates of democracy, protectors of freedom. The time is past when we can stand as observers of government. In order for democracy, government of, by, and for the people to function every individual must be concerned about the actions of government. As democracy is the vanguard of freedom, so must we be the vanguard of democracy.

The price of democracy, and ultimately freedom, has been paid by our forefathers. The cost was tremendous, millions of lives were lost. We cannot sit back and ignore the responsibility of safeguarding our democracy, our liberty, or our freedom for those generations yet to come. We must further the legacy of democracy by participating in our government. As citizens of this United States democracy, we are the past, the present, and the future embodied. We are the beginning and we must not be the end.

THREE SUCCESS STORIES

HON. PORTER J. GOSS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. GOSS. Mr. Speaker, we hear so much doom and gloom about our current educational system. But in our efforts to improve our schools and the education they offer, we shouldn't overlook the success stories that happen every day.

For instance, today I am delighted to pay tribute to Bonita Springs Middle School, Caloosa Middle School, and Fort Myers Middle School, three success stories that lie within my district and are deserving of praise.

I'm proud to report they were designated "Blue Ribbon Schools" in the National Schools of Excellence Program, in which 8 secondary schools from Florida, and 222 nationwide, were recognized for their outstanding efforts in education. Many thanks go to the children, as well as their parents, teachers, and administrators.

Awards like these don't come easily—they demand excellence. To earn consideration, the institutions demonstrated visionary leadership and a sense of shared purpose among faculty, students, parents, and the community. They produced a climate conducive to effective teaching, as well as a philosophy presuming students have the ability to learn.

Mr. Speaker, southwest Floridians have a longstanding tradition of rising to the challenge, of refusing to let problems stand in their way. When encountering obstacles, our communities buckle down, grab their pencils and work even harder to find solutions; The can-do attitude radiates throughout these schools. As a Member of Congress, I'm delighted with their dedication. We all profit from their success.

IN MEMORY OF TOM ELLSWORTH

HON. BERYL ANTHONY, JR.

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. ANTHONY. Mr. Speaker, I rise today to pay tribute to Tom Ellsworth who died on Saturday, May 11, 1991.

Some men carry the burden of office with a particular grace.

Some men shoulder the responsibilities of government with a certain style.

Thomas J. Ellsworth was such a man.

Tom Ellsworth's fight for life was much like his battles for causes he believed in and a city he loved—waged discreetly and with quiet courage.

Tom Ellsworth's death on Saturday, May 11, means more than the loss of a political figure whose confident gait, ready smile, and direct gaze were familiar to us all.

Tom Ellsworth's passing means the passing of a pioneer, a risk-taker, a person of character and commitment who started Hot Springs on its pathway to progress.

Tom Ellsworth was a citizen who understood the complexities of the place which was his home and for which he felt a special kind of stewardship.

Tom Ellsworth was an individual who enjoyed the camaraderie of his friends, the admiration of his colleagues, the respect of his opponents.

Tom Ellsworth was a leader who learned from those who followed him, who looked for the best in the bleakest situations, who saw beyond the immediacy of today.

Tom Ellsworth was a student of history who knew that the surest way to fail was to constantly relive the past and become a prisoner of it.

Tom Ellsworth knew what it was to light the flame and carry the torch.

Tom Ellsworth knew that power and authority must be tempered by reason and restraint.

Tom Ellsworth has a sense of Hot Springs' heartbeat in a way few people before or since him have known.

Tom Ellsworth had a real sense of purpose, a sense of destiny in planning for the city's growth and development.

Tom Ellsworth had a sense of decorum in everything he did. To him, it was natural; to others it was a trait to be envied and emulated.

Tom Ellsworth, always putting his—and the city's—best foot forward, kept Hot Springs a step ahead of other towns in going after grants, conventions, new ideas for transportation and services.

Tom Ellsworth could be a tough negotiator, an exacting administrator, a deft diplomat, depending on the situation.

Tom Ellsworth could parry with the press and contest with council members without losing his wit or his perspective.

Tom Ellsworth could more than hold his own in any campaign—be it for election to office or the good of Hot Springs.

Tom Ellsworth was a statesman who envisioned what Hot Springs could become and made it his personal mission to try and take us there.

Tom Ellsworth served this city and its people with dignity and honor.

It is only right that on this day, we remember the man who was mayor and promise to carry forth his legacy.

TRIBUTE TO CHARLES CAVALLO

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. MACHTLEY. Mr. Speaker, it is my distinct pleasure to congratulate Charles Cavallo, of Barrington, RI, this year's recipient of the Congressman Ronald K. Machtley Academic and Leadership Excellence Award for Barrington High School, in Barrington, RI.

This award is presented to the student chosen by Barrington High School who demonstrates a mature blend of academic achievement, community involvement, and leadership qualities.

Charles Cavallo has certainly met these criteria. He has been on the honor roll 4 consecutive years and is a member of the National Honor Society. He was also a commended student in the 1991 National Merit Program and was accepted to the Governor's Science and Mathematics Summer Program. In addition, he is a member of the Student Council and co-president of The Place, a youth run organization holding drug and alcohol free events. Charles has also earned a varsity letter from the swim team.

I commend Charles Cavallo for his outstanding achievements and wish him the best of luck in all his future endeavors.

THE STATE OF THE STATES

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, May 22, 1991, into the CONGRESSIONAL RECORD:

THE STATE OF THE STATES

In the mid-1980s the states were viewed as the great laboratories for change, developing innovative programs to meet pressing needs. Governors frequently pointed out how well they were managing their fiscal affairs. Things have changed. Many state budgets are in bad shape, forcing deep cutbacks in services and tax hikes, and delaying long-term investments in public works. While state spending in the past typically helped stimulate the economy in times of national recession, the situation in the states now may be prolonging the recession.

Fiscal Conditions Of States: Across the nation some 30 states are facing budget deficits. The hardest hit include California, New York, Connecticut, and Pennsylvania. Several states are looking at gaps equivalent to 10–15% of their spending. Combined, the projected state deficits for 1992 could exceed $35 billion.

Midwestern states are generally in better shape than during the devastating 1981–82 re-

cession. Indiana's budget crunch, though significant, is not as severe as in many other parts of the country. It faces a cumulative deficit by 1993 of $984 million, with projected state revenues falling about 5% short of projected spending.

Reasons For Problems: Factors leading to the projected deficits vary from state to state. For example, California has been hit be a series of natural problems including a late freeze and a five-year drought. Yet for most states the basic problems have been the same—a decline in projected revenues because of the recession combined with relentless growth in education, Medicaid, and prison expenses.

Many states rely heavily on sales taxes and personal income taxes, which are very sensitive to changes in personal income and spending during a recession. Inflation-adjusted state revenues for the first quarter fell 6% this year. At the same time, state Medicaid costs have grown rapidly, fueled by persistent medical inflation and by new federal mandates for expanded benefits. The cost of Medicaid for the states has risen from $2 billion in 1968 to $33 billion last year, and is expected to reach $66 billion in 1995. State education expenses, which now constitute ⅓ of all state outlays, have been rising rapidly as the number of school-age youngsters grows. Almost every state is building and expanding prisons to keep up with growing inmate populations.

Like other states, Indiana faces lower projected revenues because of the recession and large spending increases for education, Medicaid, and prisons. Education is the largest item in the budget, making up 39% of total spending. Thus relatively small percentage increases for education mean big increases in spending. The fastest growing item in the Indiana budget is Medicaid, expected to increase 89% between 1989 and 1993. Indiana Medicaid enrollees have increased from 266,000 to 643,000 over the past two years. The second fastest growing category is prisons, due to state changes in the 1980s requiring mandatory confinement and longer sentences.

In the 1980s the states counted on ever-increasing revenues to pay for program expansions, new initiatives, and federal programs turned back to the states. With revenues falling off, the states have been plunged into their worst fiscal crisis in at least a decade. The deep-seated factors driving up costs suggest that the fiscal pinch for the states will not end when the recession ends.

Steps To Improve Situation: The federal government could take a variety of steps to help improve the fiscal situation of the states. The Congress should reduce sharply the number of mandates it imposes on the states and ease up on the enormous costs it has been shifting to them. The Congress can help address the national problem of runaway health care costs and give more attention to crime. It could free up federal trust fund monies earmarked for infrastructure improvements. Most importantly, it should get its own fiscal house in order. The federal budget deficit has reduced the ability of the Congress to provide funding for all of the national goals it sets. Bringing the deficit under control will ease pressures to pass spending mandates on to the states and will help lower real interest rates, thus helping to ease state interest burdens.

None of these steps, however, are quick fixes. A step that would help immediately, a large infusion of federal money to the states, is unlikely given the enormous federal deficit. The basic trend over the last decade was that federal aid to the states covered an ever smaller share of state expenditures, and there is little indication that basic trend will be reversed.

That leaves the states with difficult choices. Most states are required by statute or constitution to balance their budgets each year. Although many states are considering new tax increases—by some estimates exceeding $15 billion in 1992—most of the budget gaps are expected to be closed through cuts in spending. States are furloughing workers, closing state operations for a few days, raising college tuition, freezing public works spending, and cutting state aid to the cities.

Indiana is trying to close its projected budget deficit without increasing taxes, through measures such as program freezes and suspensions, across-the-board cuts in agency budgets, and the use of lottery and other earmarked funds to cover general operating expenses.

The current fiscal crisis provides states with the opportunity to cut back waste and unnecessary, though politically popular, spending. They could undertake fundamental budget reform—improving management, targeting benefits, and cutting back programs that are no longer priorities. At the same time, the fiscal crisis also provides the states with the opportunity for budget gimmickry—such as selling assets and then leasing them back, using favorable projections to make future costs look smaller, and delying payrolls for a few days to shift them into the next fiscal year. My hope, after seeing the mistakes made on the federal level, is that the states will not resort to such gimmickry and will take genuine steps toward deficit reduction. But we may see a little of both.

TRIBUTE TO CAPT. EARL BORDERS, JR.

HON. CARL C. PERKINS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. PERKINS. Mr. Speaker, I stand before you today in honor and recognize Capt. Earl Borders, Jr., of the Ashland School Safety Patrol in Ashland, KY.

So many people, it seems, equate the concept of "education" with what goes on strictly within the walls of a school. By that, I mean people think the educational experience consists of attending school, learning, playing sports, and engaging in extracurricular activities of one kind or another. In that respect, Mr. Speaker, we honor our teachers, principals, club organizers, and coaches for the fine jobs that they do with our students.

But, my friends and colleagues, sometimes we forget about something that's equally as important to these students and their families: Their safety.

And that is why I stand before you today, Mr. Speaker, to pay tribute to Capt. Earl Borders, Jr., who has served as the director of the school safety patrol in the city of Ashland, KY, for 25 years and is now retiring.

My friends and colleagues, Captain Borders has devoted a full quarter-century to patrolling the streets and protecting Ashland's children as they go to and from school. His value goes beyond making the streets safe for the students and putting parents' fears to rest; he is a leader in the community and a shining example to all of us involved in civil service.

I have witnessed first-hand Captain Borders' distinguished service to Ashland's schools and the students. Captain Borders zealously guards the health and welfare of Ashland's schoolchildren as if they were his own. He keeps the streets safe for them to cross; he provides them a safe haven to go about their scholastic and extracurricular pursuits. He has, in effect, cultivated an environment which allows Ashland's students to grow and prosper.

Mr. Speaker, I cannot think of anything more noble or honorable than the distinguished service which Captain Borders has provided to the students of the Ashland area for the past 25 years.

This fine gentleman deserves our appreciation and our praise, and I am honored and humbled to recognize him today.

God bless him.

FEDERAL FIREARMS DEALER AND OWNER PROTECTION ACT

HON. PAT WILLIAMS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. WILLIAMS. Mr. Speaker, today I rise to introduce the Federal Firearms Dealer and Owner Protection Act of 1991. This legislation will amend title 18, United States Code, to improve the administration of the firearms laws.

We are once again about to vote on Federal gun control legislation here in the House on the 7-day waiting period. But much of the violent crime that is commonplace could be prevented if we redirected public safety away from control of the things that criminals misuse, like guns, and put more of our efforts toward controls of criminals themselves.

There are now more than 20,000 gun control laws in effect nationwide. The gun control laws are so broad and ambiguous it works both against the Federal officer attempting to enforce it and the law-abiding citizen attempting to abide by it. All of us need to remember that we now have gun control laws and they are not working. The problem will not be resolved by keeping people's names on a list or a national waiting period. Gun control accomplishes nothing else than recordkeeping.

Mr. Speaker, the point is that this country should quit trying to combat crime through useless gun control laws and get at the real cause of crime problems. While solutions are not simple, they must include improved progress in policing and stiffer sentences for persons committing a crime with a firearm.

This bill will eliminate the requirement that individuals who sell only ammunition, but not firearms, obtain a Federal firearms license. It will clearly define what constitutes a felony conviction for firearms prohibition. It will prohibit for the first time, the sale of a firearm to a convicted felon by an individual not licensed. It will require that criminal intent be an element of an offense under firearms laws. And, finally, it will include a mandatory sentencing provision if a firearm is used in certain crimes.

To enact more gun control measures miss the mark. It is time we discarded policies that hurt the law abiding by continuing to deny them access to things they really use properly. Let's start to put our attention on criminals, not on the tools they use.

THE TALE OF LITTLE AMERICA SCHOOLS

HON. PORTER J. GOSS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. GOSS. Mr. Speaker, every so often a young person arises whose insight, wisdom, and vision humble the wisest and most respected leaders of society. Today I'd like to introduce you to one such person, a constituent of mine, Sara L. Maurer, a senior at Port Charlotte High School in Port Charlotte, FL.

Recently Sara won Florida's 1991 PRIDE [Program to Recognize Initiative and Distinction in Education] writing competition in the west central region. Although she's a talented writer in terms of grammar, spelling, and punctuation, what's most impressive is her remarkable sensitivity to some of the most serious problems we face. Her story captures the challenge of education, health care, budget constraints, individual accountability, and political realities in a lighthearted but poignant tale of the death of "Little America Schools."

Mr. Speaker, I ask that Sara's essay be included in today's RECORD so my colleagues and their constituents may benefit. As legislators for the U.S. Government, I hope we can profit from Sara's wisdom.

THE TALE OF LITTLE AMERICA SCHOOLS

(By Sara L. Maurer)

PORT CHARLOTTE.—Little America Schools used to be the strongest, fastest, smartest kid on the global block. With the help of her best friends, Work Ethic and Public Support, she just about ran the whole neighborhood. However, America Schools grew arrogant in her success.

She stopped hanging around Work Ethic, declaring that he was too bossy and never wanted to do anything fun. She didn't realize that it was Work Ethic who helped her maintain her status in the neighborhood. When he was gone, all the other global children stopped following America Schools around.

After that, Public Support, who easily switched allegiances anyway, wandered off to find a new set of friends. America Schools decided that she really didn't care and that she'd rather watch television than waste her time on those who could not appreciate her.

America Schools was a latchkey child, and when she started spending all of her time in front of the television, gorging herself with junk food, no one was there to stop her.

When she began to grow weak from lack of exercise and ill from her poor diet, nobody noticed at first. She tried curing herself with drugs, but that only made everything worse. Soon America Schools was so sick that she couldn't read or write. She was too sick to even think straight.

It was a long time after America Schools stopped coming outside to play with the other children in her global neighborhood that people finally started to notice that something was wrong.

"A little girl like America Schools shouldn't be sick," they exclaimed when they found her. They picked her up and carried her to the hospital, where she was attended by three doctors; Dr. Press, Dr. Educational Expert, and Dr. Politician.

"Take her test scores!" barked Dr. Educational Expert before he even looked at America Schools. Dutifully, Nurse Teacher bent over the suffering child and administered an S.A.T. Dr. Press snatched up the results.

"Yes, she's definitely sick," he exclaimed, frowning over the paper in his hands. "Her math skills are lacking, her verbal skills are abysmal. Yes, sir. She is one sick puppy, no doubt about it."

"We're going to need technology to cure this one," Dr. Educational Expert contributed. "A few computers, audio-visual equipment . . . we're going to need to do something that's never been done before."

"Nonsense!" retorted Dr. Politician, rushing into the room from a press conference in which he had addressed a group of reporters and concerned citizens on his patient's condition. He glanced at America Schools for the first time. "Just give her a huge injection of math and science. That's all she needs. Before you know it, she'll be a veritable rocket scientist."

Meanwhile, Nurse Teacher sat faithfully by the ailing child, holding her hand and wiping her fevered brow. "Maybe she just needs a little more attention. You know, both of America's parents work, and there's no one at home to look out for her. I could look after her myself if you'd only—."

"Shut up!" roared all three doctors.

"I know much more about her condition," said Dr. Press, waving his stack of test scores and statistics.

"I have the knowledge to find the cure," added Dr. Educational Expert, pulling a sheaf of degrees from his lab coat pocket.

"And I run this place!" screamed Dr. Politician, growing quite red in the face.

"Twenty-four-hour subliminal phonics lessons!" cried Dr. Educational Expert.

". . . From an 820 to a 760 in four years with only a five-point margin of error—" chimed in Dr. Press.

"Listen to me! Listen to me!" demanded Dr. Politician.

"Intravenous Algebra!" piped Dr. Educational Expert.

"Couldn't even find Bolivia on a standard Rand McNally grade school globe," boomed the voice of Dr. Press from under a mountain of test results.

"I'm the elected official! I'll tell you what to do!" exploded Dr. Politician. The other doctors grew quiet.

"Now listen," Dr. Politician continued. "I've got a plan. We'll give her math. We'll give her science. We'll give her lots of math and science. We'll give her plenty of tests, so we'll know when she's healthy. Why, we could even feed her."

Who's going to pay for all of this? asked Nurse Teacher.

"Who's going to pay for all of this?" repeated Dr. Politician. "Why . . . why, she'll pay for it herself when she's a healthy, competitive member of society. Yes, that's it? How about that, Miss America Schools?" he asked, turning toward the bed. "Wouldn't you like to be a healthy, productive member of society?"

Nurse Teacher looked up with tears in her eyes. "She can't hear you," she said, rising from her bedside chair. "She's dead."

(Sara L. Maurer is a senior at Port Charlotte High School and winner of the state of Florida's West Central Region PRIDE writing competition for 1991.)

TRIBUTE TO MICHAEL R. BENOIT

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. MACHTLEY. Mr. Speaker, it is my distinct pleasure to congratulate Michael R. Benoit, of Woonsocket, RI, this year's recipient of the Congressman Ronald K. Machtley Academic and Leadership Excellence Award for Woonsocket High School, in Woonsocket, RI.

This award is presented to the student chosen by Woonsocket High School who demonstrates a mature blend of academic achievement, community involvement, and leadership qualities.

Michael R. Benoit has certainly met these criteria. He ranks in the top 2 percent of his graduating class. He has been a member of the student council and the sports editor of the yearbook, as well as the co-president of the Woonsocket Youth Council. Michael has also participated in the Project In-Site and Project Close-Up. In addition, he has been a member of the basketball and cross-country team.

I commend Michael R. Benoit for his outstanding achievements and wish him the best of luck in all his future endeavors.

BASF COMMUNITY ADVISORY PANEL [CAP] PROGRAM

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. DINGELL. Mr. Speaker, one of the biggest challenges facing the U.S. chemical industry today is to improve its relationship with the general public. Today, the public wants to understand in more detail those business decisions that affect the environment and the quality of life.

In meeting the challenge, the chemical industry has recently stepped up efforts to talk openly with people about environmental responsibility and public accountability through a new initiative called Responsible Care. The initiative requires member companies of the Chemical Manufacturers Association to improve performance in response to public concerns.

Chemical companies are especially interested in communicating with people in manufacturing site communities who are generally most affected by their operations. They are doing this fully realizing that companies must talk openly with the public, listen to their interests, and respond to their concerns.

One company that is openly communicating with citizens in the manufacturing site communities is BASF Corp. BASF Corp. is the North American subsidiary of the BASF Group and is among the leading producers and marketers of chemicals and chemical-related materials in the United States and Canada. BASF employs about 20,000 people in North America at more than 50 production and research facilities.

BASF is aggressively moving forward implementing community advisory panels [CAP's] at manufacturing facilities that are involved in the production of chemicals. Community advisory panels are an effective mechanism for establishing an open dialog and stronger communications links with community opinion leaders and neighborhood residents. CAP members comprise a cross section, or microcosm, of the community.

Last year, BASF organized a CAP in the city of Wyandotte, located in Michigan's 16th Congressional District. The Wyandotte CAP consists of 12 representatives from the police and fire departments, school district, an environmental organization, and several community and business groups. The CAP meets monthly with site management to discuss issues of mutual concern, such as safety in the storage and transportation of potentially hazardous chemicals, how BASF manages manufacturing risks, emergency preparedness and training of site employees.

BASF, a longstanding member of the Wyandotte community, is today one of the largest employers and contributors to the economy of the downriver area with more than 750 people employed in research and development as well as production, primarily for vitamins and plastics. Annually, BASF's Wyandotte site pays more than $40 million in wages and benefits and generates local tax revenues of nearly $4 million.

Other BASF sites with CAP's in place include: Anderson, SC; Chattanooga, TN; Clemson, SC; Enka, NC; Freeport, TX; Geismar, LA; Greenville, OH; Huntington, WV; Lowland, TN; Monaca, PA; Rensselaer, NY; Whitehouse, OH and Whitestone, SC. BASF expects to have CAP's organized in its remaining manufacturing site communities by the end of 1992.

CAP meetings provide opportunities for community residents to convey questions, comments, or concerns to site management and for site management to respond directly to the community-at-large. CAP's also provides an opportunity for site management and neighborhood residents to get to know one another better and, therefore, trust one another better.

BASF sees CAP's as a way to build communications bridges into its site communities and as a means for reaching out to neighborhood residents and community leaders and introducing them firsthand to the company's operations.

BASF's philosophy behind the CAP concept is simple. It says that the better site management gets to know the community, and the better the community gets to know site management the easier it will be to understand and respond to community concerns, including deep-seated feelings, attitudes, and perceptions about the way in which BASF operates its facilities.

Production and profit are important. More important though is the quality of life of site community residents, plant employees, and consumers. In fact, there is nothing more important that industry can do today than work as closely as possible with the people in their manufacturing site communities. How well the chemical industry communicates with site communities today will determine their level of business success tomorrow. BASF Corp.'s CAP initiative is helping to achieve that success.

I am proud to have a corporate citizen like BASF in my district.

HUDSON COUNTY CHAPTER OF THE AMERICAN RED CROSS CELEBRATES ITS 75TH ANNIVERSARY

HON. FRANK J. GUARINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. GUARINI. Mr. Speaker, this year, the Hudson County Chapter of the American Red Cross celebrates its 76th anniversary. Everyone in this body is aware of the outstanding contributions made by this worthy organization.

I would like you, Mr. Speaker, and my distinguished colleagues to join me in congratulating the Hudson County Chapter on its years of dedicated service to the people of Hudson County.

This chapter has responded to thousands of crises. It has served every part of our community. In peace and in war, in the dead of night or on holidays, the volunteers of the Hudson County Chapter have provided aid and comfort to those in need.

On Saturday, May 4, the chapter celebrated its 75th anniversary with a gala dinner at Casino in the Park in Jersey City. I would like to commend the following Red Cross officers for their outstanding contributions to the organization and for their hard work which made this celebration possible: the anniversay chairman, Dr. Thomas Connolly, the chapter's executive director, Joseph P. Lecowitch, chapter chairman James Miller, treasurer Leonard Mackesy, secretary Barbara Flannery, and vice chairmen William Netchert, Joan Quigley, and Stewart Gladstone. I would also like to commend all the volunteers and former officers of the Hudson Chapter who contributed so much to make the Hudson County Chapter so effective and successful in its work.

The Hudson County Red Cross has created a proud tradition spanning the 20th century. Its staff and volunteers have shown great dedication and perseverance often in the most trying of circumstances.

The Hudson County Chapter was formed in 1916, 35 years after the American Red Cross was established as a private voluntary association. Hudson's chapter was formed in Jersey City and was prompted by the high ideals of humanitarian concerns caused by World War I.

The Jersey City Chapter held its first meeting on March 30, 1917. Judge George G. Tennant, chairman, convened this gathering which took place at 780 Montgomery Street in Jersey City.

When the United States went to war in 1917, the American Red Cross and the newly formed Jersey City Chapter actively participated in assisting the war effort.

The Jersey City Chapter fed thousands of soldiers and aided many families throughout the war. Volunteers also participated in the knitting and shipping of sweaters, the preparation of bandages, and the formation of a motor corps that was active in the city.

Once the war ended, the chapter turned its attention to local problems. The motor corps developed a mobile disaster program and a civilian relief corps. Members also developed nursing, Junior Red Cross, water safety, and first aid programs. These programs flourished throughout the peace that reigned during the 1920's and 1930's.

But in 1941, the Hudson County Chapter and the Nation once again turned to wartime efforts. The chapter provided nursing and production services for troop needs and local civilian relief for military families. The chapter also actively took part in a national blood donor service.

In 1945, the chapter acquired new headquarters at 612 Bergen Avenue and when the war ended, the chapter once again turned its attention to social programs. By the 1950's, the Hudson County Chapter had developed to the point that the support of soldiers and families during the Korean war did not sidetrack social programs as had happened during the two previous wars.

While the chapter progressed, it was dealt a devastating blow on April 27, 1959, when a fire destroyed its headquarters. Most of the records and history of the chapter were obliterated in the blaze. But the volunteers did not give up hope and quickly resumed the chapter's humanitarian activities.

In 1967, the Jersey City and Hoboken Chapters of the Red Cross merged and the American National Red Cross officially designated the new chapter as the Hudson County Chapter.

In the late 1960's, the newly strengthened chapter provided aid for soldiers and families during the Vietnam war. Workers prepared thousands of ditty bags containing personal supplies for troops in the field. More than 50,000 of the bags were filled and shipped.

The 1970's were a great challenge to the Hudson County Chapter of the Red Cross. During this decade, fire ravaged Hudson County. The chapter responded to more than 2,200 fires, assisting more than 30,000 victims and providing funerals for 112 people. During these often tragic fires, members of the chapter themselves saved lives. Six of the highest national awards were presented to disaster team members.

In one fire in Hoboken, 21 people perished and the chapter provided funerals. The chapter also provided assistance to 42 families displaced by the blaze.

By 1980, the chapter had raised and provided $2.1 million to fire victims.

While responding to these crises during the 1970's, the chapter also undertook new initiatives to meet the needs of the region. In 1972, the chapter established the first and only blood depot in a chapter house.

On call 24 hours a day, staff and volunteers deliver blood to local hospitals, dispensing over 30,000 units of blood a year.

During the 1980's, the chapter continued to expand its programs and undertook a program to modernize its disaster vehicles.

This decade also brought a new crisis—the problem of homelessness. Each year since 1980, the chapter has provided, on average,

9,000 nights of emergency shelter and 30,000 meals to homeless people.

In 1989, the chapter moved to new headquarters at 26 Greenville Avenue. From this new location, the chapter began preparing for the challenges of the 1990's.

Throughout the past 75 years, the Hudson County Chapter of the Red Cross has responded admirably to the needs of the times. Mr. Speaker, I hope you and my distinguished colleagues will join me in applauding what is truly a glorious history. In keeping with this proud tradition, I know that the Hudson County Chapter of the American Red Cross will have an even brighter future.

TRIBUTE TO FATHER AMOS WISCHMEYER

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. KILDEE. Mr. Speaker, I rise today to urge my colleagues in the U.S. House of Representatives to join me in paying tribute to an outstanding humanitarian from Flint, MI, area, Father Amos Wischmeyer. Father Wischmeyer was honored on May 16, 1991, at St. Mary Queen of Angels Church in Swartz Creek, MI, commemorating the 40th anniversary of his ordination.

Father Wischmeyer was born in Shepherd, MI, on April 21, 1924. As a young boy, his parents moved to Lansing, MI, where he attended elementary and high school at Resurrection Church and School. Following high school, he entered St. Joseph Seminary in Grand Rapids, MI. From there he was sent to St. Gregory in Cincinnati, OH, then to St. Mary of the West to complete his theological studies. He was ordained on June 2, 1951, by Bishop Albers at St. Mary Cathedral in Lansing.

Throughout Father Wischmeyer's years of priestly service he has been instrumental to the growth and development of education in Michigan. In February of 1964 he supervised the construction of a large school in New Buffalo, MI. Under the auspices of Father Wischmeyer, New Buffalo also saw the reconstruction of a convent for the sisters working in the school.

Father Wischmeyer is a noted promoter of solid Catholic education. When Michigan schools were closing, he was able to keep St. Mary's open at great cost. St. Mary's still operates today with several sisters on its school faculty. The father has told the community that he will do everything in his power to keep the school open and he will take any measures to assure a solid Catholic education for the children in his community.

In addition to Father Wischmeyer's perseverance in assuring all children a proper education, he also dedicates time to other community concerns. Father Wischmeyer is a weekly visitor to several Flint area hospitals. He is at the service of his parishoners, at all times, day and night. He has a deep concern for the needs of the less fortunate in our society and he has done much to help alleviate the suffering of the poor. His door is always open to all people in the community. He is an admired man, who always works for the benefit of humanity.

Wherever he has preached, Father Amos Wischmeyer has committed himself to serving God and the people of his community. He has been a very positive influence on me and an important part of my personal growth and formation. I am a better person for having known him, and the Flint area is certainly a better community for his presence.

TRIBUTE TO MARIA HELENA DA SILVA

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. MACHTLEY. Mr. Speaker, it is my distinct pleasure to congratulate Maria Helena Da Silva, of Bristol, RI, this year's recipient of the Congressman Ronald K. Machtley Academic and Leadership Excellence Award for Bristol High School, in Bristol, RI.

This award is presented to the student chosen by Bristol High School who demonstrates a mature blend of academic achievement, community involvement, and leadership qualities.

Maria Helena Da Silva has certainly met these criteria. She ranks first in her graduating class with perfect 4.0 grade point average. She is also president of the National Honor Society and vice president of the senior class. In addition, she is a member of the French Club, the Math Club, and the yearbook staff. She has received the Xerox Humanities Award and the University of Rhode Island Book Award, as well as achievement awards for French, Portuguese, Chemistry, English, and Advanced Math.

I commend Maria Helena Da Silva for her outstanding achievements and wish her all the best in her future endeavors.

A HEROIC ACHIEVEMENT AT ICC

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. MICHEL. Mr. Speaker, on Sunday, May 19, 1991, Elinor Pilon graduated from Illinois Central College with an associates degree.

Whereas she is one of many recent graduates in my district—all of whom I congratulate—Elinor Pilon's achievement merits this special distinction. Elinor Pilon is a mother, aged 48, and was blinded and partially paralyzed by a drunken driver in 1980.

Her courage is the kind we aspire to and about which we usually read in heroic epics. She has persevered—not by demanding the sympathy of others—but by her own inner strength.

Undaunted by the economic, physical, and emotional hardships which resulted from the accident, Elinor has achieved an exemplary scholastic record. Her courage should serve as a role model for each one of us.

Mr. Speaker, Elinor Pilon has not only persevered—she has excelled.

At this point in the RECORD, I wish to insert the Monday, May 20, 1991, article which appeared in the Journal Star, "Woman Beats Odds to Earn ICC Degree":

WOMAN BEATS ODDS TO EARN ICC DEGREE

(By Jerry Klein)

For Elinor Pilon, whose life was virtually destroyed when her Chevette was rear-ended by a wildly speeding drunken driver on a Saturday in February 1980, Sunday was a special day indeed.

Call it a bright spot on a calendar whose days have often passed in a black emptiness. For although totally blind and partly paralyzed from that long-ago accident, she clamped her good left hand on the arm of her son, Brian, and ascended slowly and with immense dignity to the podium to receive her associate degree at Illinois Central College.

Surrounded by colleagues, their robes billowing in the wind, she led the student part of the academic procession, and was first to receive her diploma, beaming with quiet pride as she approached the dias to be given her coveted certificate by ICC President Dr. Thomas K. Thomas and Trustee William Kitchell. When she resumed her seat, there came a shout from the faculty section, "Congratulations, Elinor," and most of the members sitting there responded with their own tribute of applause.

MULTIPLE DISABILITIES

It is curious that Elinor Pilon, at the age of 49, was among all these capped-and-gowned, fresh-faced young people headed so confidently into the future. For she in some respects has no such future.

Since the accident 11 years ago, she has been ruled vocationally unrehabilitatable by the state. Being blind, she cannot read, she cannot write (she signs her name with a wiggly "E"), she cannot type. A recent X-ray shows the speech center in her brain is "zip." But she speaks articulately. She can answer the telephone. And she can play her ever-present tape recorder.

It is the tape recorder that has allowed her to progress with her life and education. It has been a listening, talking companion into which conversations, lectures, lesson plans and textbooks have been read and retrieved through countless hours of listening and remembering. She has worn out three recorders, scores of batteries. The tapes have been her notebook, her pen, her textbook.

But it is not technology that has made her degree possible; rather stamina, endurance, patience. These, she said, are her degree.

A GLIMMER OF HOPE

The road that ended, in a way, Sunday afternoon, began in summer 1988 when she attended a meeting of the Central Illinois Center for the Visually Inpaired. There she met Nancy Davidson, ICC coordinator for students with disabilities.

"I hadn't realized people so multiply disabled, as I was, could go to college," Elinor said. "I called Nancy and she said she could help me on campus. She said textbooks could be read onto tapes and that she might be able to provide me with note takers. I had no idea where to start."

As Elinor Manias, before she was married, she studied at the University of Miami at Coral Gables for a year, then went to Bradley University for a semester. That was 30 years ago. Then she married Jerry Pilon in 1963 (they were divorced in 1986) and quit school.

What brought her back was a Human Potential Seminar offered at ICC. She decided to go for it, even though she thought that she could hardly go into a classroom in her condition. She walks only with someone's assistance, or by hanging onto a wall. She thought students would make fun of her.

TOO MUCH TROUBLE

There was no way to pay for classes, she had no way to get from her home in Chillicothe—20 miles away—to ICC, and the bureaucracy that has had so much to do with controlling her life was not always helpful. She says one caseworker in the Illinois Department of Rehabilitation Services told her, "This is just too much trouble. Why don't you just forget about going to school."

At the time, she had about $80 a month left after she paid her room and board at the Illinois Valley Christian Home on Second Street in downtown Chillicothe. Some of that leftover went for medicine, shampoo, bath soap, Kleenex, clothing, toothpaste, cigarettes. "All I had to wear was two pair of jeans—one patched—and three blouses. But Nancy told me kids wear jeans all the time. I had no idea how women dressed for school. And somehow I got the $28 for the classs and found a friend who would take me.

"Nancy made arrangements for us to park near the loading dock. It was the entrance closest to the classroom. I walked into that building scared to death. It was October 1988. Nancy was ahead of me like a downfield blocker through that hall swarmed with students. She told me they were sitting in the hallway with their legs stretched out. And she said, 'Excuse us, would you pull your feet in.' I had on my good jeans, my orthopedic shoes, my leg brace. I got to the instructor's office 10 minutes before class and I said, 'HI, I'm Elinor Pilon and I'm enrolled in your class.'"

COLLEGE COED ONCE AGAIN

It was, for the woman who once brought students to tears with her talks on drunken driving before high school assemblies, a magic moment. She was back in school. And she said to herself, "I'm a college coed once again."

Going back was not the trauma she expected, but a challenge. Blind, disabled and at one time understandably embittered because of the accident and its aftermath—temporary estrangement from her children and friends, divorce from her husband, life in a series of homes—she was the kind of "case" that could most conveniently be pigeonholed and forgotten.

She has a dossier crammed with papers from the rehab agency, the Illinois Student Assistance Commission, the Federal Student Aid Program and other official bodies. There are eligibility decisions, financial claim analyses, vouchers, forms, authorizations, evaluations, summaries, appeals, reports of hearings.

"For years," she said, "I had been isolated from the real world. I had been hospitalized. I returned to my home to live with strangers who came in to assist me, then I was sent to a home for the aged in Peoria. I lived with a friend for a while, then returned to the hospital after a leg injury. Now I live with people whose average age is 83, although I am not yet 50."

It is not precisely an atmosphere to encourage studying, most of which she does with her tape recorder, seated on the edge of her bed in her windowless room in what used to be a furniture store. Punching her tape buttons, endlessly listening, sometimes late at night or early on winter mornings before the heat has been turned up.

Her room is still stacked with tapes, on the bureau, on the dresser, on the telephone stand. Sometimes vistors find the lights out. To the blind, the lights are always off.

A'S AGAINST THE ODDS

But back in school at the age of 46, Elinor found herself snared in academe. "I wanted more. I began to enjoy each day again."

She got A's in the seminar and in the next two classes she took, psychology and sociology. Teachers helped with personal attention and individual assistance. Other disabled students helped record study guides and lesson plans. Still, she had to do it all auditorially, even the math class that followed in spring 1990. Imagine working colege math without being able to see equations and formulas. "I thought that class was going to get the best of me."

There were classes in the aging process death and dying, management, business. She earned A's in everything but death and dying and math. These were B's.

Yesterday, for the moment at least, it ended with that triumph of graduation. Although her future remains dark, there is hope at last. She wants to continue school, first to earn a certificate in long-term health care management, and eventually a degree. She also is working on an autobiography.

"It's a beginning for me, she said. "I'm going to continue. And I do have a future. It is myself. I've found myself and what I can do."

REMARKS BY MR. NAT WELCH ON INTERMODALISM

HON. BEN JONES

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. JONES of Georgia. Mr. Speaker, I would like to submit for the RECORD remarks by Mr. Nat Welch, chairman of the International Intermodal Exposition on the occasion of his receiving the 1991 Salzberg Memorial Medallion.

Mr. Welch is one of America's most thoughtful advocates on behalf of intermodalism. As we consider methods to enhance intermodalism as part of the reauthorization of the Surface Transportation Act, my colleagues can all benefit from the insightfulness of Mr. Welch's remarks.

REMARKS BY NAT WELCH, CHAIRMAN, INTERNATIONAL INTERMODAL EXPO

Chancellor Eggers, Virginia Clark and Friends:

Atlantans are somewhat like Texans . . . we've been known to brag a bit. Atlanta has prided itself as a transportation center since two railroads junctured in 1845. We claim a brand new rapid rail system, a $1.6 billion expressway improvement program, the world's second busiest airport until Eastern went under, two healthy railroads in Norfolk Southern and CSX, many excellent motor carriers and yes the world's largest intermodal expo.

But in one area we have no bragging rights. In spite of several first class colleges and universities in Atlanta, not a single course is offered in transportation/logistics. The Georgia Freight Bureau is now in a joint campaign with Georgia Tech to raise $1,500,000 for an endowed chair of transportation/logistics. Chancellor Eggers, we have great admiration for Syracuse's transportation program, which is famous nationally. What we would like to do is to move Dr. Wallin and his whole staff . . . lock, stock and barrel down to Georgia Tech. But we have enough sense of fair play not to attempt that.

I've selected an ambitious subject for my remarks: "Intermodalism. . . . The Past Decade: The Future Decade". One person cannot cover all the bases, but I will try to choose the developments I think are most important.

Those of us in the industry live with the word "intermodalism" everyday, but it is surprising how few people know what the word means. I had to search several dictionaries before finding "intermodal" in a 1987 Random House unabridged dictionary . . . defined as . . . "transportation involving more than one form of carrier such as rail, truck and ship".

The U.S. maritime fleet reached its zenith around 1850 with the famed Yankee Clippers. Our fleet has been in a decline since a second peak in World War II.

THE PAST DECADE

However, in the past 30 years, America has led the world in the container revolution. The container has had as much impact on world freight commerce as the jet aircraft had on the passenger business. The revolution was led by a country boy from North Carolina named Malcom McLean. He knew the trucking business and had great financial acumen. The advantage of containers is pretty obvious. Pilferage in ports was notorious. With strong unions, longshoremen's wages were going through the roof. A sealed container cuts down on pilferage, and can be handled dockside with far less labor than needed to load and unload smaller boxes and bags. Not only did merchandise freight (Hong Kong garments and TV sets) shift rapidly to containers but, in the last few years, American break bulk commodities such as lumber, cotton and seed grains have shifted to containers. According to Transamerica Leasing and Data Resources, the growth of containers in international trade jumped from a million in 1970 to 12,000,000 in 1990 (all container references are to FEU's, 40′ containers) more than a trend!

Ships are now in service which can handle 2,300 40[1] containers. . . . equivalent to 2,300 truckers with 40′ trailers traversing the interstates.

The container revolution was also led by another progressive USA company. . . . American President Lines, which has served the Pacific trade for over 100 years. With the surge in imports from the Pacific Rim. . . . wearing apparel, consumer electronics and toys. . . . APL needed a more efficient system to move its containers from the Pacific Coast to the Midwest and the Northeast. The company was not satisfied with the trailer on flat car (TOFC) and the container on flat car (COFC) service offered by the American western railroads. So APL bought unit trains from the Western roads to control the quality and timeliness of the service. Then came the big technological break-through of the decade. . . . the introduction of the double-stack flat car. The economic advantage of placing one container on top of another is obvious. . . . two for the price of one. Double-stacks come in the form of five well cars articulated like your backbone. A double-stack train with 100 wells can transport 200. . . . 40 to 48 foot containers from the West Coast to New York. . . . equivalent to two hundred trailer/truck rigs covering the same distance. Another huge plus. . . . because of the weight of the double-stack and the ar-

ticulated cars which greatly reduced the traditional train jerk. . . . the ride quality was substantially improved, significantly lowering damage to the freight.

Having created this enormous eastbound transportation system, American President Lines was confronted with the age-old transportation problem, filling up the back haul. The company created an intermodal sales force to develop domestic back haul service to the West Coast. Because of its aggressive marketing, API is filling up its westbound double-stack trains from Atlanta with textiles, furniture, carpet, aluminum, paper products and motor carrier freight. The success of this program is such that the company's domestic business now exceeds their 100 year old Pacific trade.

From 1980 to 1989, American railroads' intermodal business increased from 3,000,000 40' units to 6,200,000 units in 1990. This doubling of volume was accomplished with only a 10-15% growth in rail equipment according to Trailer Train, which operated the national pool of equipment for American/Canadian railroads.

Two significant factors in this growth occurred in 1980: The passage of the Motor Carrier Act and the Staggers Rail Act, both of which essentially deregulated the surface freight industry.

Another American company, CSX Railroad, moved aggressively to become a multimodal transportation company. CSX acquired Malcom McLean's Sea-Land, which is now the largest worldwide container shipping company serving the USA. It also acquired American Barge Line and formed CSX trucking. Two years ago CSX Intermodal, an entirely separate company, was established and is a nationwide intermodal network as well as a principal customer of the western railroads. For his pioneering efforts is establishing a worldwide intermodal company, CSX Chairman, Hays Watkins, was awarded the 1989 Salzberg Practitioner Medallion.

Certainly the most important element in the abatement of inflation was of course the decrease in the price of oil. In my opinion, the second most important factor was the deregulation of the rail and motor carrier industries which had the effect of squeezing out the fat and making both industries more competitive.

Bob Delaney, of Cass Logistics and a 1989 Salzbert Honoree, estimates that US Logistics cost declined by $65 billion following transportation deregulation and that US business logistics, transportation and inventory carrying costs as a percentage of Gross National Product, showed a dramatic decline from 14.5% in 1980 to 11.1% in 1989.

The motor carrier industry is a key player in intermodalism because almost every trailer has to move initially and finally by truck from plant to rail head or dockside, then after the long haul by rail or ship, by motor carrier to reach its final destination.

THE FUTURE DECADE

Discussing the past is a whole lot easier than predicting the future. Raymond Burton, President of the Trailer Train Company, says his company writes its five year plan in pencil so that it can be changed.

The dominant intermodal issue is now rapidly coming to a head in the US Congress. The Highway Trust Fund expires in 1991. The big question is how intermodalism will benefit or be hurt by the new bill. I attended the open hearing on February 20, conducted by the House Public Works and Transportation Committee. When Secretary Skinner was asked, "Who is in charge of intermodalism at the Department of Transportation?" Mr. Skinner said his department suffered from parochialism with FHA, FMA, FAA and the FRA, each fighting for a share of the pie. Skinner promised, "I'm in charge". Intermodalism permeated the whole morning hearing. Chairman Robert Roe promised increased emphasis on intermodalism. Looming as a dark cloud over the horizon is the truckers fighting for double 48' trailers and triple 28' trailers which many oppose as unsafe and highway officials because of the damage of these large truck rigs to our highways and bridges.

I do not see trailers and containers getting longer than 53'. The public is rebelling against these longer rigs because of safety and traffic congestion. Also the longer and heavier the container, the more difficult it is to lift and load these big heavy boxes. Cost and safety in handling are also negative factors in increasing the size of boxes.

A double-stack train can haul 200 40-48' trailers, but the system has terminal and drayage costs at both ends. Truckers offer dock-to-dock service. Don McKnight of Peet, Marwick, Stevenson and Kellogg sees. . . .

Road Railer competitive at 300 miles

Double-stack at 400 miles

Trailer on flat car at 500 miles

As fuel and labor increase, cost is on the side of the railroads, he observes.

The subject of the joint Intermodal Marketing Association/Intermodal Transportation Association Meeting in Vancouver last Fall was, "How Soon Will the Piggyback Trailer Die?" The consensus was piggyback is losing ground but it is not dead yet. The downside is the piggyback trailer gives a "shake, rattle and roll" ride, but the upside is it's flexible and plays a useful role on medium length hauls. The container portion of the US market moved from 38% in 1988 to 45% in 1990. This percentage growth will continue because of the momentum and the commitment of US railroads.

In view of the rapid technological gains in spine and double-stack cars and larger cranes, some predict fewer technological gains in the nineties. Bob Lewis, Publisher of Railway Age, is enthusiastic about the "Iron Highway" because of its great versatility in serving smaller markets. The Iron Highway is a system intended to permit the railroads to participate in the door-to-door truck load market. It consists of a self-powered, self-loading train element that eliminates cranes, locomotives and switching, in combination with a unique loading mechanism. This system has as its goal increasing performance and reliability above the levels attainable with all-highway movement, at lower than highway costs for lanes of under 500 miles. Preliminary tests have gone well. The Iron Highway is a development of the New York Air Brake Co.

A more positive leadership is needed on intermodal by the US rail industry. For too long a negative "Why we cannot do it" attitude has prevailed because of difficult labor problems, money losing passenger business and over-regulation. A more "Can Do" attitude is needed as exemplified by Mike Walsh, Chairman of the Union Pacific. He joined Union Pacific from outside the transportation industry a little over four years ago and was the recent recipient of Tom Peters "Corporate Bureaucratic Turn Around" Award.

Promising new markets loom ahead in the nineties. The surface has barely been scratched in transporting refrigerated products, containerized liquids and solid waste. Sharp increases in second, third and fourth class mail have created a growing opportunity for railroads in their bulk mail intermodal business reports the Journal of Commerce. Conrail and the Santa Fe are aggressively pursuing this business.

I predict that more intermodal yards will be located outside the fringes of perimeter highways in our large cities like Chicago, Los Angeles, Dallas and Atlanta. Railroads have frequently built their intermodal terminals on old rail yards in the inter city. Building new facilities on the edge of the city will reduce urban traffic congestion and be more efficient.

US trucks, railroads and ships did a phenomenal job in moving over 2,000 containers a month recently to the Persian Gulf. Intermodalism needs great team work between the modes, strong hands-on management and sophisticated computers. We need the same kind of teamwork demonstrated in the Persian Gulf War to reap the great fruits from intermodalism.

The driving forces behind the 108 percent in rail intermodal traffic this past decade has been in cannibalizing box car freight and the surge of Pacific Rim imports. Rail intermodalism now offers a fast, efficient, smooth ride and an economical product. I predict the driving force behind the continued intermodal growth in the nineties will be the increase in shipments tended by large American shippers such as Proctor & Gamble, General Motors, Ford, Kodak, General Mills, J.C. Penney and others. This will create the momentum for other American shippers to follow.

On the global scene, container volume will increase dramatically and container ships will become larger and larger. Transamerica Leasing and Data Resources estimates that from 1990 to 2000, world container traffic will increase from 12,000,000 40' containers to 21,400,000 and that the largest container ships will increase from 2,300 to 3,000 of these containers.

Most container ships now under construction are too large to go through the Panama Canal. It is estimated that by the year 2000, two/thirds of the total worldwide container capacity will be unable to clear the Canal. Alaskan crude oil now moves by super tankers to the Pacific side of the Panama Canal where it is piped to the Atlantic side and then reloaded in tankers for Gulf and Atlantic ports. Singapore has recently emerged as the largest container port in the world, surpassing Hong Kong. The reason . . . Singapore is a huge hub harbor where smaller container ships come from every direction and are transloaded onto large ships for worldwide destinations. Panama has a similar great potential. Transportation consultant Fred Fisher is advocating such a transloading operation with container ports on the Atlantic and Pacific sides, and using the Panama Railroad to bypass the Canal.

A great period in American commerce was created in the earlier part of the last century by the Yankee traders who roamed the world in clipper ships offering American wares. It's time for us to stop down playing the quality of American products and hit the road to the far corners of the globe, like the Yankee traders, aggressively marketing American products.

It is hard to predict the future ten to twenty years out. Who would have predicted in the mid-fifties that we would put a man on the moon in 1969 or the worldwide impact of the container revolution. I am by nature an optimist . . . a believer in what can be accomplished by the creativity of human beings in a free society. Let us dream dreams and work daily toward high goals.

Eighteen months ago, my wife and I toured intermodal facilities in six Pacific Rim countries. While in Taiwan, we visited Evergreen, which has emerged in twenty-five years from a very small carrier to become one of the very largest container shipping companies in the world. I was struck by the bright and able middle managers in their thirties. I asked one, "What is the secret to Evergreen's success?" His answer, "People . . . you can always buy the newest ships and computers". The training of our future leaders is the challenge and opportunity of outstanding educational institutions like Syracuse University.

NORTH AMERICAN FREE TRADE AGREEMENT: TOO FAST A TRACK

HON. ELIOT L. ENGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. ENGEL. Mr. Speaker, I would like to insert into today's CONGRESSIONAL RECORD an excerpt from a report entitled, "North American Free Trade Agreement: Too Fast a Track?" prepared by the staff of the Foreign Affairs Subcommittee on International Economic Policy and Trade. This excerpt addresses the critical issue of labor standards and worker rights.

The full text of the report is available at the subcommittee offices in room 702, House Annex I. Members' offices may also call the subcommittee at 226–7820 to obtain a copy of the report.

KEY ISSUES

Labor Standards and Worker Rights

The President should direct the U.S. negotiators on the North American Free Trade Agreement to put labor standards and worker rights on the negotiating table and not relegate these important issues to "parallel" discussions that are not associated with bilateral trade.

Labor standards are intimately linked to trade and investment patterns. First, labor conditions can have an enormous impact on international trade flows as they often affect the ability of industries to be competitive on the world market. There is no doubt that companies that must pay higher wages or incur the costs associated with health and safety standards will be at a competitive disadvantage against companies that are not similarly constrained. In the context of a North American Free Trade Agreement this means, for example, that an automobile manufacturer in Michigan, which must comply with tough U.S. standards, will have far higher costs of production than its counterpart in Tijuana which is virtually free to operate as it sees fit. The Michigan manufacturer, therefore, suffers a competitive disadvantage that it can only overcome by relocating to Mexico unless its competitor in Tijuana can be bound by the same labor standards he is by some type of bilateral arrangement. The proposed free trade agreement would be an ideal vehicle for a harmonizing of labor standards, that is to bring Mexico's standards to a higher level close to those in the U.S.

Second, foreign investment, which usually accompanies free trade, is dictated in large measure by the production costs found from country to country. While it is true that investment decisions are based on many factors; infrastructure, communications, productivity, and the level of skill of the local workforce, one of the most important factors is the prevailing labor standards, especially the wage rate and the level of mandated benefits for employees.

Last, labor standards and worker rights are themselves affected by trade. A North American Free Trade Agreement that includes across the board reductions in tariff and non-tariff barriers as well as a liberalization of foreign investment rules will have a greater effect on labor and labor standards than perhaps any other trade agreement preceding it. If these issues are not addressed in the context of a free trade agreement, current labor standards in Mexico could be used to exert downward pressure on labor standards in the United States. That pressure has already been seen in labor-management negotiations in which American companies have threatened to move to Mexico unless a lower wage was accepted by the negotiating union. Health and safety standards in the workplace could similarly suffer unless a free trade agreement includes specific measures to bring Mexico's standards to the level of U.S. and Canadian standards. Moreover, efforts by consumer and public interest groups to improve current standards in the United States can be easily countered with threats from affected industries to move south rather than face increased regulation of the workplace if the problem is not addressed in the free trade talks.

Labor standards and worker rights were not included in the U.S.-Canada Free Trade Agreement because standards in the two countries are generally considered to be comparable. But this is not the case with Mexico. Mexico's labor standards and protection of workers rights are extremely poor. The average hourly wage is 50 cents an hour and over 10 million children work in factories and in the streets. Health and safety standards in the workplace are less than acceptable and benefits like health insurance are minimal. Most Mexican companies, for example, do not provide protective clothing and equipment to those working with highly toxic chemicals. Likewise, children are regularly permitted to use machinery which they are never trained to use. In the Maquiladora sector, the situation is even worse. Exposure to hazardous materials such as PCBs, methylene chloride, lead fumes, resin fluxes and industrial solvents is a constant. Protective clothing and equipment is a rarity and hazardous materials are usually applied manually, even by small children. To illustrate, an April 8, 1991 article in the *Wall Street Journal* described the working day of a 12 year old boy in a Maquiladora shoe factory.

"He spends most of his time on dirtier work: smearing glue onto the soles of shoes with his hands. The can of glue he dips his fingers into is marked "toxic substances . . . prolonged or repeated inhalation cause grave health damage; do not leave in the reach of minors."

And with respect to the general living and working conditions for those employed by the Maquiladora factories, the *Tuscon Weekly* wrote that the picture painted by industry promoters of the Maquiladoras, "does not incorporate the cardboard shacks that lie just beyond the factory gates. It doesn't account for the hundreds of toxic chemical drums discarded by the factories and reused for drinking water by families who can't read the warnings printed in English. It ignores the 27 partial amputations of fingers in Nogales factories in 1988, the raw sewage flowing across the border from cardboard squatter camps, the thick trails of smoke made by people who burn tires to keep warm, the 13-year-old children who forsake school for the assembly line, the workers who are warehoused 140 to a room in barracks run by the factories."

Even if better housing were available to the workers, they could not afford it on the $1.63 per hour they earn in the Maquiladora industries (which includes the value of any benefits). This compares with an average hourly wage of $14.32 (also including benefits) in a similar manufacturing job in the United States.

Mexico's dismal labor situation is not due to the inadequacy of its labor laws, but to the lack of enforcement. Indeed, Mexico's laws can be said to be among the most progressive in the world. The 1917 Constitution spells out many of the country's labor protections, including an eight hour work day, a seven hour shift for night work, a maximum work week of six days, mandatory childbirth and maternity leave, equal pay for equal work, regardless of sex or nationality, a minimum wage, double pay for overtime, disability pay, rights to organize and strike and more.

Mexico's Constitution is also among the most advanced in the world as regards the right of association, the right to organize and bargain collectively, the prohibition of forced or compulsory labor, minimum age of employment of children and acceptable conditions of work.

The problem then lies not in Mexico's laws but in the lack of enforcement of those laws. And the lack of enforcement itself is due to both a scarcity of resources to adequately police a nation of 86 million people and structural impediments to enforcement, including union complicity in substandard wages and an unwillingness on the government's part to alter a situation which is attractive to foreign investors. The Maquiladora industries in particular have benefited from the Mexican government's inability and unwillingness to enforce its labor laws. From the government's perspective, the Maquiladoras' substandard working conditions have helped make that sector Mexico's second largest earner of foreign exchange, after oil. The Mexican government is therefore unlikely to work to improve the situation in the Maquiladoras unless persuaded to do so by the promise of greater trade and economic benefits.

Mexico's labor situation overall is unlikely to change with more liberalized trade, even if it does bring greater wealth to the country, unless such change is made a condition of free trade with the U.S.

Including labor standards and worker rights in the North American Free Trade agreement would hardly set a precedent. In fact, the United States has a tradition of including labor standards and worker rights in its trade laws on the general principle that they serve to protect American workers and industries from unfair competition while promoting a respect for worker rights and political stability in other, less developed countries.

Among the U.S. trade laws that have worker rights provisions are the:

* Section 301 of the Trade Act of 1974, which assists the President in removing foreign trade barriers that violate GATT or other trade agreements. The denial of internationally recognized worker rights has been classified as an unreasonable trade practice for the purpose of Section 301(b).

* Generalized System of Preferences (GSP), a preferential duty program under

which selected products from developing countries are given duty-free access to the U.S. market. 130 countries are currently designated as GSP beneficiaries, allowing them to export to the U.S. approximately 3,000 products duty-free. The GSP law states that no country may be designated as a GSP beneficiary "if such country has not taken or is not taking steps to afford internationally recognized worker rights to workers in the country (including any designated zone in that country)."

* Caribbean Basin Initiative (CBI), a program which allows certain products from member countries in Central America and the Caribbean into the United States duty-free. CBI states that "the President shall not designate any country a beneficiary developing country . . . if such country has not or is not taking steps to afford internationally recognized worker rights (as defined in Section 502(a)(4) of the Trade Act of 1974) to workers in the country (including any designated zone in that country)."

* Overseas Private Investment Corporation (OPIC), a federally chartered corporate agency which provides U.S. businesses with insurance and financial assistance to invest in developing countries. OPIC "may insure, reinsure, guarantee, or finance a project only if the country in which the project is to be undertaken is taking steps to adopt and implement laws that extend internationally recognized worker rights, as defined in section 2472(a)(4) of Title 19, to workers in that country (including any designated zone in that country)."

* 1988 Omnibus Trade and Competitiveness Act which established that the principal negotiating objectives of the United States in GATT regarding worker rights are—

(A) to promote respect for worker rights;

(B) to secure a review of the relationship of worker rights to GATT articles, objectives, and related instruments with a view to ensuring that the benefits of the trading system are available to all workers; and

(C) to adopt, as a principle of the GATT, that the denial of worker rights should not be a means for a country or its industries to gain competitive advantage in international trade.

The North American Free Trade Agreement can incorporate the worker rights standards embodied in the GSP, CBI and OPIC and add provisions specific to the U.S., Canada and Mexico.

However, if the GSP standard for worker rights is used in a free trade agreement it should be made more specific to avoid vague interpretations that have in the past led to nonenforcement and evasion by enabling authorities to confuse violations of labor rights with abuses of human rights.

Second, commitments should be made by all participating parties in the free trade agreement that expeditures on the enforcement of Mexico's labor laws will increase commensurate with current needs and increases in foreign investment. It has been argued by U.S. Trade Representative Carla Hills and others that the prosperity that a free trade agreement will bring will be what enables the Mexican government to spend more on the enforcement of its labor laws. But President Salinas knows that it is principally Mexico's cheap labor as well as the lack of enforcement of occupational health and safety and environmental rules that now attracts foreign investment to his country. Changing those conditions to the benefit of Mexican workers may slow the rush of U.S. companies to relocate south, precisely what President Salinas would not like to see happen.

In light of President Salinas's desire for massive foreign investment and Mexico's institutional unwillingness to enforce labor laws, assurances need to be made at the negotiating table that the Mexican government is committed to specific expenditures on the enforcement of worker rights. Proper enforcement will not be cheap and additional sources of revenue for this purpose may have to be found. User fees or a levy on new investments could help to defray the costs of enforcement.

But great spending on enforcement alone will not guarantee that worker rights in Mexico will be respected. Certain structural changes need to be made if workers are to make any real gains in a NAFTA.

For example, labor unions in Mexico have to be freed from government influence. The PRI and the Confederation of Mexican Workers (CTM) operate in close alliance to control the labor courts and minimum wage boards with the result that there is little real collective bargaining in Mexico and;

"Wage agreements are consistently negotiated at levels well below the rate of inflation . . . Today it is generally recognized that union leaders often limit themselves to cosigning contracts with salaries fixed by the national commission without trying to supercede the levels already set."

Unions that are as closely linked to the government and to the ruling party as Mexico's official unions are, cannot be expected to strenuously advocate workers' rights, particularly if those rights should conflict with government policy. Mexico must allow for the reform and democratization of its labor unions. The Free Trade Agreement should require union reform on the grounds that current official union practices allow unfair trading practices like artificially low wages and unsafe workplaces to continue.

Additionally, for provisions on worker rights in a free trade agreement to succeed, they must be accompanied by trade-related sanctions for noncompliance. Possible sanctions could include the revocation of FTA benefits to any company or industry that violated the labor standards or worker rights agreed upon by the FTA signatories. The result of this type of sanction would be that the violating company or industry would pay the tariffs imposed prior to the FTA or the tariff imposed on the same products from non-FTA countries.

Another alternative would be to impose countervailing duties on products from noncomplying companies or industries on the grounds that the substandard labor practice constitutes an unfair trade practice. Similarly, antidumping duties could be imposed if a determination is made that foreign goods are being sold at less than fair market value due to the savings incurred by the violating company or industry by not complying with fair labor standards.

The cost of cutting corners on worker rights has to be outweighed by costs associated with noncompliance. Those costs of noncompliance can and should be established in the NAFTA.

As for the adjudication of violations of labor standards, a number of options exist. For example, the NAFTA negotiators could use the U.S.-Canada FTA model and establish a trinational tribunal along the lines of the U.S.-Canada Trade Commission. In that process, Canada and the U.S. agree to notify each other when either party makes changes in regulation, procedure, requirement or law that could affect the U.S.-Canada Free Trade Agreement. Any disputes are addressed in bilateral consultation. If, after 30 days, the dispute is not resolved, the matter is referred to the U.S.-Canada Trade Commission. If, after another 30 days, the dispute is still outstanding, the Commission may either refer the matter to a panel of experts selected by the Commission or it may submit the dispute to a five member panel for binding arbitration.

Remedies for the dispute usually involve the removal of the non-conforming measure or its non-implementation. Or, if the offending party refuses to comply, the other party can suspend equivalent benefits.

Another dispute resolution mechanism could be a tribunal that would be established to interpret the body of law arising from a North American Free Trade Agreement which would be binding on each country's courts and legislatures. A model for such a tribunal can be found in the European Court of Justice and the European Court of Human Rights.

Perhaps the simplest option would be to allow each party to the NAFTA to unilaterally take administrative action against violations of NAFTA-established standards on labor and worker rights. The administrative action could be specified in each country's laws or established within the text of the NAFTA. The downside of this approach is that countries may yield to the temptation to unilaterally take punitive action, thereby prompting a series of retaliatory actions from NAFTA partners.

In any case, recent U.S. trade laws such as GSP and GATT demonstrate both a willingness to link worker rights and trade and an ability to practically carry out and enforce those laws. A comprehensive trade agreement with Mexico should be no different.

IN HONOR OF JOHN M. ROSENBERG, RECIPIENT OF THE KUTAK-DODDS PRIZE FOR OUTSTANDING PUBLIC SERVICE THROUGH LAW

HON. CARL C. PERKINS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. PERKINS. Mr. Speaker, I am pleased to recognize Mr. John M. Rosenberg, director of the Appalachian Research and Defense Fund, Inc., of Prestonsburg, KY, for being selected as the recipient of the 1991 Kutak-Dodds Prize for outstanding public service through law.

The $10,000 prize is sponsored by the Robert J. Kutak Foundation and the National Legal Aid and Defender Association. It is awarded annually to a legal services lawyer, public defender, or public interest lawyer who, through the practice of law "has contributed in a significant way to the enhancement of the human dignity and quality of life of those persons unable to afford legal representation."

For more than 20 years John Rosenberg has directed "Appalred," providing free legal assistance to low-income citizens in 37 counties of eastern Kentucky. Prior to moving to Kentucky in 1970, Mr. Rosenberg served in the Civil Rights Division of the U.S. Department of Justice where he was involved in voting rights, segregation, and discrimination litigation throughout the South.

Harold Rock, president of the Kutak Foundation, said the criteria used in selecting

Kutak-Dodds recipients include personal vision, innovation, commitment, critical nature of their work, impact of their result, and difficulty of achieving those results. "On every count," Rock said, "John Rosenberg's work and life exemplify the spirit in which the Kutak-Dodds Prize was created."

Mr. Speaker, I have had the pleasure of working with John Rosenberg on issues affecting the people of eastern Kentucky. On a number of occasions, he has appeared before the Committee on Education and Labor to discuss his experience with the Black Lung Benefits Act, offering his recommendations on possible improvements to the Black Lung Program.

Mr. Speaker, I would like to congratulate John Rosenberg for this award, which he so deserves, and to thank him for his years of commitment to public service.

TRIBUTE TO JENNIFER L. COSTABILE

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. MACHTLEY. Mr. Speaker, it is my distinct pleasure to rise today and congratulate Jennifer L. Costabile, of North Providence, RI, this year's recipient of the Congressman Ronald K. Machtley Academic and Leadership Excellence Award for North Providence High School, in North Providence, RI.

This award is presented to the student chosen by North Providence High School who demonstrates a mature blend of academic achievement, community involvement, and leadership qualities.

Jennifer L. Costabile has certainly met these criteria. She is a member of the Rhode Island Honor Society and secretary of the North Providence High School Chapter of the National Honor Society. She is also the editor of the school newspaper. In addition, Jennifer is active as a catechist, participating in the instruction of young people at the Blessed Virgin Mary Church.

I commend Jennifer L. Costabile for her outstanding achievements and wish her the best of luck in all her future endeavors.

GROWING SUPPORT FOR PUHCA REFORM

HON. THOMAS J. BLILEY, JR.

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. BLILEY. Mr. Speaker, there are still some who believe that the issue of reform of the Public Utility Holding Company Act [PUHCA] of 1935 is an obscure, esoteric issue more pertinent to big utilities than to the average consumer.

The fact is that the issue of PUHCA reform is really an issue of electricity competition and the effect that competition will have on Americans' pocketbooks—namely, competitive utility rates. Further, it is an issue of making sure this Nation has enough reliable energy to power our economy into the next century. In short, PUHCA reform is an issue that concerns every American.

Mr. Speaker, media pundits are beginning to understand the vital importance of PUHCA reform and its benefits. And one by one, as they study the issue and assess the pros and cons, they are weighing in strongly in favor of PUHCA reform. I would like to share with my colleagues two such editorials, one from the May 17, 1991, edition of the Washington Times and one from the March 19, 1991, edition of the Detroit News. These editorial writers accurately note that as the Department of Energy warns that we will need up to a 40 percent increase in generating capacity by the year 2000, this is the time to reform the outmoded restrictions impeding adequate and competitively priced supplies of power. The Detroit News even says that under the present regulatory structure, the State of Michigan may soon run short of power. The editorials follow:

[From the Detroit News, Mar. 19, 1991]

DEREGULATE THE UTILITIES?

Michigan's two major electric utilities, Consumers Power Co. and Detroit Edison Co., oppose each other on a proposal in President Bush's energy plan to further deregulate the electric industry. Consumers favors deregulation while Detroit Edison opposes it. On balance, we think Consumers makes the better arguments.

President Bush has proposed amending the 1935 Public Utilities Holding Company Act authored by the father of Rep. John Dingell, the Michigan Democrat who chairs the House Energy and Commerce Committee. The act was aimed at controlling holding companies that pyramided acquisitions of utilities companies, often getting control with only a 10-percent equity. These were referred to as "hollow companies."

The Dingell act says a regulated utility that delivers power to householders and industries cannot own more than 10 percent of or operate a power-producing facility outside the territory that it serves.

Times have changed. Utilities, having been savaged by state regulators who have disallowed $13 billion or 10 percent of total capital investments in electric plants since 1985, are reluctant to build new plants. William T. McCormick Jr., chairman and chief executive officer at Consumers, believes utilities should be free to join consortiums of engineering and fabricating companies in building, operating and sharing the ownership of expensive new plants. He says this would stimulate new generating capacity at competitive cost while avoiding regulatory hangups.

John E. Lobbia, chairman and CEO of Detroit Edison, disagrees. He says those who foster this slice of deregulation are "trying to fix something that isn't broke." Utilities already are free to "interchange" power with utilities in other states that have surpluses. He also worries that utilities and utility partnerships might become so heavily indebted that they will once again become "hollow companies." Last, he warns that if utilities abandon local generating plants, traditional customers who can't buy power elsewhere might be saddled with higher bills to pay off the investments.

The anxieties of Detroit Edison are worthy of consideration. On balance, however, we think Consumers makes the better argument. There should be ways to move to a freer market in power without returning to the excesses of the 1920s. Under the present regulatory structure, Michigan and other states may soon run short of power. Properly managed deregulation has proved beneficial in other fields. Why not in electricity?

[From the Washington Times, Mar. 17, 1991]

POWER TO THE PEOPLE

With all the warm, fuzzy talk about bicycle power and minicars and renewable energy misting up the halls of Congress these days, it is not a little reassuring to know that, yes, there are some people taking this country's long-term energy needs seriously. The Bush administration and Sens. Bennett Johnston and Malcom Wallop are pushing to free an important source of power held captive by Washington. Although it hasn't gotten much attention outside of the trade press, that's probably because this good idea goes under a lousy name: Public Utility Holding Company Act of 1935, er, reform.

PUHCA is a regulatory dinosaur left over from the days when electric utilities dominated the power generating business and regulators were trying to keep those monopolies under control. Huge holding companies buying up these utilities set up enormously complex corporate structures that obscured profits and losses and made real rate regulation difficult, if not impossible. Investors paid the price in lost dividends, and consumers in higher rates. PUHCA put these holding companies under stringent regulation by the Securities and Exchange Commission, which meant, with certain exemptions that holding companies had to divest themselves of nonutility businesses in order to simplify things. If it sounds complicated, that's what happens when consumers are served by regulated monopolies rather than business competition.

But in the years since Congress passed the act, a few things have changed. Most important, utilities no longer monopolize the field of power generation. Small, non-utility producers have sprung up to compete with the utilities, and in recent years these small producers have supplied more than a third of the nation's new generating capacity. Indeed, when Richmond-based Virginia Power sought bids for new capacity a few years back, independents exempt from PUHCA offered to sell far more than the utility needed to buy, at prices lower than if the company had built it.

Unfortunately some potential producers are being held back by old PUHCA rules. If, for example, a Westinghouse ever wanted to run a coal-fired generating plant that would supply a utility with electricity, the rules say it would have to get out of the business of building consumer appliances. A General Electric would have to stop making light bulbs. Another regulation would stop independents from building facilities in more than one state. If the Natural Resources Defense Council or the Environmental Defense Fund decided it wanted to build a windmill farm or a solar collector to sell power to a utility, it couldn't cross state lines to build another one. For firms interested in making a business, not just a hobby of generating electricity, PUHCA is a killer. Reforming it will increase competition without short-circuiting current state and federal regulations that dictate what consumers ultimately pay for the power.

When Mr. Johnston's Senate Energy and Natural Resources Committee takes up PUHCA reform Wednesday, it should keep in mind that a growing economy needs increasing supplies of energy, regardless of con-

servation measures. The U.S. Department of Energy is warning that this country needs an increase of up to 40 percent in generating capacity by the year 2000. Congress doesn't have to eliminate PUHCA to get more electricity. Just reform it.

IN MEMORY OF FLOYD SEXTON

HON. BERYL ANTHONY, JR.

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. ANTHONY. Mr. Speaker, I rise today to pay tribute to Floyd Sexton, 87, of Texarkana, AR, who died on Tuesday, March 19, 1991, in his home. Until his death, Mr. Sexton worked on aging issues for senior citizens. He was employed by Congressman BERYL ANTHONY in June 1981, and he worked until his death.

Mr. Sexton retired in 1968 from the Penwalt Corp., a national chemical firm where he served as divisional sales manager. He helped start the first AARP chapter in Texarkana, AR, and was its president for 4 years and vice president for 1 year. He helped start the Institute on Aging with East Texas State University of Texarkana and was the chairman for 2 years. He chaired the Southwest Arkansas Development Council for 3 years, and also served as president of the Arkansas Gerontological Society. He was a delegate to the 1981 White House Conference on Aging and Rural Issues, held in Oklahoma City. He received the award for exceptional and distinguished volunteer service from Governor Clements of Texas in 1980. For the past 10 years, Mr. Sexton served as Congressman ANTHONY's district coordinator. He provided more direct constituent services to senior citizens in each of the 24 counties, and coordinated visits to the centers to provide information, discuss issues, and work on individual problems.

Mr. Sexton worked so hard for the community, and he summed it all up with the statement, "I feel like I owe the world something." He stated that his volunteer work kept him busy 50 hours a week. His interest in the elderly is only natural, "I'm old myself. These are my contemporaries I'm trying to help," he said. Sexton said most people wish the elderly would just die and get out of the way. The biggest problem elderly people have is with their middle-aged children who feel as if their parents have become a burden.

One of his concerns was the poor image of aging. "So many have thought of aging as a terminal illness," he said with a smile, "I'd like to think that I helped to change this to something more positive."

He did.

Not what we have, but what we use;
Not what we see, but what we choose;
These are the things that mar or bless
The sum of human happiness.

—*Clarence Urmy.*

ABORTION

HON. VIN WEBER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. WEBER. Mr. Speaker, the AuCoin amendment to the Department of Defense authorization bill is the clearest vote on abortion that we have had during my 10 years in Congress. It is not simply providing Federal funding for abortion. It does not involve arguments about our relationship with China or developing countries. It does not involve the segregation of funds in international organizations. It's a straightforward vote to authorize abortion on demand throughout the pregnancy on every U.S. military base in the world.

The legal situation in America right now is clear. No State has been able to outlaw even one abortion—at any time in the pregnancy—and had that law upheld by the Supreme Court. Although legislatures have recently passed restrictive abortions laws, none have yet been upheld by the Court, so the prevailing law of the land allows no restrictions.

In the last decade, the Supreme Court has struck down laws in a number of States that tried to limit late-term abortion by regulation. Even the celebrated decision in Webster, which upheld a Missouri law, only touched on performing abortions in public hospitals and testing for the viability of the fetus. The law did not make any abortions illegal.

That late-term abortions are taking place is also without question. According to former Surgeon General C. Everett Koop, over 30,000 abortions take place after 20 weeks—when viability now occurs. Of those, thousands take place in the third trimester.

Even if the Supreme Court decides in the future to uphold some restrictions imposed by certain States, the amendment we are voting on today would continue to authorize abortions without any restrictions for the entire pregnancy.

No Supreme Court decision has ever mandated any restrictions on abortion, nor would such a decision ever be likely. There is no Federal law currently in place restricting third trimester abortions. If this amendment were adopted, it would be the only Federal law regulating abortions on military bases. And the AuCoin language makes clear that no restrictions are allowed: any member of the military—and any dependent "is entitled to the provision of any reproductive health service in a medical facility of the uniformed services * * * in the same manner as any other type of medical care."

Other issues, such as parental consent and whether pro-life physicians would be required to carry out abortions against their conscience, will also be raised by the amendment before us. But one thing should be perfectly clear: This amendment will make abortion legal on our military bases without restriction throughout the pregnancy. Those who support this amendment unequivocally support abortion on demand.

TRIBUTE TO JOSHUA ROTENBERG

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. MACHTLEY. Mr. Speaker, it is my distinct pleasure to congratulate Joshua Rotenberg, of Providence, RI, this year's recipient of the Congressman Ronald K. Machtley Academic and Leadership Excellence Award for School One, in Providence, RI.

This award is presented to the student chosen by School One who demonstrates a mature blend of academic achievement, community involvement, and leadership qualities.

Joshua Rotenberg has certainly met these criteria. He is the editor of the school newspaper, Newspaper One. He is also the student representative to the board of directors. In addition, Joshua will be attending San Francisco State University.

I commend Joshua Rotenberg for his outstanding achievements and wish him the best of luck in all his future endeavors.

JUANITA M. BROWNE: REFLECTIONS ON THE SUMMIT IN AFRICA

HON. RANDY "DUKE" CUNNINGHAM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. CUNNINGHAM. Mr. Speaker, recently Dr. Juanita M. Browne from San Diego attended the First African-American Summit in Abidjan, Cote d'Ivoire, West Africa.

She presented this powerful essay before the congregation of St. Stephen's Church. I respectfully submit her work into the permanent RECORD of the Congress of the United States.

I THOUGHT I HEARD MY PEOPLE CRY!

(Essay by Juanita M. Browne)

I could almost hear the babies screaming as they were torn from their mothers' breasts. I could hear the mothers shrieking as the weak ones were thrown to the hungry sharks. My sandals stumbled over the cobblestoned pathway—a path smoothed over by generations of shuffling, reluctant bare feet dragging chains and legs hobbled on one leg to keep the slave from leaping back into the angry sea.

I could smell the fetid rotting smell of the unwashed bloodied humanity who cried out to their mothers and fathers and to their God in strange and unknown tongues as they were chained to strangers from far-off villages.

We—the babies who were cut from the umbilical cord of our mother Africa and kidnapped even before weaning. We—who were babies snatched away from all that was known to us.

I could hear the feet of toddling children beating a sad melody to words their mothers would never hear. Did you hear us when we cried while being dragged away? Did you hear us singing through broken teeth. "Sometimes I feel like a motherless child—a long ways from home."

Did you feel us reach out for our mother while moaning, "Nobody knows the trouble I seen—Nobody knows my sorrow."

Did you hear us in the 60's through clenched teeth singing, "Ain't gonna let nobody turn me round?"

I could hear the agony of my mother's mother's mother's grandmother as they stripped her naked and looked into each of her orifices. I could see the shame of my father's father's father's grandfather who could not protect her as they forced open his mouth with the cruel instruments as they checked his teeth like he was a beast of burden.

It was the holocaust—It was our burden to be taken kidnapped but it is our privilege to return. We return for:

Kunta Kinte
Frederick Douglass
Malcolm X
Martin Luther King
W.E.B. DuBois
Sojourner Truth
Harriet Tubman
and the many thousands gone.

We return to pay our debt to the past—to our ancestors—to the diaspora—to our mother Africa. We return to our mother Africa to let her know that the child who was kidnapped—the lamb that was lost—survived and is back to visit the mother—is back in the fold.

Our bodies are back to form a bridge—a bridge of African-Americans holding the hands of their brothers and sisters across the troubled water.

Representing the Church of God in Christ at this first African-African-American Summit as delegates were Bishop George Dallas McKinney, Bernard Johnson, with his sanctified saxophone and Dr. Juanita M. Browne. Bernard Johnson opened the inspirational service on the plane with the song that was being expressed by every single delegate from America. Each delegate thanked God for saving them from the fate of their ancestors.

It was amazing grace that saved a wretch like me. I once was lost but now I'm found, was blind but now I see. Through many dangers, toils and snares I have already come. 'Tis grace that brought me safe thus far and grace will lead me home.

Rev. Joseph Lowery said, the fruits and the roots are from the same tree. We, African Americans are the fruits of Africa visiting the roots and this pilgrimage to our origins will be a new beginning of a bond between the fruits and the roots. Africa is our Garden of Eden lost . . . Africa is the roots for more than 30 million African-Americans.

We have turned away from turning on—to turning to—brothers and sisters building a bridge which unites us in the struggle. We are our brothers' keepers. Why is the foreign aid from America to Africa $2 per capita when foreign aid to Israel is $1,000 per capita? Why do 40,000 African children die daily from starvation and disease? Why do we perpetrate violence against each other and ourselves? God will hold us accountable for our brothers. The world is not waiting for the sunrise. It is waiting for the sons and daughters to rise. The lost are now found. We changed the history. We came back! We dared to dream the impossible dream. With 25 million of us murdered in 200 years. God heard our screams. It was God's angels in the fiery furnace of the auction blocks and His voice that calmed the angry sea and His hand that held back the teeth of the sharks—kept the Christians from the lions. Kept the brothers from the Klan and death at the hands of brutal police officers—We were saved in the 1690's and in the 1960's and we are saved today. We were lonely—but we were not alone on the slave ships, nor were we alone on the plantation nor are we alone today in the sea of racism. God was with us. God is with us.

I could hear the bids of the auction hall. I could hear the shrieks of the children as their mothers were turned this way and that way. Lest we forget—

The sounds I heard rose to a roar as I realized that the sobs were not in my dream. The sounds I heard were no longer just a memory from the past. 300 African-Americans standing on the dirt floor of the House of Slaves, were sobbing out loud in the agony of our forefathers as the real feeling of the raping of our people began to penetrate our consciousness. The tears rolled down our faces. The sobs filled the air from pastors, lawyers, doctors, professors, musicians, professionals, and young students. 300 African-Americans from a faroff land all with tear stained faces and tear filled voices began a mournful sobbing that came from the pits of their bowels. Each one thought they were hearing their neighbor cry. I heard my people cry!

The sun beat down with the heat of the fiery furnace while the sharks bared their teeth like the lions in the lions' den but as we raised our eyes toward the sky to see the tree of torture where we were hung like strange fruit. We could hear the bids for those on the auction blocks just like the Roman Soldiers who gambled for His robe. In the dungeons the sun faded and the chains were like the nails that fastened His feet and hands to the cross. The vinegar they rubbed into His wounds was the salt water they inserted into the slaves' wounds. His death for our sins and His resurrection were our promise that this day would come. That Black sons and daughters would survive those days of murder. They would rise from their suffering and one day return to their motherland. His angels were there on that first day and His presence was there in April 1991 in the sweet spirit that pervaded each place. Even people in the airport noticed the spirit that was on the plane, on the busses, in the streets and in the cathedral where our Lord was met with palms in the stained glass. I could see the drums and the dancing and the joyful noise that met Him and the same reception for his children. The fatherland brought out the best robes, jewelry and the fatted calf for the son who was returning home. The spirit of the Lord was in this place.

We returned saved—not just surviving. The other delegates were rejoicing in the survivors coming back but I could not help but rejoice in Christ's promised coming back. I rejoiced not only that we were saved but that our ancestors were too. I began to dream again—transporting myself from the bloodstained sand and cobblestones and dark dungeons of the slave house to the New Jerusalem. I began to hear the children—not crying—but singing—singing with the angels. The angels voices answered the sobs and they said.

Lift up your voices and sing hosannah to your king. Kings were killed but the King of Kings lives—Even the darkness of the dungeons and the cold chill that rose was covered by the blood from the shadow of the cross that suddenly arose on a hill. I heard the angels singing and the sea that reached over the rocks to carry away the bodies of the dead calmed down and it became tideless—the light of God was in the streets now and the gates were open wide and Jesus was there inviting all who wanted to enter in and not one of my ancestors was denied entrance. There was no need for the light of the sun or the moon because He said that this was the new Jerusalem that would never pass away. The shadow of the cross arose and now we sing for the night is over, mourning is done. This is a homecoming for us and a homegoing for our ancestors. Hosanna to the King of Kings—Hosanna in the Highest—Hosanna Forever More. He died so that we might live forever in the New Jerusalem.

In my dreams I no longer hear my people cry. No. I hear the people sing. I hear the angels sing because my ancestors did not die. They were saved and they have entered in, from Africa—the New Jerusalem.

TRIBUTE TO THE MERCHANT MARINE VETERANS OF WORLD WAR II FROM MICHIGAN

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. BONIOR. Mr. Speaker, I rise today to pay tribute to the merchant marine veterans of World War II from Michigan. They are having their second annual memorial service on May 22, 1991.

This annual event, which takes place in Marine City, MI, is held to honor the merchant marine veterans of World War II. More than 6,000 seaman and 730 merchant ships were lost during the war.

Our country owes a great debt to these mariners. During the war, 90 percent of the material and 95 percent of the fuel oil were carried by merchant ships. Merchant ships also carried most of the troops and the merchant marines manned invasion troopships.

We must never forget the pivotal role these mariners played in securing our freedom. Even recently, the U.S. merchant marine played a critical role in assembling the largest U.S. military force since World War II for Operation Desert Storm.

In particular, Mr. Speaker, I would like to pay tribute to those merchant marine veterans of Michigan, whose previous shipping experience on the Great Lakes made them vitally important during World War II.

Above all, Mr. Speaker, I pay tribute to the brave men and women who have given their lives to keep this great sovereign Nation free.

ST. CROIX NATIVE A TRUE HERO

HON. RON de LUGO

OF THE VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. DE LUGO. Mr. Speaker, I rise to commend a brave St. Croix native, Morlan M. O'Bryan, whose actions helped save the lives of several children in the Boston neighborhood where he now lives, but who was critically wounded as a result of his heroic deed. He is now paralyzed from the waist down after suffering a bullet wound to the spine that came as he shielded his children and several neighborhood youngsters from gunfire nearby his Dorchester home.

I read into the RECORD the account of his truly heroic deed as published in the Virgin Islands newspaper, the St. Croix Avis.

[From the St. Croix Avis]

HERO FROM ST. CROIX SAVES LIVES IN BOSTON

(By J.F. McCarthy)

A St. Croix man remains a severely-injured hero in a Boston hospital after bravely stepping into the line of inner-city gang gunfire to shield several neighborhood children from a hail of bullets, officials said Saturday.

Morlan M. O'Bryan, a 1976 Central High School graduate who works at an electrical fixture store, was in stable condition at Boston City Hospital Saturday after suffering a bullet wound to the spine April 26 when two groups of teen-agers exchanged gunfire in Dorchester, according to Boston Police and hospital administrator John Ingemi.

O'Bryan, 34, was shot at 7:09 p.m. outside his 75 Evans Street home in the crime-ridden Dorchester section of Boston nine days ago, Boston Police spokeswoman Mardi Sullivan said.

The former Mars Hill, Frederiksted native is now paralyzed from the waist down and doctors have told his family there is an even chance he will walk again.

When the shots rang out, at least eight children, including some of he and his wife Loudelia's five, were playing in his neighbor Susan Stephen's yard as O'Bryan chatted with neighbors.

Interviewed at the hospital by the Boston Globe, O'Bryan told the newspaper Wednesday that he and Stephen always watch over the children in the neighborhood because they don't like leaving them outdoors unattended.

He said he saw three teen-agers running down the street when they suddenly split up, apparently to confuse whoever was chasing them. He said he tried to get two of his children and several other neighborhood children inside when the shooting started, "so if anything goes on at least we know the kids are safe."

O'Bryan said he felt the shot in his back. But he told the children to keep running.

Nebullah Stephen, Susan's nine-year-old daughter, instinctively ran home—right in the direction of the gunfire, Susan Stephen said Saturday in an exclusive interview. O'Bryan grabbed her and pushed her under a nearby porch, Stephen said.

"I heard him screaming and he pulled me under the porch and then I started digging under the house because I was scared," Nebullah, a third-grade student, told the Globe.

O'Bryan also threw her brother, six-year-old Joseph, to the ground.

Although at least six shots were fired by a rival gang of male teens at the other gang, only O'Bryan was struck, Sullivan said. The shots were fired, "possibly with return fire," in the vicinity of Evans and Capen Streets, she said.

Eyewitnesses Susan Stephen said that as shots were fired, some neighborhood children were playing on a porch, her children were walking nearby, and O'Bryan's wife Loudelia was in the family car with Morlan about to get in on the driver's side.

"We're very proud of him—I was sad and proud at the same time," O'Bryan's mother Marion Petersen Miranda said from her Mars Hill home Saturday. "God has a good way of doing His thing, so I'm grateful to God for saving his life."

Asked how it felt to be a hero, O'Bryan told the Globe: "It's not being a hero. It's like anybody else—you're doing it for your kids."

O'Bryan told the newspaper that the only thing on his mind at the time of the shooting were the children.

"I was just thinking about safety for those kids," he said. "I wanted them to grow up."

NATIONAL MARITIME DAY

HON. GEORGE J. HOCHBRUECKNER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. HOCHBRUECKNER. Mr. Speaker, as today is National Maritime Day, I wish to pay tribute to the men and women of our U.S. merchant marine.

As a member of the Committee on Merchant Marine and Fisheries as well as the board of visitors of the Merchant Marine Academy at Kings Point, NY, I have a keen interest in the revitalization of our merchant fleet. Under the able leadership of the gentleman from North Carolina [Mr. JONES], who is chairman of the Merchant Marine and Fisheries Committee and of the Subcommittee on Merchant Marine, I am working to ensure that the U.S. fleet regains a significant place in the world of international shipping.

An issue of great concern to me is the need for proper recognition for merchant mariners who have served our Nation during wartime. The Federal Government has already officially recognized the role of merchant mariners during the Second World War by bestowing veterans benefits and medals on those mariners who served in combat areas.

I supported that action and believe we must go further to recognize all mariners who have put their lives on the line. To this end, I have introduced H.R. 736, the Combat Merchant Mariners Benefit Act of 1991. This legislation would provide veterans benefits to individuals who serve in the U.S. merchant marine in a combat zone during any period of war. If this legislation were to pass during this session of Congress, I believe next year's National Maritime Day would be a much brighter day for those who served in harm's way in our Nation's merchant marine.

Mr. Speaker, on this National Maritime Day I ask all Members of this body to join with me in honoring the members of the U.S. merchant marine.

TRIBUTE TO SHIFRA JAKUBOWICZ

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. MACHTLEY. Mr. Speaker, it is my distinct pleasure to congratulate Shifra Jakubowicz, of Providence, RI, this year's recipient of the Congressman Ronald K. Machtley Academic and Leadership Excellence Award for the New England Academy of Torah, in Providence, RI.

This award is presented to the student chosen by the New England Academy of Torah who demonstrates a mature blend of academic achievement, community involvement, and leadership qualities.

Shifra Jakubowicz has certainly met these criteria. She is graduating with a 4.0 grade point average and is a member of the National Honor Society. She is also the winner of the Shell Century III Leadership Award, the Presidential Academic Fitness Award, and the Clairol Spirit of Young America Award. In addition, Shifra runs a summer camp for children.

I commend Shifra Jakubowicz for her outstanding achievements and wish her all the best in her future endeavors.

ARMY PFC AARON HOWARD

HON. HOWARD WOLPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. WOLPE. Mr. Speaker, I want to pay tribute to Army Pfc. Aaron Howard of Battle Creek and the other soldiers who sacrificed their lives as part of the allied effort in the Persian Gulf.

Our people are our country's most valuable asset; the loss of any life is a tragedy, even when that loss is associated with the heroism and valor of patriotic service. While we can be thankful that the casualties of Americans in the gulf were minimal, we all feel deep sorrow for those lives that were sacrificed. I know this is particularly true in Battle Creek, MI, the hometown of 20-year-old Aaron Howard, who was killed in the gulf by artillery fire.

I never met Aaron Howard, but I wish I had. I feel that I've come to know him through the letters that he wrote to his family and to a local Cub Scout pack which have been published in the Battle Creek Enquirer. I would have liked Aaron a lot. What comes through in his letters is an extraordinary integrity and a very special sensitivity.

Aaron Howard loved life and longed for a world in which war would be no more, a world in which people would be able to live in peace and in freedom.

Aaron spoke openly and candidly of his fears. And he wanted the Cub Scouts who had befriended him to understand that there was neither romance nor glamour in war:

I'm not ashamed to say that I'm afraid of being in war . . .

He wrote;

. . . I hope that you fellows never have to see this type of situation in our lifetime. Maybe you guys can change the world so we don't need an army anymore, eh? It's always nice to dream.

In the midst of the turmoil and violence all around him, Aaron never lost touch with his humanity. He reached out to his family, to his friends, to the Cub Scouts—constantly affirming life and his dream of a more peaceful and a more humane world.

In memorial services in Battle Creek, an entire community joined in remembering and in paying tribute to Aaron Howard. The loss felt by his parents, his family, and his friends is our loss as well. Aaron touched the lives of all who knew him; he also touched my life and the lives of many others, not only by his sacrifice, but by the legacy of his words and his love.

Mr. Speaker, let us resolve to honor the memory of those like Aaron who lost their lives in the Persian Gulf war by dedicating

ourselves to the cause of peace in which they believed and for which they died. We owe Aaron and the men and women who served overseas tremendous gratitude. The victory they achieved not only secured the liberation of Kuwait, it also generated a new sense of American pride and confidence. It showed the enormous potential of America when we are united in spirit and action. Now, it is up to the rest of us to build upon this demonstration of national unity and resolve in the Persian Gulf by tackling, with the same tenacity and sense of common purpose, the myriad of challenges we face here at home. Let this be the ultimate legacy of all the Aaron Howards who made the supreme sacrifice on behalf of America and her people.

GEORGE WASHINGTON BIRTHPLACE NATIONAL MONUMENT

HON. HERBERT H. BATEMAN

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. BATEMAN. Mr. Speaker, George Washington was a man of great character, a distinguished Virginia landowner, and a highly respected American who clearly deserves the title, Father of our Country. A fearless leader in the War of Independence, skillful chairman of the Constitutional Convention and the first President of the United States, this stateman rendered an invaluable service to this country through his courage, wisdom, and leadership. By helping to plant and nuture the seed of democracy in a new land, this Founding Father's efforts have enabled generations of Americans to reap the fruits of a free society.

It is a privilege to represent America's First District which includes the historic farm of George Washington's father. This farm lies between Pope's and Bridge's Creeks, tributaries of the Potomac River, in Westmoreland County, VA. It was here on February 22, 1732, that George Washington was born, and it was here that he spent many of his formative years as a youth before answering his country's call to duty.

Since the creation of the George Washington Birthplace National Monument in 1930, the National Park Service has been responsible for the preservation of the historical premises and structures that constitute the site and surroundings of George Washington's birth. In addition to maintaining a reconstructed homestead, the National Park Service operates a colonial farm which convincingly recreates 18th century plantation life.

Because the George Washington Birthplace National Monument is such an integral part of the entire historic Northern Neck of Virginia, it is my great pleasure to introduce today a bill which would authorize the expansion of the boundary at the George Washington Birthplace National Monument by including an additional 125 acres. Because of the monument's current configuration, 125 acres of private land is sandwiched between two units of the monument and the Potomac River. Therefore, this boundary expansion is a logical improvement of the monument's overall configuration.

Geographic considerations notwithstanding, the lands in question also possess considerable historic value and are significant properties that contribute to the setting and character of the monument. One of the two pieces of property is significant because of its direct connection with lands owned by George Washington's father in the first half of the 18th century. Also, the land is now one of the best examples of mature loblolly pine woodlands in the area and is within 400 yards of a bald eagle nesting site. Nonagricultural development of this parcel would adversely impact these values. Finally, the owners of this property have requested and fully support this legislative effort to expand the boundary and transfer ownership of their 12 acres to the monument.

The other property has been operated as a farm by the same family for over 200 years. The farm is a significant historic component of the monument's immediate setting and its continued operation as a farm is a great asset to the park. The owners have given their approval for their 113 acres to be included within the monument's boundary, with the understanding that the National Park Service would not take the property, so long as it remains an active farm.

The owners of both properties have exercised excellent stewardship of the land. Including their lands within the monument's protected boundaries will ensure that no adverse alteration of the landscape, or of the distinguishing patterns and features which provide its historic identity, will destroy or degrade the setting's historic value.

Once again, I am proud to include this bill to expand the monument's boundary, and to reaffirm the monument mission to preserve and interpret the history and resources associated with George Washington, the generations of the Washington family who lived in the vicinity and their contemporaries, as well as 18th century plantation life and society. I urge my colleagues in the House to support me in this effort.

RECOGNIZING HUNGARY AS A DEMOCRACY

HON. C. CHRISTOPHER COX

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. COX of California. Mr. Speaker, as you know, the Hungarian people's decades of struggle against Soviet communism paid off in 1989, when the joint efforts of the different democratic opposition groups forced the Hungarian Communist Party to end its monopoly on power and allow a peaceful transition to democracy and the dismantling of one-party rule.

Since then, the transformation of the Hungarian political landscape has been nothing short of breathtaking. The privatization of government-owned businesses continues apace. The Hungarian Parliament has approved a plan to return much of the property that was nationalized after a Communist state was established in 1949. And the Hungarian Government is eagerly seeking membership in the European Community.

Most important, almost all Soviet troops have left Hungarian soil. The last are scheduled to leave by the end of June 1991, and the withdrawal is proceeding as planned.

Unfortunately, Hungary is still labeled as a Communist state in several of our laws, and is thus denied important economic and political benefits to which other nations friendly to the United States are entitled. It is now time for the United States to recognize formally Hungary's transformation from a Communist, one-party, non-market state to a representative democracy. By officially affirming that Hungary is successfully making a genuine and peaceful transition from Communist dictatorship to Western democracy, we will facilitate a speedy recovery from decades of Soviet occupation.

I will soon be introducing the following legislation expressing the sense of the Congress that Hungary is no longer a Communist state. I hope you will join me in cosponsoring this resolution.

H.J. RES.—

Whereas Hungary—during its history of more than a thousand years—has enriched Western culture;

Whereas Hungary has displayed courage in preserving its integrity and defending its independence from foreign powers, including Nazi occupying forces;

Whereas the Soviet Union, contrary to its international obligations, occupied Hungarian territory in 1947, annihilated Hungarian sovereignty and arrested Hungary's attempts to rejoin the free world;

Whereas the Hungarian Communist party seized power and created a one-party dictatorship by force in 1947–48—with active Soviet intervention—by falsifying election results, and by prosecuting and interning leading figures of democratic parties;

Whereas the Communist Party subverted Hungarian freedom through the use of fear and terror, the introduction of unprecedented measures of oppression, the taking of private property, and the denial of human rights—thus creating a Leninist-Stalinist dictatorship;

Whereas on October 23, 1956, the people of Hungary rose against this Socialist dictatorship and illegal Soviet rule;

Whereas the revolution for freedom and independence was crushed by Soviet tanks in November 1956;

Whereas the military retaliation of the Soviet army and the collaborationist Kadar government murdered thousands of people, and caused 200,000 Hungarians to become refugees;

Whereas since 1968, economic reforms in Hungary have steadily opened greater freedom for private enterprise; and

Whereas the beginning of the 1970s brought the rebirth of the Hungarian democratic opposition;

Whereas mass demonstrations on March 15 and June 16, 1989, jointly organized by different opposition groups, have clearly illustrated the solidarity of the Hungarian people against socialist rule;

Whereas the joint efforts of the different democratic opposition groups have forced the Hungarian Communist Party to end its monopoly of power and to inaugurate Round Table discussions, which led to a peaceful transition to democracy and the dismantling of one-party rule in 1989;

Whereas at the Round Table discussions, the Communist Party agreed to hold free

parliamentary elections, to disband its armed militia, and to amend the Constitution to provide for a pluralist democracy;

Whereas the overwhelming opposition of democratic forces has effectively ended the Communist Party's attempts to perpetuate its hold on power, and has succeeded in eliminating socialist hegemony;

Whereas on March 25 and April 8, 1990, free and fair parliamentary elections were held in Hungary, creating an authentically representative democracy;

Whereas at the elections the opposition achieved a victory of over 90%, while the successor of the former Communist party did not even reach the margin necessary to obtain representation in the Parliament, becoming instead an insignificant and peripheral political factor;

Whereas by tearing down the Iron Curtain and by opening its boundaries to East German fugitives, Hungary has promoted the cause of freedom in other Eastern European countries;

Whereas Hungary reestablished diplomatic relations with the State of Israel and is assisting Soviet Jews emigrate to Israel;

Whereas the new Hungarian government has freed all political prisoners, and rehabilitated both the living and the dead victims of socialist injustice and repression;

Whereas the Council of Europe already has accepted the Republic of Hungary in its midst as a genuinely democratic country;

Whereas the new Hungarian government is fully committed to the ideals of the free market, is in the process of reprivatizing institutions of the free world; and

Whereas Hungary, in seeking to regain its sovereignity, has agreed with the Soviet Union on the withdrawal of Soviet troops from Hungarian territory, and has begun its withdrawal from the Warsaw pact: Now, therefore, be it

Resolved, That it is the sense of the United States Congress to recognize—

(1) that the Republic of Hungary has made the genuine and peaceful transition from an oppressive, authoritarian, one-party socialist dictatorship to Western democracy;

(2) that all political parties in the new, freely-elected Hungarian parliament are fully dedicated to the principles of human rights and free markets, and the government of the Republic of Hungary fully desires to integrate the country into the free world of nations;

(3) that the Republic of Hungary has renounced the hostile and confrontational military posture of the now-defunct Warsaw Pact; and

(4) that, based upon these findings, the United States Congress declares that upon the final withdrawal of Soviet troops from Hungarian territory, scheduled for June 1991, Hungary will have regained its freedom from outside domination and Soviet influence, and shall no longer be considered a socialist, one-party, non-market state, but a representative democracy.

MAJ. GEN. CHESTER E. GORSKI—DEDICATED SOLDIER

HON. RICHARD E. NEAL

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. NEAL of Massachusetts. Mr. Speaker, today I pay tribute to an individual who has dedicated over 41 years of his life to the service of his country, to the Commonwealth of Massachusetts and to the city of Chicopee. Mr. Speaker, that individual is Maj. Gen. Chester E. Gorski, commander of the 26th Yankee Infantry Division of the Massachusetts Army National Guard.

General Gorski enlisted into the Massachusetts Army National Guard on March 21, 1949. After attending the Massachusetts Military Academy for 2 years, he was commissioned a second lieutenant, in the infantry division on June 10, 1956. He was assigned as a platoon leader to C Company of the 104th Infantry. In 1958 he was transferred to the Heavy Mortar Company of the 104th Infantry as a platoon leader. He was then promoted to first lieutenant in June 1959 and was assigned as executive officer to C Company of the 104th Infantry. In 1962 he was reassigned as company commander, in Company C, of the 104th Infantry and promoted to the grade of captain. In 1963 he was assigned as company commander, in the Headquarters Company of the 104th Infantry. He was then transferred to headquarters 3d Brigade of the 26th Yankee Infantry Division in August 1963 where he served for 2 years as assistant training officer.

His next assignment was to Headquarters 1st Battalion of the 104th Infantry as assistant training officer and in September 1966 he was transferred to the same position at headquarters of the 2d Battalion of the 104th Infantry. He was then reassigned as the battalion training officer, in the 2d battalion of the 104th Infantry Division and promoted to the rank of major. He was transferred to headquarter's 3d Brigade of the 26th Yankee Infantry Division and served as the training officer for 2 years at which time he was transferred and assigned as commander of the 1st Battalion of the 104th Infantry. He served in that capacity for over 3 years. In April 1977, he was transferred and assigned as commander of the 2d Battalion of the 104th Infantry and remained in that position until December 1979. He was then transferred to the headquarters of the 3d Brigade of the 26th Yankee Infantry Division as the executive officer on January 18, 1980 and later as their commander.

General Gorski was then promoted to the rank of colonel on February 28, 1980. On October 1, 1984 he was transferred to the headquarters of the 26th Yankee Infantry Division and assigned as assistant division commander. On February 23, 1985 he was promoted to the rank of brigadier general on July 26, 1985. He was transferred to headquarters—State area command—and assigned as assistant adjutant general. On September 9, 1985 he was transferred to headquarters of the 26th Yankee Infantry Division and assigned as assistant division commander. He was transferred to Headquarters State Area Command on July 12, 1987 and assigned as Tate Area command commander. On May 3, 1987 he was promoted to major general; on October 2, 1988 he was assigned as the commander of the 26th Yankee Infantry Division. Then on May 18, 1991 at Camp Edwards in Massachusetts, Maj. Gen. Chester E. Gorski retired as commander of the 26th Yankee Infantry Division.

Mr. Speaker, this is an impressive service record. Major General Gorski has served this country for more than 40 years. I am proud that Major General Gorski hails from the city of Chicopee in my district and I join all Americans in extending a sincere thank you to him for his fine service. I wish Major General Gorski all the best in the years ahead.

TRIBUTE TO CAROL LEE CONKLIN

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. MACHTLEY. Mr. Speaker, it is my distinct pleasure to congratulate Carol Lee Conklin, of Tiverton, RI, this year's recipient of the Congressman Ronald K. Machtley Academic and Leadership Excellence Award for Tiverton High School, in Tiverton, RI.

This award is presented to the student chosen by Tiverton High School who demonstrates a mature blend of academic achievement, community involvement, and leadership qualities.

Carol Lee Conklin has certainly met these criteria. She has consistently performed well academically, ranking fifth in her graduating class. She is also treasurer of the Explorers Club and vice president of the Foreign Language Club. In addition, Carol is active in Portsmouth United Methodist Church youth programs and has received an award from Volunteers in Action for community service. She is also the captain of both the volleyball and soccer team.

I commend Carol Lee Conklin for her outstanding achievements and wish her the best of luck in all her future endeavors.

NATIONAL MARITIME DAY: A TRIBUTE TO AMERICA'S FOURTH ARM OF DEFENSE

HON. WALTER B. JONES

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. JONES of North Carolina. Mr. Speaker, today, Wednesday, May 22, 1991, is National Maritime Day. Each year on this date we honor the men and women of our American merchant marine. We remember the thousands of merchant mariners who follow the sea in peace and war, when the maritime economy is good, and when it is in decline. It is particularly appropriate in 1991 to call attention to the role American merchant mariners played during Operation Desert Shield/Desert Storm in delivering most of the cargo needed by our American Forces—95 percent of the cargo needed by our uniformed men and women in the Persian Gulf was delivered by ship.

Last year on National Maritime Day, I pointed out the peculiar paradox of the American merchant marine in the history of our country. That is, the American merchant marine has been economically healthy during those periods of our history when our vital national interests have been threatened and we have been forced to land and support American fighting troops overseas. But peace and the promise

of peace distract the national attention from the utility of the U.S.-flag merchant marine and the maritime industry.

During times of national emergency, a large U.S.-flag merchant marine is a necessary component of all military planning.

During times of peace, we are all too ready to allow market forces to determine how many vessels will be built in the United States and how many American merchant mariners will sail those vessels.

The successful completion of hostilities in the Persian Gulf points out, once again, that the American merchant marine must be able to serve as a naval and maritime auxiliary during time of national emergency. We cannot allow the lessons learned in the Persian Gulf to be forgotten; it is essential to our national interest that we have a viable and healthy U.S.-flag merchant marine.

In recent years, a number of books have appeared which have reexamined the early years of World War II. Almost universally, the authors point out that Germany's attack of English and American shipping was effective, brutal, and almost turned the tide of the war. All too often sinking and burning ships, the product of Nazi maritime aggression, happened just off the U.S. coasts and within sight of American citizens. It was not just in the icy waters off northern Russia that American merchant mariners lost their lives: Too often the lives of American mariners were snuffed out in the Straits of Florida, off Cape Hatteras, and within sight of the entrance of New York Harbor.

Had Germany been successful in denying England the cargo carried by water from the United States and the Western Hemisphere, the defeat of the Nazis would have been even more difficult, if not impossible. The Germans knew the value of cargo ships and their crews to United States and Allied economies. The other side of the coin is the very real damage the United States Navy submariners did to the Japanese war industry by their successful campaign against Japanese merchant shipping after December 7, 1941.

Let us look to the future this National Maritime Day and work to maintain a viable U.S.-flag merchant marine, complemented by healthy and profitable shipyard and ship supplier industries. I speak not only of our national defense but of decent, honorable, and valuable employment for the hands and minds of thousands of Americans. We should all thank God that the Persian Gulf war has been successfully concluded. We must not forget the lessons of history. We live in a dangerous world; we cannot forget the sacrifices made by our Nation's fourth arm of defense, our merchant mariners, to keep America safe and prosperous.

EL SALVADOR COMES OF AGE

HON. BOB LIVINGSTON

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. LIVINGSTON. Mr. Speaker, slowly, the curtain may be descending on El Salvador's long national nightmare.

This country, racked by turmoil and Cuban-sponsored civil war for over a decade, is coming of age—or, at least, is fiercely trying to come of age. This month, the government reached a historic political accord with the FMLN guerrillas. The treaty outlines a framework for a more representative society for the country's 5 million people.

Most important for long-term stability, all security forces will be placed under civilian control. That is a marked contrast to the traditional Latin practice of keeping the military separate—a practice that contributed to instability and repression. The treaty also mandates an independent tribunal to oversee elections, as well as increased funding for El Salvador's judiciary.

On human rights, long a criticism lightening rod against the country, the treaty establishes a human rights prosecutor's office and an independent truth commission. This commission will be charged with investigating and publicizing human rights violations during the last decade. A similar office has been established in neighboring Guatemala and has received generally high marks. By itself, it may not be a cure-all, but it is another step in the correct direction.

Actually, even before the recent accord, El Salvador had begun to pull itself out of the civil war quagmire. Last year, its economic growth hit 3.4 percent—the highest level since 1979, and higher than that of the United States. Annual inflation dropped from 23.5 percent in 1989 to 19.3 percent in 1990. Even more heartening, the 1991 inflation rate has dropped further, to an annualized rate of about 11 percent, still about three times too high, but moving in a decidedly optimistic direction.

Agriculture is the traditional backbone of Central American countries, and here too, the news is good, as the government's ambitious privatization program has started to—forgive the pun—bear fruit. Coffee production nearly doubled between 1989 and 1990, and the sugar cane crop rose over 20 percent.

All of this progress—both economic and political—evidences a remarkable improvement in El Salvador's status. Still, some liberal columnists and Hollywood stars and starlets would deny these accomplishments. The murder of six Jesuit priests by Army forces in 1989 remains the black flag these ideologues use to discredit the country's substantive progress.

We should be clear: The murder of the Jesuit priests was an abominable, repulsive act. It shocked the people of both El Salvador and the United States. El Salvador's government is prosecuting the soldiers it believes responsible, but it is facing tough obstacles. The Army remains a powerful force and civil investigators are rightfully wary. Potential witnesses can still be intimidated by the Army's reach. Also, the investigators do not have the years of experience that, for example, career FBI agents often have.

The government is persevering, though, and against those odds, its case should proceed to trial by August. That is why it is so maddeningly tragic that these murders are being used to discredit El Salvador's democratic government, and in particular, its judiciary.

In fact, there is an interesting hypocrisy at work. For years, El Salvador's critics argued that that country's judicial system was too arbitrary, that it did not respect the rights of the accused. They cited repeated cases where police seized an ordinary citizen and sent him or her off to jail without any chance to organize a defense. In many of these cases, they did raise legitimate points.

Yet these same critics now denounce El Salvador's legal system for moving too slowly. They criticize the long process of investigation and amassing evidence. They confuse the basic requirements of fairness and justice with foot-dragging.

The fact is that the legal system in a democratic society is, by nature, slow. It is also imperfect, remember the *John Hinckley* case?, but that does not negate the fact that it is still the best and most fair system we have.

Such is the case with El Salvador today—not only with its judiciary, but with its political system as a whole. That country has emerged from a dreadfully long tunnel of repression and violence. For years, it teetered under a concerted onslaught from Cuban-supplied guerrillas and a ruthless Army. Tens of thousands of civilians died in the civil war. Those who did not perish in many cases saw their lives ruined and their economy put in shambles.

For those of us who kept faith with El Salvador throughout the 1980's, its turn toward democracy is a heartening development. Out of the hard and stony past, a new flower is slowly creeping forth. May it bloom for generations to come.

TRIBUTE TO ROBERT AND ELLEN WALLACE

HON. JON L. KYL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. KYL. Mr. Speaker, in his treatise entitled "Wealth of Nations," economist Adam Smith said:

> Every individual necessarily labors to render the annual revenue of the society as great as he can. He generally indeed neither intends to promote the public interest, nor knows how much he is promoting it.

Our prosperity as a nation comes to us through the efforts of millions of individuals, each working to provide for themselves and their families. Thanks to them, America enjoys the greatest national revenue in the world. Given the immediacy of the day-to-day struggle to fill orders, finish products, and meet payrolls, these individuals may not realize just how much our Nation depends upon their success.

Therefore, Mr. Speaker, in the spirit of Adam Smith I'd like to call your attention to Robert and Ellen Wallace, residents of Arizona's Fourth Congressional District who today are receiving the Small Business of the Year Award. I ask my colleagues to join me in recognizing the Wallaces' contribution to Arizona and our country.

The Wallaces have built a thriving young business the old-fashioned way—from scratch; with hard work, a powerful desire to succeed, and a healthy dose of entrepreneurial energy.

With Arizona Sun Products they have tapped into my home State's booming recre-

ation economy with a wide range of sun-care related products.

The Wallaces began with one employee in 1983; today they employ eight. As you know, Mr. Speaker, most of the new jobs added to our economy over the last 10 years were created by small business owners just like the Wallaces.

The Wallaces have increased their sales from about $100,000 their first year to perhaps as much as $1,000,000 this year. They began with 2 products and now offer 26, with more in the pipeline.

What I think is most important, however, is that Arizona Sun Products serves as fine proof that Main Street business still stands for charity and community service. The University of Arizona Skin Cancer Foundation and the University of California, San Diego Cancer Center, among others, have benefited from the Wallaces' goodwill.

Mr. Speaker, entrepreneurs such as the Wallaces ought to serve as an example to this body of the limited role government can—and should—play in promoting the national interest. To enterprising Americans who decide to strike out on their own and start a company, their small business is nothing less than the fulfillment of a dream.

For America, these businesses are nothing less than the engine on which our future prosperity depends.

CASTRO'S COLD WAR VIEW

HON. LAWRENCE J. SMITH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. SMITH of Florida. Mr. Speaker, confrontation between the two superpowers is giving way to cooperation. In the U.S.S.R., in Eastern Europe, even in Albania, adventurism and militarism are being superseded by social concerns. While former Soviet satellites—and Panama, and Nicaragua—were reconstructing themselves as democratic societies, Fidel Castro's Cuba remains trapped in a Stalinist time-warp.

With the decline in tensions between the United States and the Soviet Union, many proxy wars, such as the conflicts in Angola, Namibia, El Salvador, and Afghanistan, are being resolved by diplomacy and negotiations. Nonetheless, Castro, unwilling to acknowledge the fundamental change in United States-Soviet relations, continues to arm Cuba with provocative weaponry. According to an article in Monday's Washington Post, Cuba has acquired at least one SS–20 missile. Even if this is the only such weapon in Cuba, and it is probably not, this missile threatens United States territory. The Soviet-made SS–20 can carry multiple nuclear and chemical weapons that sparked the Cuban missile crisis in 1962. With its 5,000 kilometer range, an SS–20 launched from Havana could successfully strike any of the 48 contiguous states.

Under the 1988 Intermediate-Range Nuclear Forces Treaty [INF], all SS–20 missiles are scheduled to be destroyed. Their appearance in Cuba undermines the INF Treaty and violates the Kennedy-Khrushchev agreement that defused the Cuban missile crisis. The presence of these outlawed weapons just 90 miles from the United States was not tolerated then and cannot be tolerated now.

It has also been reported that Castro has just built a new electronic spying facility near Havana and may be constructing a nuclear reactor that could produce fissionable material. Now comes word of the SS–20. Is the Cuban dictator trying to create a confrontation?

Not only is Castro's militarism based on outdated cold war logic, but his human rights record mirrors other cold war Communist dictators like Stalin and Ceausescu. The Cuban Government continues to violate the basic rights of its people. Freedom of movement is severely restricted. The right to privacy is wholly denied. Opposition groups are simply outlawed and the press is controlled by the Government. Castro's political opponents are harassed and incarcerated. At this time, more than 500 political prisoners are suffering in Cuba's jails under cruel and brutal conditions.

In sum, Castro's Cuba wants to remain the Soviet puppet that the Soviets themselves no longer want. Just as American and Soviet relations are assuming a new level of stability and openness, Cuba seems poised to foster mistrust between the superpowers. The fact that sophisticated missiles and, possibly, nuclear weapons may be involved only heightens tensions. Instead of playing these dangerous international games, Castro should devote his resources to reforming the Cuban political system, granting the Cuban people the freedoms which they deserve, and exposing, not shielding, Cuba from the winds of democratic change.

HONORING THE YOUNG ACHIEVERS PROGRAM

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. GEKAS. Mr. Speaker, I rise today to pay tribute to the Young Achievers Program in Lycoming County, PA. This program recognizes and honors young people aged 6 to 15 who excel scholastically and perform outstandingly in a variety of activities.

The Young Achievers Showcase is a pilot program set up in the Williamsport area by the International Professional Photography Guild and the International Leadership Network. I want to acknowledge the efforts of David Becker and Kathy Caschera, two local residents who have worked diligently to develop this program locally and to encourage the efforts of young people who have strived to do their best academically and civically.

I also want to honor those young people who have been recognized as Young Achievers. They have been nominated by a number of local clubs and organizations, Little League, 4–H clubs, hospitals, and other groups for their accomplishments in sports, Scouting, music, the arts and academics, and many other activities. It is very important that we as a society recognize the good things that our young people do and encourage these positive and beneficial activities to the fullest extent.

Mr. Speaker, I ask all my colleagues to join me in honoring the Young Achievers Program in Lycoming County and hope that it can lead the way for young achievers to be a success across America and around the world.

INTRODUCTION OF A BILL TO DESIGNATE 8 MILES OF THE MERCED RIVER AS WILD AND SCENIC

HON. GARY CONDIT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. CONDIT. Mr. Speaker, I rise today to introduce legislation to designate 8 miles of the Merced River as wild and scenic. I am pleased that Senator CRANSTON introduced similar legislation in the Senate earlier this year. The House passed this bill last year and it enjoyed strong support in the Senate, but unfortunately we were not able to get it through before the adjournment of the 101st Congress.

Mr. Speaker, this bill attempts to complete the action taken by the Congress in the 100th Congress. At that time, 71 miles of the river were designated as wild and scenic and a study was authorized to be conducted on 8 remaining miles.

These 8 miles were not initially included in the designation in order to allow Mariposa County to complete a proposal for a water system that would be compatible with the requirements of the Wild and Scenic Rivers Act. The county has designed a project that will be compatible and the county board of supervisors unanimously supports my legislation.

There is one change in the bill this year to address a concern of the Merced Irrigation District. The district is concerned about the effect of this bill on their FERC license. While many believe that the additional language is unnecessary, I believe that Merced Irrigation District does have the right to protect their current project. They believe that the new language accomplishes this goal.

I believe that the unique beauty of the Merced makes it a prime choice for inclusion in the Wild and Scenic Rivers System. This designation will ensure that the beauty of the river will be preserved for generations to enjoy.

I urge my colleagues to support this legislation to preserve a national treasure.

ALABAMA ALL-STATE ACADEMIC TEAM HONORS OUTSTANDING JEFFERSON COUNTY STUDENTS

HON. BEN ERDREICH

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. ERDREICH. Mr. Speaker, I'd like to congratulate the students in my county, Jefferson County, named to the Birmingham Post-Herald's 1991 Alabama All-State Academic

Team and the regional team. While we are always quick to make heros of high school sports stars, from our high school academic stars come our future heros, world leaders in government, medicine, literature, music, science, and other areas that will shape the destiny of this Nation.

Edward Chung, of Vestavia Hills, is Jefferson County's representative to the All-State Academic Team. Mr. Chung ranks first academically in his class of 322 at Vestavia Hills High School with a 4.55 grade point average. He is a national merit semifinalist and a U.S. Presidential Scholar Semifinalist. For the past two summers he has been involved in genetic research at the University of Alabama at Birmingham. In addition to his outstanding scholastic achievements, Mr. Chung is also an accomplished violinist. He plans to study mathematics at Wake Forest, Duke, or Emory.

Representing Jefferson County on the regional academic team are Amy Sue Adrian of Homewood, Brian S. Claytor of Briarwood Christian, Michael A. DiMicco of the Resource Learning Center, Michael D. Hawkins of Hewitt-Trussville, Brian Floyd Leaf of Mountain Brook, Brandon Alan McMilon of W.A. Berry in Hoover, Michelle Yvette Taylor of Pinson Valley, and Eric Tohver of John Carroll in Birmingham.

Nominees for the team from Jefferson County are Mindy D. Cannon of Midfield, Amy Michele Beavers of Minor, Misty Claire Demott of Jess Lanier, John David Driskill of Huffman, Robin Franklin of Leeds, Charles Todd Grimes of Gardendale, Christopher Lee Hamrick of Corner, Misty Michelle Hipp of Parkway Christian, Tanarus C. Kyle of Carver, Dankia Yvette Moorer of Fairfield, Jeffery S. Myers of Mortimer Jordan, Cynthia Ann Nobles of Tarrant, Paige M. Nunnelly of Shades Valley, Katessha Oden of Parker, Sharina D. Person of Hueytown, Deidre LaTrese Pinkney of Woodlawn, Kara Purcell of Shades Mountain Christian, Alicia D. Rice of Ensley Magnet, Candice Michelle Rice of Phillips, Rodney DeWayen Riggins of West End, Helen LeVerta Rodgers of Wenoah, Charles D. Self of Oak Grove, Tracie Skelton of West Jefferson, Anissa Renee Smith of Warrior, Stacey Ann Sullivan of McAdory, Jason Adam Tennyson of Pleasant Grove, Robert Brian Tipton of Fultondale, David John Tylicki Jr. of Altamont, Eugenia Tara Williams of Jackson-Olin and Christopher Wayne Wilson of E.B. Erwin.

On behalf of all my colleagues, I'd like to congratulate these young people on their outstanding achievements. Their success and committment assure me our State and Nation will continue to grow and prosper in the 21st century.

TRIBUTE TO KEN WADE

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. EDWARDS of Califonia. Mr. Speaker, since 1973 the county of Alameda, CA, has been fortunate to have its interests represented in Washington, DC, by Kenneth W. Wade. Those of us who represent Alameda County here in the Congress have found invaluable the work Ken has done to keep us abreast of the concerns and needs of the people of Alameda County. Always a strong and effective advocate for the county, Ken has also been one of the most genial lobbyists with whom I have been associated.

Some would say that Ken's years from 1970 to 1973 as the head of the California Governor's office here during then-Governor Reagan's tenure made him especially well suited to his position as Alameda County's representative. That is true to some extent. Certainly, his work here on behalf of California gave him a unique perspective on the linkage between the laws we pass here in Congress and their practical application back home. It also gave him a solid grounding in the legislative and regulatory processes.

However, I would argue that Ken's 27-year career in the U.S. Navy, from which he retired in 1970 with the rank of captain, was the better preparation. And, indeed, Ken speaks of his career in terms of a series of campaigns.

As anyone who's tried it knows, dealing with Congress can be difficult and stressful. To get things done, you have to have perserverance, commitment, and clear vision. Essential also is the ability to put together coalitions to work toward desired goals.

In a military career which spanned World War II, the Korean conflict, and the Vietnam war, Ken certainly learned a thing or two about marshaling forces to work for a common goal. He learned as well that when the fighting is at its fiercest, you have to keep your troops together and keep your eyes on the target. His skills, honed through his distinguished naval career, were put to the test in the many successful legislative campaigns of which he was a key part.

I will miss Ken, his expertise on the issues, and his good humor. But I'm cheered in knowing that he and his delightful wife Louise look forward to many happy years of retirement with lots of time for travel and visiting with their two children and five grandchildren. I know my colleagues from Alameda County and Ken's many friends join in offering Ken our best wishes and thanks for his many contributions.

THE FORT NECESSITY BATTLEFIELD

HON. AUSTIN J. MURPHY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. MURPHY. Mr. Speaker, today I am introducing legislation which will protect and preserve one of our earliest national treasures, the Fort Necessity Battlefield.

This battlefield commemorates the events surrounding the start of the French and Indian War in 1754. George Washington, commanding a detachment of colonial troops, encountered his first military action here in the mountains of western Pennsylvania. On May 28, 1754, Washington engaged a detachment at the site known as Jumonville Glen and on July 3, 1754, the French and Indian allies attacked and forced the surrender of Washington's defensive position, Fort Necessity. In 1755, the British General Edward Braddock was mortally wounded and was buried along the crude road between Fort Necessity and Jumonville Glen.

With the eventual British victory, the region was available for settlement from the seaboard colonies. After the Revolution, the Government began to recognize the need for good roads across the mountains; and by the 1820's the Government-financed National Road carried passengers and freight to and from the West.

We have a unique opportunity to protect several important areas around the battlefield, which, despite the passage of time, still retain significant portions of our early history. The additional areas of Jumonville Glen and Dunbar's Camp are crucial to our understanding of the events and activities which took place here over 200 years ago.

My legislation will help preserve and interpret our historic resources associated with the social and military history of the European and Native American contests for North America. In addition, we will help preserve and expand the social, political, and economic history of the westward expansion of the American frontier and the early national period of the United States of America.

I would like to encourage my colleagues to support my efforts and I would be happy to personally discuss the historic importance of Fort Necessity with anyone who might wish additional information about my legislation.

OUTSTANDING ACHIEVEMENTS OF JOHN BRANNON

HON. C. THOMAS McMILLEN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. McMILLEN. Mr. Speaker, I rise today to recognize the outstanding achievements of Mr. John Brannon, a marine machinery repairman at the Coast Guard Yard in Curtis Bay, MD. Mr. Brannon recently received the 1990 Edward A. Garmatz Award which honors a deserving Coast Guard employee who has demonstrated exemplary work in the community.

The award credits Mr. Brannon with the establishment of an alcohol and drug abuse program for a Boy Scout troop in Arbutus, MD. He has served as a guest lecturer to the Boy Scouts, counseling them on the dangers of alcohol and drug use. Through his work, he has helped families openly discuss these difficult issues and open new doors of opportunity to these young men.

Mr. Brannon's work on behalf of the community is much appreciated by myself and the citizens of my district. I congratulate him for his selection as the recipient of this award and look to his example as a model of all that can be accomplished through citizen involvement.

BASIC HUMAN RIGHTS TO SOVIET CITIZENS

HON. L.F. PAYNE

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. PAYNE of Virginia. Mr. Speaker, for 75 years, the Soviet Union has been a closed society in which the most basic human freedoms have been denied.

Freedoms that we have always taken for granted in this country—the freedom to express our opinions, the freedom to worship, and the freedom to travel and live abroad—have been denied to the citizens of the Soviet Union.

Because we hold those freedoms to be so important, we have fought for them at the ballot box and on the battlefield.

The vote earlier this week by the Supreme Soviet to let Soviet citizens leave their country if they choose is historic and deserves our praise.

None of us in this Chamber knows what the future holds for the Soviet Union. Political and economic change does not come quickly or easily.

But we, as Americans, should be proud of the important part we have played to help assure basic human rights to Soviet citizens by our determination and adherence to the principles of individual freedom.

IN HONOR OF JIMMY HERMAN AND CURTIS McCLAIN

HON. BARBARA BOXER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mrs. BOXER. Mr. Speaker, I rise today to honor two outstanding labor leaders from San Francisco who will be retiring soon from the International Longshoremen's & Warehousemen's Union: Jimmy Herman, its president, and Curtis McClain, its secretary-treasurer.

Together, Jimmy Herman and Curtis McClain have demonstrated a deep and longstanding commitment to the trade union movement and to the city of San Francisco.

Jimmy, a trade unionist since his teenage years, has served on numerous committees, boards, and conventions. He has been president of the International Longshoremen's and Warehousemen's Union since 1977, and has been characterized as one of the most active and dynamic west coast union leaders. For his years of distinguished service, James Herman was awarded Labor Man of the Year in 1973 by the Alameda County Central Labor Council. In 1982, he was appointed to the San Francisco Port Commission.

In addition, Jimmy has been deeply involved in community affairs where he has served as a member of the board of directors of St. Anthony's Kitchen and of the Drug Rehabilitation Program of the Delancy Street Foundation.

Curtis, who has been secretay-treasurer of the International Longhshoremen's and Warehousemen's Union since 1977, was a driving force behind racial integration at all levels of the trade union movement. He continues to remain active in African-American community affairs, as well as in movements for peace and international trade union solidarity. Curtis has also been honored by appointments to the San Francisco Human Rights Commission and to the San Francisco Fire Commission.

I hope my colleagues will join me today in paying tribute to Jimmy Herman and Curtis McClain and to wishing them well in their retirement.

NATIONAL EDUCATION STANDARDS AND TESTING

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. KILDEE. Mr. Speaker, today I am pleased to introduce two bills which the Subcommittee on Elementary, Secondary, and Vocational Education began developing following our March hearings on the National Assessment Educational Progress and national testing.

The first bill, the National Council on Education Standards and Testing Act, establishes a national, bipartisan council to make recommendations to the Congress and the Secretary of Education on matters associated with national education standards and testing. Importantly, this bill seeks a bipartisan partnership with the administration by reflecting ideas of the Secretary of Education.

The second bill, authorizing the National Assessment of Educational Progress [NAEP] to develop and conduct additional trial state assessments in 1994, directly responds to the interim recommendations from a statutorily mandated evaluation of NAEP.

Mr. Speaker, these bills will contribute to the public debate on the issue of national education standards and testing. I look forward to the comments and suggestions of interested individuals and organizations, as well as to a bipartisan effort, on this and future legislation, to help improve education across the Nation.

MEMORIAL DAY, 1991

HON. DAN SCHAEFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. SCHAEFER. Mr. Speaker, next week, citizens throughout the country will mark Memorial Day by placing flags and flowers on the graves of loved ones.

This year, the Nation will remember those who died in the Persian Gulf war. Although the loss of life was relatively small, each fallen soldier helped prevent the spread of aggressive tyranny in the Middle East. Left unchecked, this tyranny could eventually have threatened other parts of the world.

Mr. Speaker, there is a reason why America is proud, strong, and able to defeat a powerful tyrant in the distant Persian Gulf. The reason is that since we gained our independence more than 2 centuries ago, many Americans have fought—and died—in defense of freedom. From the trenches of France to the jungles of Vietnam, from the Midway Islands to the Korean Peninsula, generations of American soldiers have given their lives so that freedom might survive.

On this Memorial Day, I salute, and pay my respects, to those many brave Americans who made the supreme sacrifice in defense of freedom, liberty, and justice. Our debt to them is huge, and our gratitude eternal. Thanks to them, American ideals are flourishing throughout the world. Thanks to them, I deliver these words today to the Congress of a free nation—the United States of America.

THANK YOU, ALLEN GEAR

HON. BERNIE SANDERS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. SANDERS. Mr. Speaker, the city of Burlington, VT, is unique in this country because of the nature of its politics. For the last 10 years it has been the only city in the United States which has had a vigorous three-party system: Democrats, Republicans, and Progressives.

As the former Independent-Progressive mayor of Burlington for 8 years I can assure you that there have been, during that period, many heated philosophical and political debates and struggles on the Burlington City Council. The debates have ranged from mayoral appointments, to tax reform, to housing, to department consolidation, to the development of the city's waterfront, to foreign policy—in Burlington the city does discuss foreign policy—to dozens of other issues.

Mr. Speaker, as someone who does not often rise in praise of Democrats or Republicans I want to take this opportunity to publicly thank City Councilor Allen Gear, a Republican, who has served on the Burlington City Council from 1979 to 1991—having been elected by the citizens of ward four to six terms. During those years Allen has not only been an outstanding representative of his ward, but through his hard and effective work—for all of $10 a week—he has demonstrated what local government, citizen participation, and democracy are all about.

Mr. Speaker, during all the time that I have known and worked with Allen—and disagreed with him on dozens of issues, I cannot recall him ever making a dishonest statement or engaging in cheap political or personal attacks. Rather, he has defended his positions vigorously and effectively, voted his conscience, and added much to the level of political discourse in the city. He has often made people with very deep and honestly held political differences understand the sincerity of the other person's point of view.

Mr. Speaker, Allen Gear has been a wonderful public citizen for many years. The people of Burlington, the people of Vermont, and the people of the United States are extremely proud of him and thank him for being who he is.

TITLE VII-C—INDEPENDENT LIVING SERVICES FOR THE ELDERLY BLIND

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. ROYBAL. Mr. Speaker, today I am introducing legislation that will improve and enhance the independent living services for older blind individuals provided by title VII–C of the Rehabilitation Act. It is my hope that this piece of legislation will be significantly a factor in helping this group of elderly citizens live independently.

In January of this year I held an Aging Committee hearing on the plight of elderly blind individuals and how they are being helped through the Title VII–C Program. Two important conclusions were reached at this hearing: Funding for the program is inadequate and the process of distributing funds inefficient. The new legislation addresses both of these problems and provides a continuity that will give many more elderly the chance to participate. The current program has been funded since 1986 and has seen many success stories, but there are still many others who need the chance. Title VII–C is vital to visually impaired seniors who can and want to live independently, but many times are institutionalized at a cost far greater than that of independent living training.

It is estimated that nearly one out of every six Americans age 65 or older is blind or severely visually impaired—a group totaling 5 million. Elderly people are disproportionately affected by blindness because four of the five major causes of blindness are age related. Approximately 30 percent of elderly blind and visually impaired are institutionalized. This compares to only 5 percent of the general population of elderly who are institutionalized. The majority of those doomed to institutionalization could very easily be trained to live independently.

The human factor as well as the money factor needs to be considered. Most of those who lose their sight have lived their whole lives being able to see. The onset of blindness can cause psychological pain, but blindness combined with unnecessary institutionalization is a tragedy that can take years off a person's life. These people can and need to be trained to live independently, not only because it is less expensive and will save the taxpayer millions, but because these older people deserve the opportunity to retain their dignity.

SALUTE TO BARBARA DERRYBERRY

HON. ELTON GALLEGLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. GALLEGLY. Mr. Speaker, I rise today to honor a leading educator in my district, who is retiring after two decades of service in Ventura County, CA.

For the past 3 years, Barbara A. Derryberry has been the chancellor of the Ventura County Community College district. During this period, she has successfully guided the district through some difficult times and has earned a well-deserved retirement.

After earning degrees in business administration, Mrs. Derryberry began her career with the district in 1970 when she was named an instructor of multiclerical classes at Ventura College. She later became coordinator of the special projects division at the college, and then associate dean of instruction/occupational education at Oxnard College. In 1979, she was appointed assistant superintendent, personnel/administrative advisor for the district, followed by her appointment as vice chancellor, interim chancellor and permanent chancellor.

During her long career of service, Mrs. Derryberry has received numerous awards and recognition. Most recently, she was named a California Legislature's Woman of the Year in 1990. In addition, she serves as a member of the board of directors for the United Way of Ventura County and is a member of the Association of California Community College Administrators.

Mr. Speaker, on June 30, Barbara and her husband, Owen, plan to retire to a home they will build on wooded acreage in Tennessee where they plan to garden, raise horses, do some traveling, and fish in a river adjoining their property that abounds in catfish. I ask my colleagues to join me in saluting Barbara for her many achievements, and in wishing her well on her retirement.

STUDENTS CONSTRUCT WEATHER SATELLITE TRACKING SYSTEM

HON. RICHARD T. SCHULZE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. SCHULZE. Mr. Speaker, I rise today to acknowledge and extol Amy Baird, Kerri Joiner, Susan Still, and the rest of the students of Unionville High School. These young citizens have exerted hard work and dedication to construct a weather satellite tracking system in order to heighten their scientific knowledge and share it with their community.

However, the students were not alone in this endeavor. Their teacher, Helen Martin, was their partner and adviser on this project. On April 24, 1991, Mrs. Martin was honored nationally for this scientific project entitled "Stimulating Students with Satellite Signals" when she was named one of seven Challenger fellows by the Challenger Space Science Center in Alexandria, VA.

Unionville High School is to be commended for its commitment to furthering the education of the young people of America. Educational weather satellite programs, such as the one at Unionville High School, are valuable for increasing the students' knowledge and understanding of government, finance, and international relations. Projects such as this offer students the opportunity to learn about advances in science and technology that are not, and cannot be, provided in textbooks. The Unionville High School weather satellite tracking system affords students with a hands-on experience with space technology, serves the community by relating knowledge of upcoming weather conditions to the public, and provides a greater understanding of the forces that shape the world in which we live.

The students should also be commended for taking the responsibility of fully funding this system on their own. This is just another example of their yearning for higher education and their commitment to the community.

I urge my colleagues to join me in congratulating Amy Baird, Kerri Joiner, Susan Still, the students of Unionville High School, and Helen Martin for their dedication in the pursuit of learning.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, May 23, 1991, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

MAY 24

9:30 a.m.

Armed Services

Projection Forces and Regional Defense Subcommittee

To hold hearings on S. 1066, authorizing funds for fiscal years 1992 and 1993 for the Department of Defense, focusing on current strategic lift capability and programs.

SR–222

JUNE 5

9:30 a.m.

Appropriations

Interior Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1992 for activities of the Secretary of the Interior, and Members of Congress.

S–128, Capitol

Select on Indian Affairs

To hold hearings on S. 667, to provide support for and assist the development of tribal judicial systems.

SR–485

10:00 a.m.

Armed Services

Readiness, Sustainability and Support Subcommittee

To hold hearings on S. 1066, authorizing funds for fiscal years 1992 and 1993 for

the Department of Defense, focusing on the Defense Environmental Restoration Account and the service environmental compliance funds accounts.

SR-222

2:00 p.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1992 for the Department of Housing and Urban Development.

SD-138

Energy and Natural Resources
Water and Power Subcommittee
To hold hearings on S. 106, to revise the Federal Power Act to prohibit the granting of a Federal license for a hydroelectric project unless the applicant complies with all substantive and procedural requirements of the affected State in which the project is located with respect to water acquisition and use.

SD-366

JUNE 6

9:00 a.m.
Veterans' Affairs
Business meeting, to mark up pending legislation.

SR-418

9:30 a.m.
Governmental Affairs
Oversight of Government Management Subcommittee
To hold hearings on enforcement and administration of the Foreign Agents Registration Act (FARA).

SD-342

2:00 p.m.
Judiciary
Courts and Administrative Practice Subcommittee
To resume hearings on overview of the bankruptcy code, focusing on cramdowns of residential real estate mortgages in Chapter 13 bankruptcies.

SD-226

JUNE 12

9:00 a.m.
Select on Indian Affairs
To hold hearings on S. 962, and S. 963, bills to confirm the jurisdictional authority of tribal governments in Indian country.

SR-485

9:30 a.m.
Veterans' Affairs
To hold hearings on S. 775 and S. 23, to increase the rates of compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for survivors of certain disabled veterans, and sections 111 through 113 of S. 127, and related proposals with regard to radiation compensation.

SR-418

JUNE 13

9:30 a.m.
Governmental Affairs
Oversight of Government Management Subcommittee
To hold oversight hearings of enforcement of anti-dumping and countervailing duties.

SD-342

10:30 a.m.
Commerce, Science, and Transportation
Foreign Commerce and Tourism Subcommittee
To hold hearings to examine national tourism policy.

SR-253

JUNE 18

9:30 a.m.
Governmental Affairs
Permanent Subcommittee on Investigations
To resume hearings to examine efforts to combat fraud and abuse in the insurance industry.

SD-342

10:00 a.m.
Judiciary
To resume hearings on legislative proposals to strengthen crime control.

SD-226

JUNE 19

9:00 a.m.
Select on Indian Affairs
To hold oversight hearings on the National Native American Advisory Commission.

SR-485

2:00 p.m.
Energy and Natural Resources
Energy Regulation and Conservation Subcommittee
To hold hearings on S. 933, to provide fair funds to consumers of natural gas who are found to have been overcharged.

SD-366

JUNE 26

9:30 a.m.
Governmental Affairs
Permanent Subcommittee on Investigations
To resume hearings to examine efforts to combat fraud and abuse in the insurance industry.

SD-342

Veterans' Affairs
Business meeting, to mark up pending calendar business.

SR-418

2:00 p.m.
Select on Indian Affairs
To hold hearings on S. 362, to provide Federal recognition of the Mowa Band of Choctaw Indians of Alabama.

SR-485

JULY 16

9:30 a.m.
Commerce, Science, and Transportation
Surface Transportation Subcommittee
To hold hearings on proposed legislation authorizing funds for rail safety programs.

SR-253

CANCELLATIONS

MAY 23

10:00 a.m.
Appropriations
Transportation Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1992 for the General Accounting Office.

SD-138

1:30 p.m.
Appropriations
Labor, Health and Human Services, Education Subcommittee
To hold hearings to examine issues relating to mine safety.

SD-138

2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1992 for energy and water development programs, focusing on the Department of Energy.

SD-192

JUNE 20

9:00 a.m.
Select on Indian Affairs
To hold oversight hearings on the Navajo-Hopi relocation program.

SR-485